

## British film certification, Q1 2011

BFI Research and Statistics Unit

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A total of 44 British films received final certification in Q1 2011, the same number as in Q1 2010. The majority (39 out of 44) of the finally certified films in Q1 2011 were Cultural Test films.

The total production budget for Q1 2011 final certifications was £288.1 million, compared with £412.8 million in the first quarter of 2010. Note that these data are for final certifications, so include films produced over the previous one to three years.<sup>1</sup> Cultural Test 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 2011, UK spend was 71% of total budget, down from 88% in 2010. Significant titles receiving final certification in Q1 2011 included *Clash of the Titans*, *Gnomeo and Juliet*, *London Boulevard*, *The Eagle of the Ninth* and *Cemetery Junction*.

**Table 1: FINAL CERTIFICATIONS, Q1 2007 to Q1 2011**

Type of certification		Q1 2007	Q1 2008	Q1 2009	Q1 2010	Q1 2011
Cultural Test	Number	32	16	31	38	39
	UK spend £m	77.8	130.8	107.2	340.7	184.1
	Total budget £m	92.0	250.9	144.6	363.5	252.8
	UK spend as % of budget	84.6%	52.1%	74.1%	93.7%	72.8%
Co-production	Number	31	1	1	6	5
	UK spend £m	75.7	*	*	23.2	21.0
	Total budget £m	220.8	*	*	49.3	35.3
	UK spend as % of total budget	34.3%	*	*	47.1%	59.6%
<b>All types</b>	<b>Number</b>	<b>63</b>	<b>17</b>	<b>32</b>	<b>44</b>	<b>44</b>
	<b>UK spend £m</b>	<b>153.5</b>	*	*	<b>363.9</b>	<b>205.1</b>
	<b>Total production budget £m</b>	<b>312.8</b>	*	*	<b>412.8</b>	<b>288.1</b>
	<b>UK spend as % of total budget</b>	<b>49.1%</b>	*	*	<b>88.2%</b>	<b>71.2%</b>

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.

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.

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

<sup>1</sup> The latest production statistics are published separately in *Film Production in the UK – Q1 2011*.

films receiving interim certification in Q1 2007 to Q1 2011. The number of interim-certified Cultural Test films rose to 42 (32 in Q1 2010) while the number of interim-certified official co-productions decreased from 8 to 6.

The expected UK spend of interim-certified Cultural Test was £63.4 million in Q1 2011 compared with £161.3 million in Q1 2010, while that of Co-productions, at £10.4 million was very similar to the £10.7 million of Q1 2010. Total UK spend for all certifications was £73.8 million in Q1 2011, compared with £172.1 million in Q1 2010. UK spend as a percentage of the budget (74.1%) was slightly lower than in the previous two years

Under the publication rules agreed between the Department for Culture, Media and Sport (DCMS) and the Certification Unit, titles of films being certified are not released until they receive their final certification.

**Table 2: INTERIM CERTIFICATIONS, Q1 2007 to Q1 2011**

Type of certification		Q1 2007	Q1 2008	Q1 2009	Q1 2010	Q1 2011
Cultural Test	Number	17	28	27	32	42
	UK spend £m	142.8	100.0	35.1	161.3	63.4
	Total budget £m	253.8	153.8	39.3	192.2	75.9
	UK spend as % of budget	56.3%	65.0%	89.4%	83.9%	83.6%
Co-production	Number	5	5	4	8	6
	UK spend £m	8.1	16.0	9.7	10.7	10.4
	Total budget £m	20.2	33.5	17.4	22.2	23.8
	UK spend as % of total budget	40.3%	47.8%	55.6%	48.5%	43.6%
<b>All types</b>	<b>Number</b>	<b>22</b>	<b>33</b>	<b>31</b>	<b>40</b>	<b>48</b>
	<b>UK spend £m</b>	<b>150.9</b>	<b>116.1</b>	<b>44.8</b>	<b>172.1</b>	<b>73.8</b>
	<b>Total production budget £m</b>	<b>274.0</b>	<b>187.3</b>	<b>56.7</b>	<b>214.4</b>	<b>99.7</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>	<b>74.1%</b>

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

In Q1 2011 the median budget of Co-productions receiving interim certification was £3.4 million, continuing the gradual downward trend of recent years.

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

Year	Median budget £m
2003	4.0
2004	4.2
2005	4.0
2006	5.1
2007	3.7
2008	4.7
2009	3.6
2010	3.6
Q1 2011	3.4

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 budget of interim Cultural Test certifications are generally lower than for Co-productions and the median budget in Q1 2011, at £0.7 million, was lower than median budgets for Cultural Test certifications for earlier years.

**Table 4: Median budgets of INTERIM CULTURAL TEST certifications**

Year	Median budget £m
2007	2.0
2008	1.4
2009	1.1
2010	1.1
Q1 2011	0.7

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 Q1 2011, two of the five final Co-production certifications were under the European Convention on Cinematic Co-production, one was under the UK-Australia agreement, one under the UK-Canada agreement and one under the UK-South Africa agreement.

Of the six interim Co-production certifications, four were under the European Convention and the other two were under the UK-Canada agreement.

## Technical notes:

### 1. British film certification statistics collected and reported by Research and Statistics Unit

The British film certification statistics in this report are based on data collected from the Certification Unit and the DCMS. The data reported are all British films certified in the reference period, not a sample.

The 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 Cultural Test certification include certificates issued under the old production costs test, transitional Cultural Test (32 points) and the Cultural Test (31 points). For films certified in 2008 or later only the latest Cultural Test (31 points) applies.

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** 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 Certification Unit, the Secretary of State grants 'interim approval' prior to the completion of the film to those films which 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 and certified under paragraph 4(5) of Schedule 1 to the Films Act 1985. '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.

For full details of the Cultural Test and other information on British film certification see <http://www.ukfilmcouncil.org.uk/qualifying>.

**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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