

British film, high-end television, animation programmes, children’s television programmes and video games certification Quarter 1 2017

BFI Research and Statistics Unit

11 May 2017

1. Key Points

- A total of 79 films received final certifications under the cultural test in quarter 1 (Q1) 2017, with a UK spend of £747 million and a total budget of £983 million. No co-productions were certified in this period.
- In the last 12 months, April 2016-March 2017, 287 films received final certification, with a UK spend of £1.5 billion and total budget of £2.3 billion. Of these 280 were cultural test films, with a UK spend of £1.5 billion and total budget of £2.2 billion million; seven films were co-productions, with a UK spend of £24 million and total budget of £75 million
- In the last 12 months, 79 high-end television programmes received final certification under the cultural test, of which 20 received final certification in Q1 2017. Total UK spend and total budget in Q1 2017 was £123 million and £155 million respectively. No co-productions received final certification in this period.
- In April 2016-March 2017, a total of 37 animation programmes received final certification under the cultural test, of which eight received final certification in Q1 2017. These had a UK spend of £4.6 million and total budget of £7.7 million.
- For the first two years since the start of tax relief for children’s television programmes 61 programmes received final certification, all under the cultural test. Of these 24 received certification in Q1 2017, with a UK spend of £11 million and total budget of £12 million
- In Q1 2017, 58 video games received certification under the cultural test, with an EEA/UK spend of £41 million and a total budget of £58 million. In the last 12 months, 212 video games have received final certification, with EEA/UK spend of £220 million and total budget of £258 million.

Table 1 Final certifications for film, high-end television programmes, animation television programmes children’s television programmes and video games Q1 2017

| | Film | High-end television | Animation television programmes | Children’s television programmes | Video games |
|-------------------------|-------|---------------------|---------------------------------|----------------------------------|-------------|
| Cultural test (number) | 79 | 20 | 8 | 24 | 58 |
| Co-production (number) | - | - | c | - | N/A* |
| UK spend £m | 747.1 | 122.9 | 4.6 [†] | 11.4 | 40.7 |
| Total budget £m | 982.8 | 154.6 | 7.7 [†] | 11.6 | 58.2 |
| UK spend as % of budget | 76.0 | 79.5 | 59.8 [†] | 98.4 | 69.9 |

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.

‘c’ Data are suppressed for disclosure reasons

[†] Data for cultural test UK spend and budget only, because co-production data has been suppressed.

*There are no video-games co-productions as the legislation only covers certification under the cultural test.

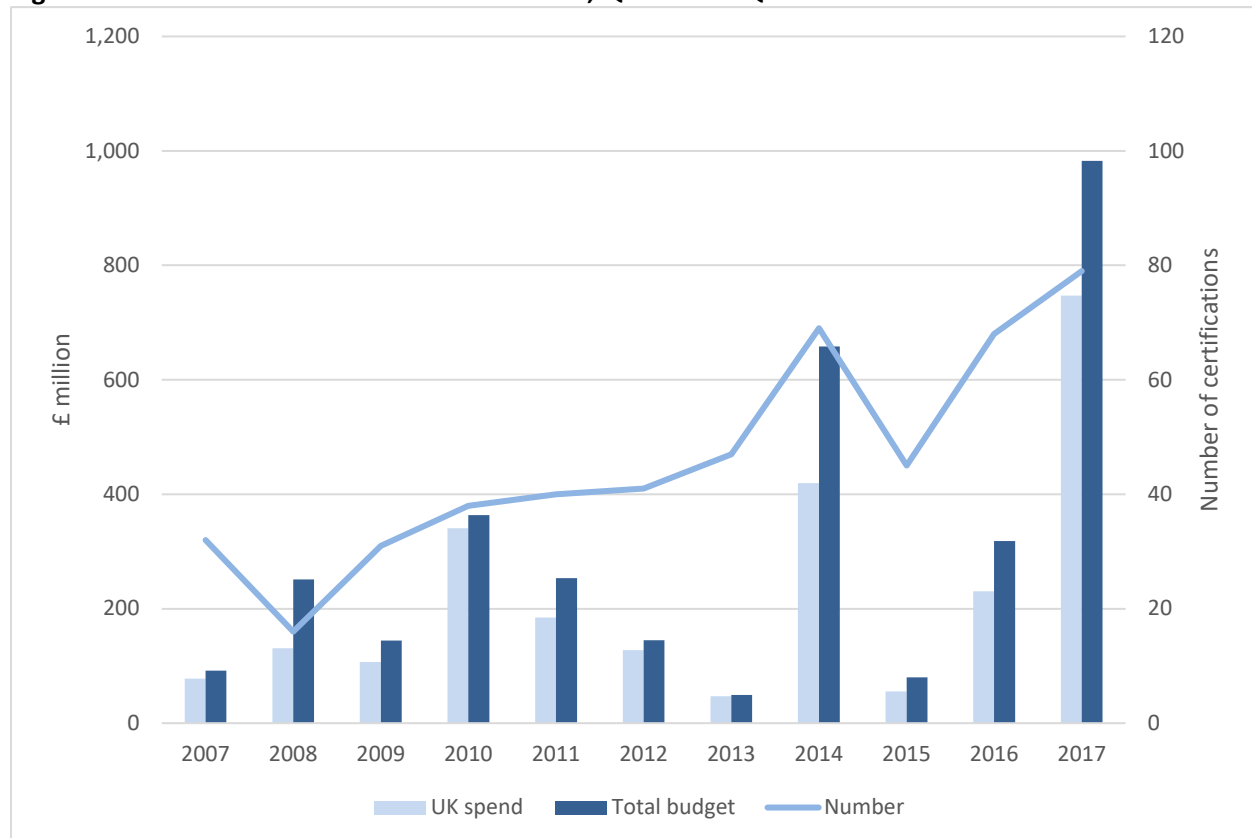
2. Feature film certification

2.1 Certification - numbers of applications and values

2.1.1 Final certifications

A total of 79 films received final certification under the cultural test in quarter 1 (Q1) 2017, up from 68 in Q1 2016 (Figure 1). The total UK spend and budget of these films was £747 million and £983 million respectively, a substantial increase from UK spend of £231 million and total budget of £318 million in Q1 2017. UK spend, as a percentage of budget, was the highest since 2013, at 76%. There were no films with final certification as co-productions in Q1 2017; co-production applications have remained low following the changes in tax relief in 2007 and since 2014 have fallen year on year, as shown in figure 2¹. Q1 2016 also saw no films with final certifications as co-productions. Previous years are not shown for disclosure reasons.

Figure 1 Final cultural test certifications for film, Q1 2007 to Q1 2017



Source: BFI

'Total Budget' the sum of production activity in the UK and production activity outside the UK.

See Appendix A for supporting data

This release looks at UK spend, total budget and the number of films certified as British in a rolling year highlighting the changes in the number of applications, UK spend and total budget in 12 month periods,

¹ The fall in the number of co-productions may be due to appeal of the cultural test tax relief process. Data on film production show that there are a number of projects that behave as co-productions, but a either do not apply for tax relief as official co-productions or apply for tax relief through the cultural test. For production data see *Film and other screen sectors production in the UK Q1 2017* available at <http://www.bfi.org.uk/education-research/film-industry-statistics-research/official-statistics-release-calendar>.

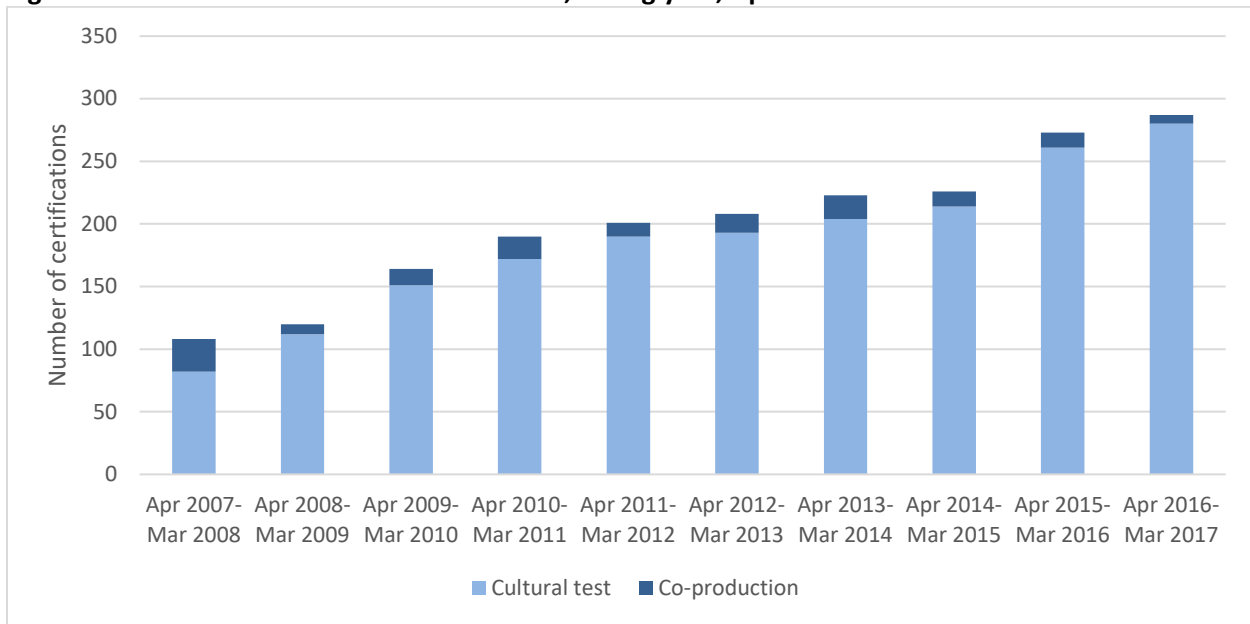
from April 2007. Rolling year data give a broader representation of certification trends. In this release the rolling year period covered is April 2007-March 2008 to April 2016-March 2017.

The number of films with final certification has increased rolling year on rolling year since April 2007, peaking at 287 films in April 2016-March 2017 (Figure 2). UK spend and budget was also at the highest of the period at £1.5 billion and £2.3 billion. Overall, there has been an upward trend for the number of films, UK spend and total budget over the period, with April 2011-March 2012, April 2013-March 2014 and April 2016-March 2017 as stand-out years (Figure 2)

There is also an upward trend in the number of cultural test films, which peaked at 280 in April 2016-March 2017. This year also saw the highest UK spend and total budget at £1.5 billion and £2.3 billion respectively. The stand out years mentioned above are due to the certification of US studio inward investment films (e.g. *Harry Potter and the Deathly Hallows Parts 1 and 2*, *Pirates of the Caribbean: On Stranger Tides* and *Hugo*); in April 2016-March 2017 there were higher than usual numbers of UK studio-backed and films with medium (£2.0 million- £9.9 million), high (£10 million- £29.9 million) and very high (greater than £30 million) budgets receiving final certification, such as *Star War: The Force Awakens*, *Fantastic Beasts and Where to Find Them* and *The Jungle Book*.

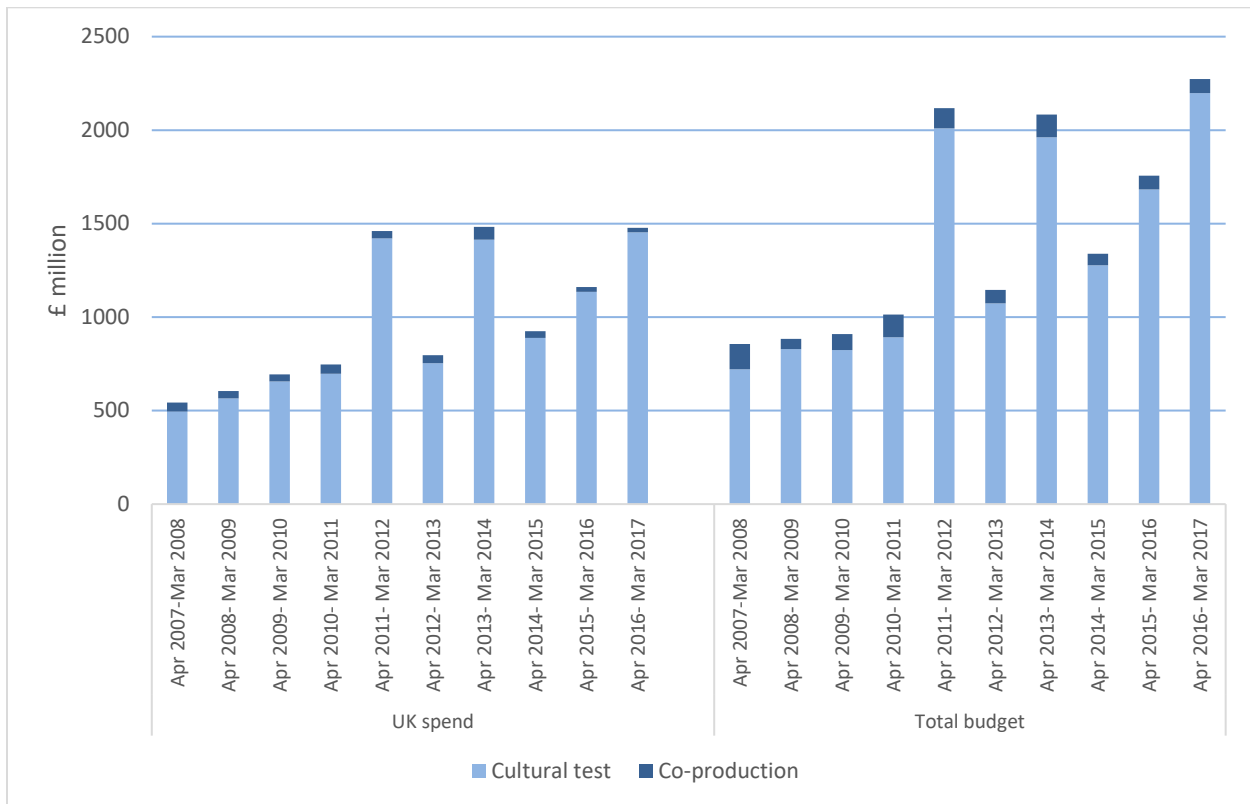
April 2016-March 2017 saw seven official co-productions receive final certification, with a UK spend of £24 million and a combined budget of £75 million. The number of co-productions and total budget has fluctuated over the time period, whereas UK spend has been more stable. Since its peak of £69 million in April 2013-March 2014, UK spend has declined.

Figure 2 Number of final certifications for film, rolling year, April 2007 to March 2016



Source: BFI
See Appendix A for supporting data

Figure 3 UK spend and total budget of final certifications for film, rolling year, April 2007 to March 2016

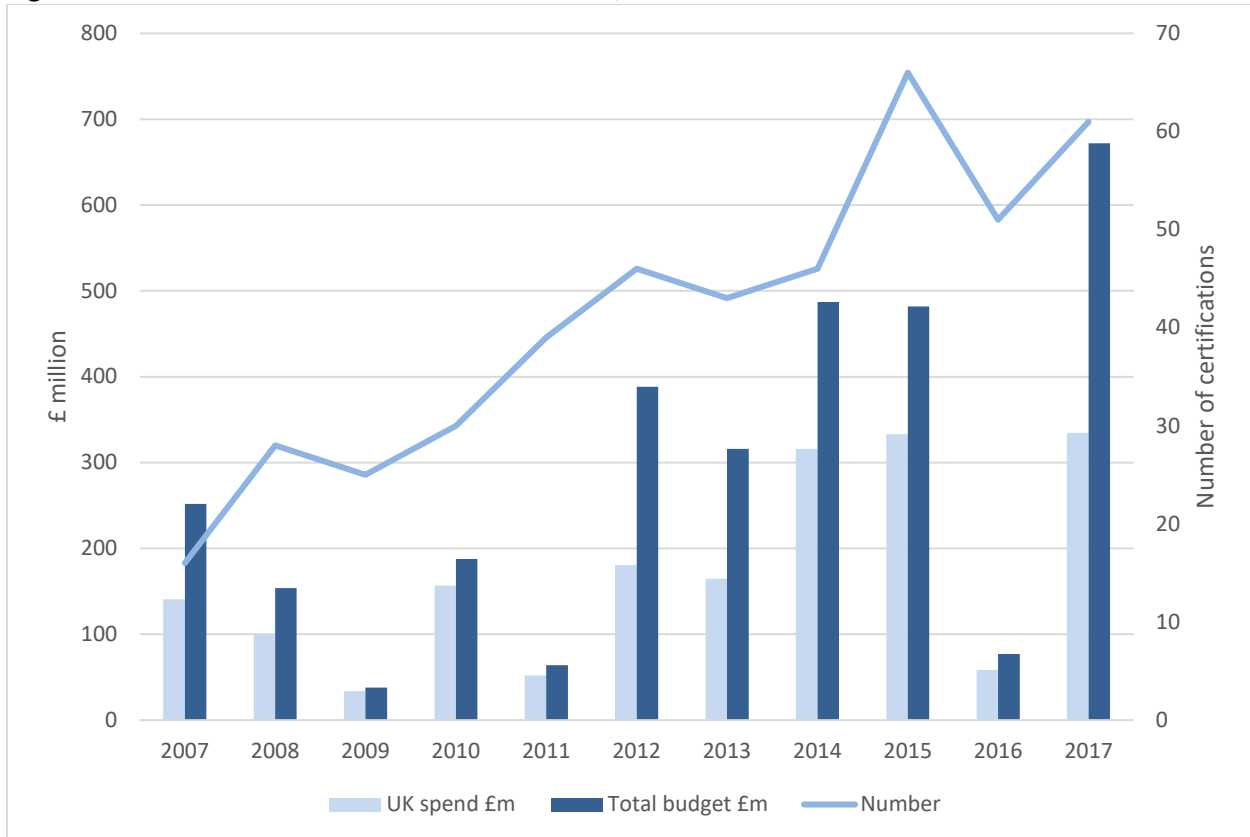


Source: BFI
'Total Budget' in the case of cultural test films is the sum of production activity in the UK and production activity outside the UK; in the case of co-production it is the sum of investments made by all participating countries in the film.
See Appendix A for supporting data

2.1.2 Interim certifications

Interim certification indicates the expected future level of official film production. A total of 61 films received interim certification under the cultural test in Q1 2017, up from 51 in Q1 2016. The total UK spend and budget of these films was £334 million and £672 million respectively, a substantial increase from Q1 2015 where UK spend was £58 million and total budget was £77 million. UK spend, as a percentage of budget, was lowest since 2012, at 50%. Films certified as co-productions are not shown for disclosure reasons.

Figure 4 Interim cultural test certifications for film, Q1 2007 to Q1 2017



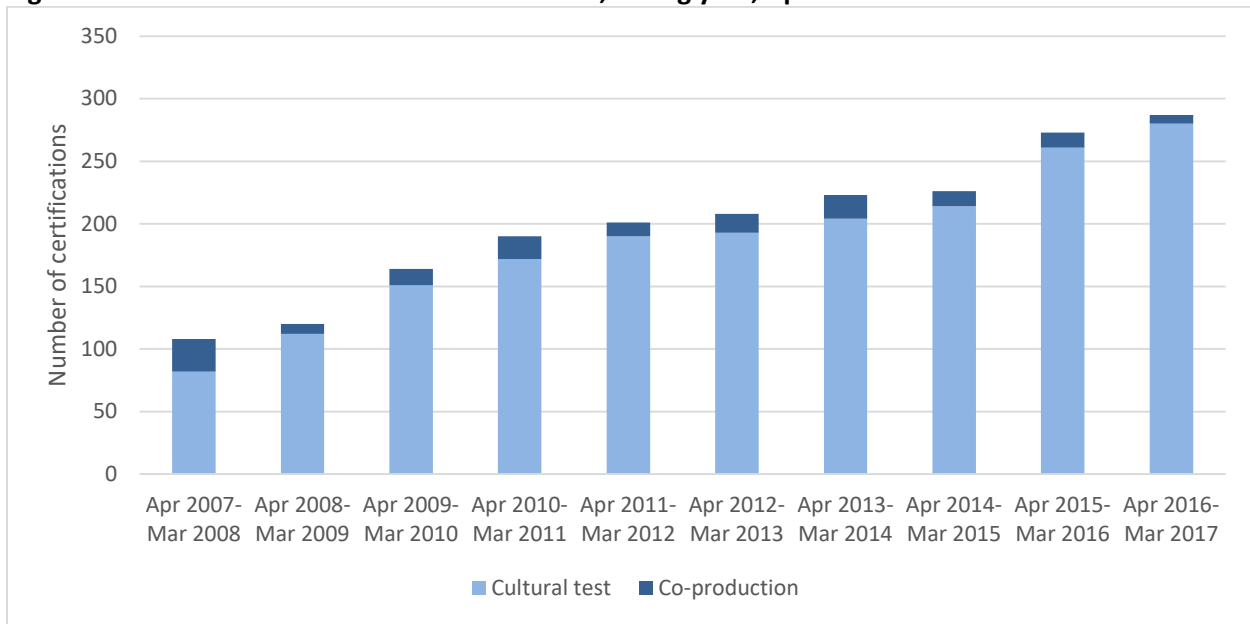
Source: BFI

'Total Budget' is the sum of production activity in the UK and production activity outside the UK.

See Appendix A for supporting data

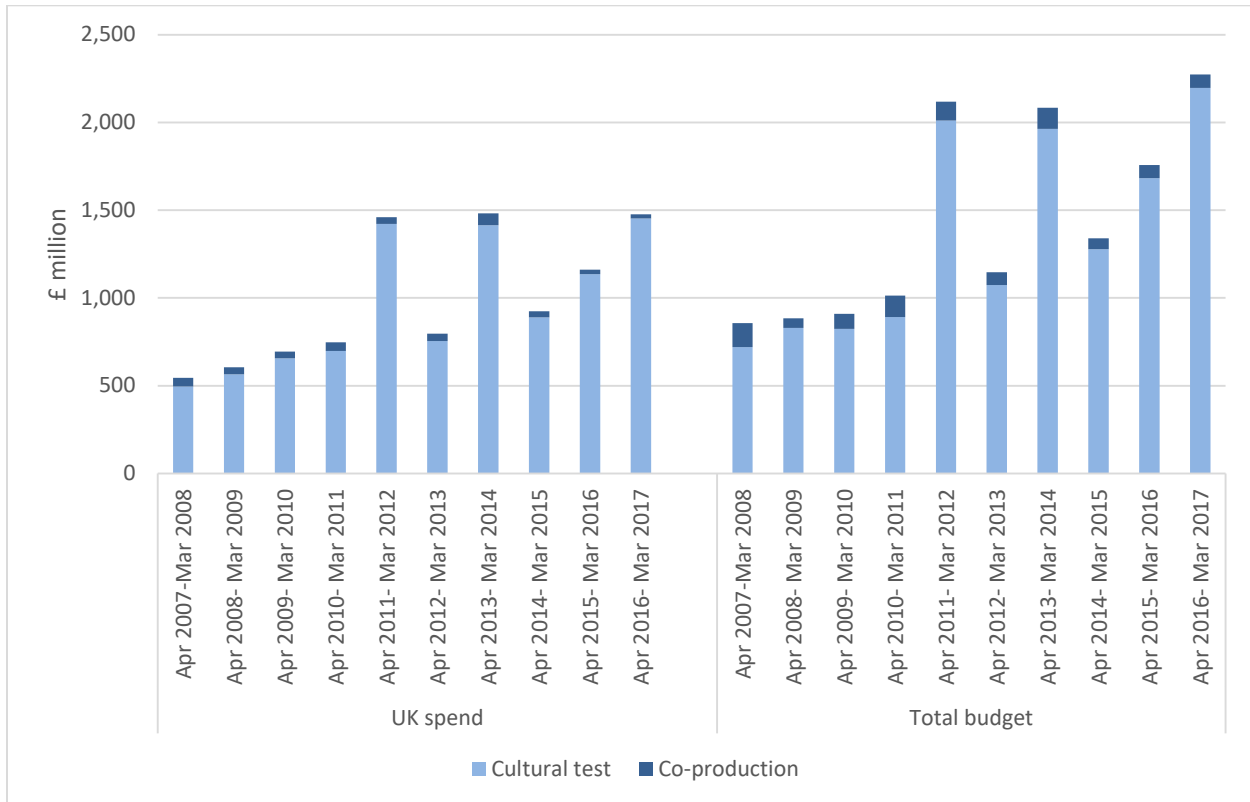
There were 272 interim cultural test films in April 2016-March 2017, up from 244 films in April 2015-March 2016. UK spend was £1.7 billion and total budget was £2.8 billion, the highest of the time period. There were 21 official co-productions that received interim certification in April 2016-March 2017, down from 23 in the previous 12 months. These films had a UK spend of £39 million and a total budget of £117 million (Figures 5 and 6). Similar to films with final certification, there were four peak years: April 2009-March 2010 (UK spend at £1,407 million), April 2011-March 2012 (UK spend at £1,392 million), April 2015-March 2016 (£1,503 million) and April 2016-March 2017.

Figure 5 Number of interim certifications for film, rolling year, April 2007 to March 2017



Source: BFI
See Appendix A for supporting data

Figure 6 UK spend and total budget of interim certifications for film, rolling year, April 2007 to March 2017



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-production it is the sum of investments made by all participating countries in the film.
See Appendix A for supporting data

2.2 Total Budgets

The median budget for interim cultural test certifications has been decreasing from 2007 to 2017, with Q1 2017 having the lowest median budget, at £0.5 million (Table 2). The highest median budget was £1.8 million in 2007.

Table 2 Median budgets of interim cultural test certifications

| Year | Median budget £m |
|-------------|-------------------------|
| 2007 | 1.8 |
| 2008 | 1.6 |
| 2009 | 1.0 |
| 2010 | 1.1 |
| 2011 | 0.9 |
| 2012 | 1.0 |
| 2013 | 0.7 |
| 2014 | 0.9 |
| 2015 | 0.9 |
| 2016 | 0.8 |
| Q1 2017 | 0.5 |

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.

For disclosure reasons, the median budget for co-productions is not presented.

2.3 Co-production treaties

As there were no co-productions with interim certification in Q1 2017, no co-production treaties can be reported. The interim co-production films qualifying as official co-productions were all under the UK/Canada.

3. High-end television certifications

3.1 Certification – numbers of applications and values

3.1.1 Final certifications

A total of 20 HETV programmes received final certification under the cultural test in Q1 2017, this is a decrease from 24 in Q1 2016. UK spend and total budget for programmes in Q1 2017 was £123 million and £155 million respectively. UK spend was 80% of total budget (Table 3). No HETV co-productions were awarded final certification in Q1 2016; previous years are not shown for disclosure reasons.

Table 3 Final cultural test certifications for HETV, Q1 2014 to Q1 2017

| Year | Number | UK spend £m | Total budget £m | UK spend as a % of total budget |
|---------|--------|----------------|--------------------|------------------------------------|
| Q1 2014 | 8 | 50.6 | 50.6 | 100.0 |
| Q1 2015 | 6 | 30.1 | 31.6 | 95.2 |
| Q1 2016 | 24 | 183.0 | 207.1 | 88.4 |
| Q1 2017 | 20 | 122.9 | 154.6 | 79.5 |

Source: BFI

'Total Budget' is the sum of production activity in the UK and production activity outside the UK.

In the rolling years from April 2013 to March 2017 there has been a year on year increase in the number, and associated UK spend and budget, of HETV programmes receiving final certification under the cultural test. In April 2016-March 2017 a total of 79 programmes received final certification under the cultural test, with a UK spend of £709 million and a total budget of £859 million (Table 4). This is an increase from 76 programmes in April 2015-March 2016, with a UK spend of £566 million and total budget of £640 million. UK spend as a percentage of total budget fell slightly from 88% to 83%.

Table 4 Cultural test final certifications for HETV, rolling year, April 2013 to March 2017

| Year | Number | UK spend £m | Total budget £m | UK spend as a % of total budget |
|-------------------|--------|----------------|--------------------|------------------------------------|
| Apr 2013-Mar 2014 | 13 | 63.8 | 63.8 | 100.0 |
| Apr 2014-Mar 2015 | 42 | 267.7 | 308.0 | 86.9 |
| Apr 2015-Mar 2016 | 76 | 565.7 | 640.1 | 88.4 |
| Apr 2016-Mar 2017 | 79 | 708.8 | 859.0 | 82.5 |

Source BFI.

'Total budget' is the sum of production activity in the UK and production activity outside the UK.

3.1.2 Interim certifications

As with film, interim certifications indicate the expected future level of official UK HETV production. There has been a year on year increase in the number of HETV programmes receiving final certification under the cultural test. In Q1 2017, a total of 23 HETV programmes received interim certification under the cultural test, with a UK spend of £193 million and a total budget of £296 million (Table 5). This is up on Q1 2016, which saw 16 HETV projects receive interim certification; UK spend was £106 million and total budget was £139 million. No HETV co-productions were awarded final certification in Q1 2017; previous years are not shown for disclosure reasons.

Table 5 Cultural test interim certification for HETV, Q1 2014 to Q1 2017

| Year | Number | UK spend £m | Total budget £m | UK spend as a % of total budget |
|---------|--------|----------------|--------------------|------------------------------------|
| Q1 2014 | 8 | 122.0 | 142.4 | 85.7 |
| Q1 2015 | 11 | 92.8 | 114.9 | 80.8 |
| Q1 2016 | 16 | 105.7 | 139.4 | 75.8 |
| Q1 2017 | 23 | 192.7 | 296.0 | 65.1 |

Source: BFI

'Total Budget' is the sum of production activity in the UK and production activity outside the UK.

The number of interim cultural test certifications, UK spend and total budget has increased rolling year on rolling year between April 2013-March 2014 and April 2016-March 2017 (Table 6). The number of HETV interim certifications went up from 28 in April 2013-March 2014 to 84 April 2016-March 2017. UK spend and total budget has increased from £245 million and £274 million respectively to £716 million and £997 million. UK spend as a percentage of total budget has decreased from 89% to 72%. HETV co-productions are not shown for disclosure control reasons.

Table 6 Cultural test interim certifications for HETV, rolling year, April 2013 to March 2017

| Year | Number | UK spend £m | Total budget £m | UK spend as a % of total budget |
|-------------------|--------|----------------|--------------------|------------------------------------|
| Apr 2013-Mar 2014 | 28 | 245.3 | 274.3 | 89.4 |
| Apr 2014-Mar 2015 | 67 | 488.3 | 607.6 | 80.4 |
| Apr 2015-Mar 2016 | 74 | 631.2 | 773.9 | 81.6 |
| Apr 2016-Mar 2017 | 84 | 716.3 | 997.5 | 71.8 |

Source: BFI

'Total Budget' is the sum of production activity in the UK and production activity outside the UK.

3.2 Total Budgets

This release presents the median total budget per minute of content for HETV instead of median total budget, as in previous releases². The median budget per minute of interim cultural test HETV projects Q1 2017 was £28,452, the highest since the relief began (Table 7). From 2013 to 2015, median budget increased from £20,592 to £23,826, falling to £22,926 in 2016.

Table 7 Median budget per minute of interim HETV cultural test certifications

| Year | Median budget per minute £ ¹ |
|---------|---|
| 2013* | 20,592 |
| 2014 | 21,788 |
| 2015 | 23,826 |
| 2016 | 22,926 |
| Q1 2017 | 28,452 |

Source: BFI

¹ Median budget is actual amount, unlike film and video games certification median budget which is reported in £ million

*As the tax relief for HETV programmes commenced in April 2013, median budget for 2013 is for Q2-Q4.

For disclosure control reasons, median budget per minute for interim co-productions is not provided.

3.3 Co-production treaties

As there were no co-productions with final or interim certification in Q1 2017, no treaties are reported.

² Certification applications are received for one-off programmes as well as series (that can be any length of time greater than 31 minutes), this median provides a better representation of the average HETV programme budget. Advice was obtained from the Producers Alliance for Cinema and Television (Pact) regarding appropriate median budgets.

4. Animation programme certifications

4.1 Certification – numbers of applications and values

4.1.1 Final certifications

A total of eight animation programmes received final certification under the cultural test in Q1 2017, this is a slight decrease from nine in Q1 2016 (Table 8). UK spend and total budget for programmes in Q1 2017 was £4.6 million (down from £6.4 million in Q1 2016) and £7.7 million respectively (up from £7.4 million in Q1 2016). UK spend was 60% of total budget in Q1 2017, down from 87% in Q1 2016. Q1 2014 cultural test certification and Q1 co-productions are not reported for disclosure reasons.

Table 8 Final cultural test certifications for animation programmes, Q1 2015 to Q1 2017

| Year | Number | UK spend £m | Total budget £m | UK spend as a % of total budget |
|---------|--------|----------------|--------------------|------------------------------------|
| Q1 2015 | 8 | 12.6 | 19.7 | 64.0 |
| Q1 2016 | 9 | 6.4 | 7.4 | 86.8 |
| Q1 2017 | 8 | 4.6 | 7.7 | 59.8 |

Source: BFI

'Total budget' is the sum of production activity in the UK and production activity outside the UK.

In April 2016-March 2017 a total of 37 animation programmes received final certification under the cultural test, down from 52 in the previous 12 months (Table 9). UK spend and total budget, also down, were £43 million and £63 million. Data for April 2013-March 2014 and co-production data are not shown for disclosure reasons.

Table 9 Cultural test final certifications for animation programmes, April 2014 to March 2017

| Year | Number | UK spend £m | Total budget £m | UK spend as a % of total budget |
|-------------------|--------|----------------|--------------------|------------------------------------|
| Apr 2014-Mar 2015 | 21 | 22.7 | 40.8 | 55.7 |
| Apr 2015-Mar 2016 | 52 | 56.0 | 74.1 | 75.6 |
| Apr 2016-Mar 2017 | 37 | 42.7 | 62.5 | 68.3 |

Source BFI.

'Total budget' is the sum of production activity in the UK and production activity outside the UK.

As with film and HETV, interim certifications indicate the expected future level of official UK animation programme production. In Q1 2017, a total of nine animation programmes received interim certification under the cultural test, with a UK spend of £15 million and a total budget of £22 million (Table 10). This is up on Q1 2016, which saw five animation programmes receive interim certification; UK spend was £9.1 million and total budget was £10.3 million. Animation programme co-productions are not shown for disclosure reasons.

4.1.2 Interim certifications

Table 10 Cultural test interim certification for animation programmes, Q1 2014 to Q1 2017

| Year | Number | UK spend £m | Total budget £m | UK spend as a % of total budget |
|---------|--------|----------------|--------------------|------------------------------------|
| Q1 2014 | 6 | 14.2 | 15.0 | 94.8 |
| Q1 2015 | 7 | 25.5 | 27.4 | 93.4 |
| Q1 2016 | 5 | 9.1 | 10.3 | 87.7 |
| Q1 2017 | 9 | 14.8 | 22.0 | 67.3 |

Source BFI.

'Total budget' is the sum of production activity in the UK and production activity outside the UK.

The number of animation programme interim certifications increased from 23 in April 2015-March 2016 to 35 in April 2016-March 2017 (Table 11). UK spend and total budget also increased from £47 million and £68 million respectively to £81 million and £95 million. UK spend as a percentage of total budget has increased from 68% to 85%. Interim co-productions for April 2013-March 2014, April 2015-March 2016 and April 2016-March 2017 are not shown for disclosure reasons. In April 2014-March 2015, there were six co-productions, with a UK spend of £5 million and a total budget of £11 million.

Table 11 Cultural test interim certifications for animation, April 2013 to March 2017

| Year | Number | UK spend £m | Total budget £m | UK spend as a % of total budget |
|-------------------|--------|----------------|--------------------|------------------------------------|
| Apr 2013-Mar 2014 | 27 | 57.9 | 67.2 | 86.1 |
| Apr 2014-Mar 2015 | 29 | 77.3 | 93.4 | 82.8 |
| Apr 2015-Mar 2016 | 23 | 46.5 | 68.0 | 68.4 |
| Apr 2016-Mar 2017 | 35 | 81.1 | 95.5 | 84.9 |

Source BFI.

'Total budget' is the sum of production activity in the UK and production activity outside the UK.

4.2 Total Budgets

This release presents the median total budget per minute of content for animation programmes instead of median total budget, as in previous releases³. The median budget per minute of interim cultural test animation programmes in Q1 2017 was £7,173 (Table 12). Median budget peaked in 2014 at £8,202 and since has decreased year on year.

Table 12 Median budget per minute of interim animation programme cultural test certifications

| Year | Median budget per minute £ ¹ |
|---------|---|
| 2013* | 6,284 |
| 2014 | 8,202 |
| 2015 | 7,867 |
| 2016 | 7,708 |
| Q1 2017 | 7,173 |

Source: BFI

¹ Median budget is actual amount, unlike film and video games certification median budget which is reported in £ million

*As the tax relief for animation programmes commenced in April 2013, median budget for 2013 is for Q2-Q4.

³ Certification applications are received for one-off programmes as well as series (that can be any length of time), this median provides a better representation of the average animation programme budget. Advice was obtained from Pact regarding appropriate median budgets.

For disclosure control reasons, median budget per minute for interim co-productions is not provided.

4.3 Co-production treaties

Co-productions with final certification in Q1 2017 were all under the UK/Canada treaty. As there were no co-productions with interim certification in Q1 2017, no co-production treaties can be reported.

5. Children’s television programme certifications

5.1 Certification – numbers of applications and values

5.1.1 Final certifications

In Q1 2017, 24 children’s television (CTV) programmes received final certification under the cultural test, with a UK spend of £11.4 million and a total budget of £11.6 million. Q1 2016 data is not published here for disclosure reasons.

In April 2016-March 2017 a total of 53 CTV programmes received final certification under the cultural test, with a UK spend and total budget of £33 million and £34 million respectively (Table 13). This is a substantial increase from eight programmes with a UK spend and total budget of £3.7 million in April 2015-Mar 2016. No co-productions received final certification in April 2016-March 2017. No co-productions have received final certifications since the introduction of the tax relief.

Table 13 Cultural test final certifications for CTV programmes, April 2015 to March 2017

| Year | Number | UK spend £m | Total budget £m | UK spend as a % of total budget |
|-------------------|---------------|------------------------|----------------------------|--|
| Apr 2015-Mar 2016 | 8 | 3.7 | 3.7 | 100.0 |
| Apr 2016-Mar 2017 | 53 | 33.3 | 33.9 | 98.3 |

Source BFI.

‘Total budget’ is the sum of production activity in the UK and production activity outside the UK.

5.1.2 Interim certifications

As with the other tax reliefs, interim certifications indicate the expected future level of official UK CTV programme production. In Q1 2017, a total of eight CTV programmes received interim certification under the cultural test, with a UK spend and total budget each just under £12 million, making UK spend almost 100% of total budget (Table 14). This is an increase from six programmes with a UK spend of £3.9 million and a total budget of £4.1 million in Q1 2016.

Table 14 Cultural test interim certification for CTV programmes, Q1 2016 and Q1 2017

| Year | Number | UK spend £m | Total budget £m | UK spend as a % of total budget |
|-------------|---------------|------------------------|----------------------------|--|
| Q1 2016 | 6 | 3.9 | 4.1 | 95.4 |
| Q1 2017 | 8 | 11.7 | 11.7 | 99.9 |

Source BFI.

‘Total budget’ is the sum of production activity in the UK and production activity outside the UK.

The number of CTV programme interim certifications increased from 21 in April 2015-March 2016 to 33 in April 2016-March 2017 (Table 15). UK spend and total budget also increased from £17 million and £21

million respectively to £41 million and £42 million. UK spend as a percentage of total budget has increased from 82% to 98%. Co-productions are not shown for disclosure reasons.

Table 15 Cultural test interim certification for CTV programmes, April 2015 to March 2017

| Year | Number | UK spend £m | Total budget £m | UK spend as a % of total budget |
|-------------------|--------|----------------|--------------------|------------------------------------|
| Apr 2015-Mar 2016 | 20 | 16.7 | 20.3 | 82.2 |
| Apr 2016-Mar 2017 | 33 | 41.0 | 41.7 | 98.3 |

Source: BFI.

'Total budget' is the sum of production activity in the UK and production activity outside the UK.

5.2 Total Budgets

This release presents the median total budget per minute of content for CTV programmes instead of median total budget⁴. The median budget per minute of interim cultural test CTV programmes has increased year on year, from £2,379 in 2015 to £3,330 in Q1 2017 (Table 16).

Table 16 Median budget per minute of interim CTV programme cultural test certifications

| Year | Median budget per minute £ |
|---------|----------------------------|
| 2015* | 2,379 |
| 2016 | 2,700 |
| Q1 2017 | 3,330 |

Source: BFI

1 Median budget is actual amount, unlike film and video games certification median budget which is reported in £ million

*As the tax relief for animation programmes commenced in April 2015, median budget for 2015 is for Q2-Q4.

As there are a very low number of co-productions since the inception of the tax relief, median budget per minute for these productions cannot be reported for disclosure reasons.

5.3 Co-production treaties

As there are no co-productions in Q1 2017, co-productions treaties cannot be reported.

6. Video Games Certification

6.1 Certification – numbers of applications and values

6.1.1 Final certifications

A total of 58 video games received final certification in Q1 2017, up from 35 in Q1 2016, (Table 17). EEA/UK⁵ spend in Q1 2017 was £41 million and total budget was £58 million, an increase on UK spend and total budget in the same quarter in 2016, from £22 million and £25 million respectively. There are no co-production treaties for video games, as such no statistics are available. Q1 2015 data are not shown for disclosure reasons.

⁴ Certification applications are received for one-off programmes as well as series (that can be any length of time), this median provides a better representation of the average CTV programme budget. Advice was obtained from Pact regarding appropriate median budgets.

⁵ As the regulations for video-games refers to spend not just in the UK but also in the European Economic Area (EEA), we report UK/EEA spend rather than only UK spend.

Table 17 Cultural test final certification for video games, Q1 2015 to Q1 2017

| Year | Number | EEA/UK spend £m | Total budget £m | UK spend as a % of total budget |
|---------|--------|-----------------|-----------------|---------------------------------|
| Q1 2016 | 35 | 22.5 | 24.7 | 90.9 |
| Q1 2017 | 58 | 40.7 | 58.2 | 69.9 |

Source: BFI

'Total Budget' is the sum of development activity in the UK and production activity outside the UK.

In the last year, April 2016-March 2017, 212 video games received final certification, an increase from 133 in April 2015-March 2016 (Table 18). EEA/UK spend also increased to £220 million from £189 million, whereas total budget decreased to £258 million from £275 million.

Table 18 Cultural test final certification for video games, April 2014 to March 2017

| Year | Number | UK spend £m | Total budget £m | UK spend as a % of total budget |
|-------------------|--------|-------------|-----------------|---------------------------------|
| Apr 2014-Mar 2015 | 19 | 14.4 | 15.1 | 95.2 |
| Apr 2015-Mar 2016 | 133 | 189.1 | 275.3 | 68.7 |
| Apr 2016-Mar 2017 | 212 | 220.4 | 258.0 | 85.5 |

Source: BFI

'Total Budget' is the sum of development activity in the UK and production activity outside the UK.

6.1.2 Interim certifications

For interim certification, in Q1 2017 51 video games received interim certification under the cultural test, with EEA/UK spend at £152 million and total budget at £164 million (Table 19). This is an increase on Q1 2016 where there were 40 video games that had interim certification, with EEA/UK spend at £142 million and total budget at £149 million.

Table 19 Cultural test interim certification for video games, Q1 2015 to Q1 2017

| Period | Number | EEA/UK spend £m | Total budget £m | EEA/UK spend as a % of total budget |
|---------|--------|-----------------|-----------------|-------------------------------------|
| Q1 2015 | 25 | 114.0 | 121.4 | 93.9 |
| Q1 2016 | 40 | 141.8 | 148.9 | 95.2 |
| Q1 2017 | 51 | 152.3 | 164.2 | 92.7 |

Source: BFI

'Total Budget' is the sum of development activity in the UK and production activity outside the UK.

In April 2015-March 2017 187 video games received interim certification with an expected EEA/UK spend of £412 million and a total budget of £482 million (Table 19). This is a substantial increase on number of video games with interim certification April 2015-March 2016, which was 135, but a decrease on UK spend and total budget, which were £576 million and £631 million respectively.

Table 20 Cultural test interim certification for video games, April 2014-March 2016

| Year | Number | UK spend £m | Total budget £m | UK spend as a % of total budget |
|-------------------|---------------|------------------------|----------------------------|--|
| Apr 2014-Mar 2015 | 48 | 158.7 | 167.5 | 94.8 |
| Apr 2015-Mar 2016 | 135 | 575.5 | 630.9 | 91.2 |
| Apr 2016-Mar 2017 | 187 | 412.2 | 482.2 | 85.5 |

Source: BFI

'Total Budget' is the sum of development activity in the UK and production activity outside the UK.

6.2 Total Budgets

Median budget has increased year on year, rising from £0.2 million in 2014 to £0.7 million in Q1 2017 (Table 21).

Table 21 Median budgets of interim video game cultural test certifications

| Year | Median budget £m |
|-------------|-------------------------|
| 2014* | 0.2 |
| 2015 | 0.4 |
| 2016 | 0.6 |
| Q1 2017 | 0.7 |

Source: BFI

*As the tax relief for video games commenced in April 2014, median budget for 2014 is for Q2-Q4.

Appendix A

Table A1 Final cultural test certifications for film, Q1 2007 to Q1 2017

| Year | Number | UK Spend £ m | Total Budget £m | UK as a % of budget |
|-------------|---------------|---------------------|------------------------|----------------------------|
| Q1 2007 | 32 | 77.8 | 92.0 | 84.6 |
| Q1 2008 | 16 | 130.8 | 250.9 | 52.1 |
| Q1 2009 | 31 | 107.2 | 144.6 | 74.1 |
| Q1 2010 | 38 | 340.7 | 363.5 | 93.7 |
| Q1 2011 | 40 | 184.5 | 253.3 | 72.8 |
| Q1 2012 | 41 | 127.4 | 144.8 | 88.0 |
| Q1 2013 | 47 | 47.0 | 49.3 | 95.3 |
| Q1 2014 | 69 | 419.2 | 658.4 | 63.7 |
| Q1 2015 | 45 | 55.4 | 80.3 | 68.9 |
| Q1 2016 | 68 | 230.5 | 318.3 | 72.4 |
| Q1 2017 | 79 | 747.1 | 982.8 | 76.0 |

Source: BFI

'Total Budget' the sum of production activity in the UK and production activity outside the UK.

Table A2 Final certifications for film, rolling year, from April 2007 to March 2016

| Type of certification | Apr 2007- Mar 2008 | Apr 2008- Mar 2009 | Apr 2009- Mar 2010 | Apr 2010- Mar 2011 | Apr 2011- Mar 2012 | Apr 2012- Mar 2013 | Apr 2013- Mar 2014 | Apr 2014- Mar 2015 | Apr 2015- Mar 2016 | Apr 2016- Mar 2017 |
|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Cultural Test | | | | | | | | | | |
| Number | 82 | 112 | 151 | 172 | 190 | 193 | 204 | 214 | 261 | 280 |
| UK spend £m | 495.4 | 564.8 | 656.5 | 697.5 | 1,421.4 | 753.7 | 1,413.5 | 888.9 | 1,135.0 | 1,452.9 |
| Total budget £m | 720.3 | 828.8 | 823.7 | 891.4 | 2,009.8 | 1,074.2 | 1,962.5 | 1,277.8 | 1,682.9 | 2,197.2 |
| UK spend as a % of total budget | 68.8 | 68.2 | 79.7 | 78.3 | 70.7 | 70.2 | 72.0 | 69.6 | 67.4 | 66.1 |
| Co-production | | | | | | | | | | |
| Number | 26 | 8 | 13 | 18 | 11 | 15 | 19 | 12 | 12 | 7 |
| UK spend £m | 48.4 | 40.0 | 37.9 | 49.1 | 39.0 | 42.8 | 69.1 | 35.8 | 26.4 | 23.9 |
| Total budget £m | 136.7 | 55.2 | 85.9 | 122.6 | 107.6 | 71.2 | 120.6 | 61.8 | 73.9 | 75.4 |
| UK spend as a % of total budget | 35.4 | 72.6 | 44.1 | 40.1 | 36.3 | 60.2 | 57.3 | 57.9 | 35.7 | 31.7 |
| All Types | | | | | | | | | | |
| Number | 108 | 120 | 164 | 190 | 201 | 208 | 223 | 226 | 273 | 287 |
| UK spend £m | 543.8 | 604.9 | 694.4 | 746.7 | 1,460.4 | 796.6 | 1,482.6 | 924.7 | 1,161.4 | 1,476.8 |
| Total budget £m | 857.0 | 884.0 | 909.6 | 1,014.0 | 2,117.4 | 1,145.5 | 2,083.1 | 1,339.6 | 1,756.8 | 2,272.6 |
| UK spend as a % of total budget | 63.5 | 68.4 | 76.3 | 73.6 | 69.0 | 69.5 | 71.2 | 69.0 | 66.1 | 65.0 |

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-production it is the sum of investments made by all participating countries in the film.

Table A3 Interim cultural test certifications for film, Q1 2007 to Q1 2017

| Year | Number | UK Spend £ m | Total Budget £m | UK as a % of budget |
|-------------|---------------|---------------------|------------------------|----------------------------|
| Q1 2007 | 16 | 140.8 | 251.8 | 55.9 |
| Q1 2008 | 28 | 100.0 | 153.8 | 65.0 |
| Q1 2009 | 25 | 33.7 | 37.7 | 89.4 |
| Q1 2010 | 30 | 156.9 | 187.8 | 83.5 |
| Q1 2011 | 39 | 52.2 | 64.0 | 81.6 |
| Q1 2012 | 46 | 180.5 | 388.5 | 46.5 |
| Q1 2013 | 43 | 164.6 | 316.0 | 52.1 |
| Q1 2014 | 46 | 316.2 | 486.9 | 64.9 |
| Q1 2015 | 66 | 333.0 | 481.7 | 69.1 |
| Q1 2016 | 51 | 58.3 | 77.0 | 75.7 |
| Q1 2017 | 61 | 334.6 | 672.1 | 49.8 |

Source: BFI

'Total Budget' is the sum of production activity in the UK and production activity outside the UK.

Table A4 Interim certifications for film, rolling year, from April 2007 to March 2016

| Type of certification | Apr 2007- Mar 2008 | Apr 2008- Mar 2009 | Apr 2009- Mar 2010 | Apr 2010- Mar 2011 | Apr 2011- Mar 2012 | Apr 2012- Mar 2013 | Apr 2013- Mar 2014 | Apr 2014- Mar 2015 | Apr 2015- Mar 2016 | Apr 2016- Mar 2017 |
|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Cultural Test | | | | | | | | | | |
| Number | 111 | 116 | 148 | 151 | 153 | 143 | 189 | 183 | 244 | 271 |
| UK spend £m | 737.2 | 597.0 | 1,406.7 | 661.9 | 1,391.9 | 867.0 | 946.6 | 1,181.8 | 1,502.9 | 1,681.0 |
| Total budget £m | 974.6 | 740.3 | 1,713.5 | 1,041.6 | 1,912.5 | 1,216.8 | 1,289.3 | 1,715.1 | 2,383.0 | 2,780.8 |
| UK spend as a % of total budget | 75.6 | 80.6 | 82.1 | 63.5 | 72.8 | 71.2 | 73.4 | 68.9 | 63.1 | 60.4 |
| Co-production | | | | | | | | | | |
| Number | 20 | 14 | 17.0 | 21 | 18 | 14 | 22 | 13 | 23 | 21 |
| UK spend £m | 69.5 | 39.4 | 28.7 | 67.1 | 50.0 | 40.8 | 49.1 | 19.0 | 23.2 | 38.5 |
| Total budget £m | 120.0 | 90.6 | 78.1 | 185.5 | 89.8 | 78.4 | 127.8 | 67.7 | 66.0 | 117.0 |
| UK spend as a % of total budget | 57.9 | 43.5 | 36.8 | 36.2 | 55.7 | 52.1 | 38.4 | 28.1 | 35.2 | 32.9 |
| All Types | | | | | | | | | | |
| Number | 131 | 130 | 165 | 172 | 171 | 157 | 211 | 196 | 267 | 292 |
| UK spend £m | 806.6 | 636.4 | 1,435.4 | 729.0 | 1,441.9 | 907.8 | 995.7 | 1,200.8 | 1,526.1 | 1,719.5 |
| Total budget £m | 1,094.6 | 830.9 | 1,791.6 | 1,227.0 | 2,002.4 | 1,295.3 | 1,417.1 | 1,782.8 | 2,449.0 | 2,897.8 |
| UK spend as a % of total budget | 73.7 | 76.6 | 80.1 | 59.4 | 72.0 | 70.1 | 70.3 | 67.4 | 62.3 | 59.3 |

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-production it is the sum of investments made by all participating countries in the film.

Notes:

1. **British film, high-end television programmes (HETV), animation television programmes, children's television programmes (CTV) and video games certification statistics collected and reported by the BFI**

The British film, high-end television programmes, animation television programmes, children's television programmes and video games certification statistics in this report are based on data collected by the BFI's Certification Unit, on behalf of DCMS. The data reported are all British films, HETV programmes, animation television programmes, CTV programme and video games certified as British in the reference period, not a sample.

The BFI Certification Unit assesses all British films, HETV programmes, animation television programmes, CTV programmes and video games certification applications on behalf of DCMS and makes recommendations to the Secretary of state. The certificates are then issued by the BFI Certification Unit. Certification may occur some time after both the production/development and release (theatrical or broadcast in the case of films, HETV, animation programmes and CTV programmes or supply in the case of video games) of the film, television programme or video game.

2. **Definitions**

Cultural test films are British films certified under the cultural test (as amended in April 2014 in the Films Act 1985). To qualify under this definition, films commencing principal photography on or after 1 April 2014 must pass a UK cultural test awarding points for UK and EEA elements in the story, setting and characters, cultural contribution 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 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. Under the cultural test, applicants are not obliged to apply for interim certification and can apply just for final certification when the film is complete.

Cultural test high-end television programmes are British television programmes certified under the cultural test, Schedule 16 to the Finance Act 2013. To qualify under this definition, television programmes commencing principal photography on or after 1 April 2013 must pass a UK cultural test awarding points for UK and EEA state elements in the story, setting and characters, cultural contribution and for where and by whom the television programme was made.

On the basis of recommendations made by the BFI, the Secretary of State grants interim certification prior to the completion of the HETV programmes to those programmes that meet the criteria and final certification once the programme has been completed and final documents submitted. Under the cultural test, applicants are not obliged to apply for interim certification and can apply just for final certification when the HETV programme is complete.

A HETV programme is a drama (which includes comedy) or documentary production that is intended for broadcast and has core expenditure per hour of slot length of not less than £1 million. The slot length in

relation to the HETV programme must also be greater than 30 minutes. Slot length in relation to a television programme means the period of time which the programme is commissioned to fill.

Cultural test animation television programmes are British animation programmes certified under the cultural test, Schedule 16 to the Finance Act 2013. To qualify under this definition, animation programmes commencing principal photography on or after 1 April 2013 must pass a UK cultural test awarding points for UK and EEA state elements in the story, setting and characters, cultural contribution and for where and by whom the animation television programme was made.

On the basis of recommendations made by the BFI, the Secretary of State grants interim certification prior to the completion of the animation television programmes to those programmes that meet the criteria and final certification once the programme has been completed and final documents submitted. Under the cultural test, applicants are not obliged to apply for interim certification and can apply just for final certification when the animation programme is complete.

Cultural test children's television programmes are British children's television programmes certified under the cultural test, Schedule 16 to the Finance Act 2013. To qualify under this definition, animation programmes commencing principal photography on or after 1 April 2015 must pass a UK cultural test awarding points for UK and EEA state elements in the story, setting and characters, cultural contribution and for where and by whom the children's television programme was made.

On the basis of recommendations made by the BFI, the Secretary of State grants interim certification prior to the completion of the CTV programmes to those programmes that meet the criteria and final certification once the programme has been completed and final documents submitted. Under the cultural test, applicants are not obliged to apply for interim certification and can apply just for final certification when the animation programme is complete.

Cultural test video games are British video games certified under the cultural test, Schedule 17 and 18 to the Finance Act 2013. To qualify under this definition, video games commencing principal development on or after 1 April 2014 must pass a UK cultural test awarding points for UK and EEA elements in the story, setting and characters, cultural contribution and for where and by whom the video game programme was made.

On the basis of recommendations made by the BFI, the Secretary of State grants interim certification prior to the completion of the video game to those video games that meet the criteria and final certification once the video game has been completed and final documents submitted. Under the cultural test, applicants are not obliged to apply for interim certification and can apply just for final certification when the video game is complete.

Official UK co-productions are British films, HETV programmes, animation television programmes or CTV programmes certified under one of the UK's official co-production treaties. Interim certification is granted in conjunction with the co-producing party competent authority or authorities for multi-lateral projects prior to the start of principal photography to films, HETV, animation television programmes or CTV programmes that meet the criteria and final certification once the film, HETV, animation television programme or CTV programme has been completed and final documents submitted. Films, HETV programmes, animation television programmes or CTV programmes made as official co-productions are not required to pass the film, HETV programme, animation television programme, or CTV programmes cultural tests.

For full details for the cultural test, co-productions and other information on British film certification see <http://www.bfi.org.uk/film-industry/british-certification-tax-relief>.

UK spend is the value of the production or development activities in the UK cultural tests and UK expenditure for co-productions (bilateral and European Convention of Cinematographic Co-production). UK spend for co-productions may include some expenditure on UK goods and services which took place outside the UK.

3. Revisions

As the status and certification dates of individual films, HETV programmes, animation television programmes CTV programmes or video games 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 quarter, so the latest release should be referred to as the most accurate summation available of the certification numbers.

4. Disclosing individual film, HETV programme, animation programme, children's television programme and video games information

Film, HETV programme, animation television programme, CTV programme and video game data (number of films, programmes and video games, UK spend, UK/EEA spend and total budget) are not disclosed when the number of films, programmes or video games is five or fewer.

5. Feedback

We welcome feedback from users of our statistics releases to help us improve what we do. If you have any feedback on these statistics or if you wish to make a complaint, in the first instance please contact us using the named contact details listed below.

6. Pre-release access

This release has been prepared according to the Code of Practice for Official Statistics published by the UK Statistics Authority. Pre-release access has been granted to the following:

Amanda Nevill, Chief Executive, BFI
Ben Roberts, Director of Film Fund, BFI
Richard Shaw, Director of Marketing, Communications and Audiences, BFI
Carol Comley, Head of Film Policy, BFI
Nick Mason Pearson, Head of Corporate Communications and Public Affairs, BFI
Judy Wells Head of Press and PR, BFI
Tina McFarling, Media Advisor, Corporate, Partnerships & Industry, BFI
Colette Geraghty, PR Consultant, BFI
Lynne Kilpatrick, Department of Culture, Media and Sport

Ken Hunt, Department for Culture, Media and Sport
Elizabeth Mitchell, Department for Culture, Media and Sport
Amie Mulderrig, Department of Culture, Media and Sport
Sophie Reece-Trapp, Department for Culture, Media and Sport

7. Statistical contact details

This release was prepared by Alex Tosta, Research and Statistics Unit, BFI,
alex.tosta@bfi.org.uk, tel: +44 (0)20 7957 4815.