

Scottish Screen
National Lottery Distribution Fund Account

Statement of Account Prepared Pursuant to
Section 26(3), (3A), & (4) of the National Lottery etc Act 1993

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Scottish Screen National Lottery Distribution Fund Accounts 2003-04

HC 176

0 10 292634 4

CORRECTION

Please note the following corrections to:

Page 30 Directors' report page 31-38 *should read*
Directors' report incorporating Foreword page 32-38

Scottish Screen National Lottery Distribution Fund page 69-78 *should read*
Lottery Awards 2003/04 page 69-77

Page 37 Company Information is detailed on page 35 *should read*
Company Information is detailed on page 31

Page 41 We have audited the financial statements on page 46 to 68 *should read*
We have audited the financial statements on page 46 to 64

The directors are responsible for preparing the directors' report and, as
described on page 45 *should read*
The directors are responsible for preparing the directors' report and, as
described on page 39

Page 56 Notes 17 to 23 relate to the Statement of Financial Activities on page 49
should read
Notes 17 to 23 relate to the Statement of Financial Activities on page 45

Page 70 The extracts shown on pages 73 to 77 *should read*
The extract shown on pages 70 to 77

December 2004

EDINBURGH: The Stationery Office

Scottish Screen
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Statement of Account Prepared Pursuant
to Section 26(3),(3A), & (4) of the National Lottery Act 1993

Foreword

History

Scottish Screen is the National Body responsible for distribution of public funds towards the support of film. Scottish Screen was formed in 1997 to develop a sustainable screen industry in Scotland and to support Scotland's film culture.

Scottish Screen's activities in support of the screen industry are financed by annual grant-in-aid from The Scottish Executive, by the National Lottery and from income generated by its own activities.

Responsibility for the distribution of Lottery Funds for film in Scotland was transferred to Scottish Screen from the Scottish Arts Council on 1 April 2000. A delegation agreement between Scottish Screen and SAC has been entered into to manage the film productions agreed by SAC up to the date of the transfer but which have not yet been completed.

National Lottery Fund

Under the National Lottery etc. Act 1993 (as amended), Scottish Screen has been appointed to distribute National Lottery funds for expenditure on film production in Scotland, in accordance with its powers as a Non Departmental Public Body.

Under the Financial Directions issued by the Scottish Ministers all distributing bodies must prepare separate statements of accounts relating to these activities.

Results

Income and Expenditure Account

Scottish Screen's share of proceeds from the National Lottery Fund during the year to 31 March 2004 was £2.512 million. (2002-2003, £2.662 million). A total of £0.850 million (2002-2003, £0.335 million) was recouped from projects funded in previous years. Interest and return on investments of £0.071 million (2002-2003, £0.191 million) brought the total income to £3.433 million (2002-2003, £5.088 million).

Commitments entered into during 2003-04 totalled £4.160 million. (2002-03, £5.409 million). Expenditure on staff and other operating costs was £0.414 million (2002-2003, £0.325 million). De-commitments during 2003-04 of prior year awards amounted to £1.283 million (2002-2003, £0.853 million). Staff and overhead costs were recharged from Scottish Screen's grant in aid funded statements on the basis of staff time spent on lottery activities during the year.

The net result for the period is a surplus of £0.142 million, (2002-2003, surplus, £0.207 million). This balance will be offset against commitments made to projects in future years.

Balance Sheet

Scottish Screen Lottery Distribution Fund acquired no fixed assets during the year. The total net assets of £1.246 million (2002-03, £1.104million), are represented by a general fund balance for future commitments.

National Lottery Distribution Fund

At 31 March 2004 the balance held under the stewardship of the National Lottery Distribution Fund available to Scottish Screen was £2.195 million (2003, £2.273 million). During the year to 31 March 2004 £2.642 million (2002-2003, £4.210 million), was called down from the Distribution Fund for the payment of approved awards and administration of Scottish Screen's Lottery Fund. The drawdown figure for 2003/04 is lower than the comparative year due to the finalisation of the transfer of funds from the Scottish Arts Council to Scottish Screen in December 2003, of £2.491 million. Of the balance of funds held at NLDF a total of £0.949 million (2003, £3.569 million), was committed to film projects. The unallocated balance is added to future budgets for later allocation.

Review of Activities

Firm commitments of awards totalling £4.160 million (2002-2003, £5.387 million), were made during the year in support of a range of film production projects.

Firm commitments made during the year included:

Feature Films

Saltire Film & TV Productions	<i>The Cone Gatherers</i>	500,000
Parallax Independent	<i>Yasmin</i>	300,000
Umbrella Productions	<i>Freak</i>	250,000
Nina's Heavenly Delights	<i>Nina's Heavenly Delights</i>	500,000
Young Miracle Films	<i>The Listen</i>	<u>300,000</u>
		1,850,000

Outline of Procedures

To achieve their remit Scottish Screen's board and committees include individuals with experience of both the Scottish and world-wide film and television industries. As a result of this, potential conflicts of interest may arise. Scottish Screen has strict procedures for directors and production committee members to register and declare their interests and to exclude themselves from considering any issues which may present a conflict. The related parties transactions are given at note 13 to the financial statements.

Board of Directors

The directors who held office during the year were:

Ray Macfarlane (Chair)	Stephen Foster (Deputy Chair, resigned 29 March 2004)
Bryan Beattie (Resigned 28 August 2003)	Kay Henning
Dinah Caine	John McCormick
Andrea Calderwood	Malcolm Ritchie
Stuart Cosgrove	Professor Philip Schlesinger
Donald Emslie	Iain Smith
Jim Faulds (Resigned 9 November 2003)	David Strachan
Richard Findlay	

Members of the Lottery Production Committee (from December 01) during the year were:

Jim Faulds (Chairman, resigned 9 November 2003)	James Mackay
Mary Davies	Douglas MacKinnon
Henry Eagles	Barbara McKissack
Laurence Gornall	David Muir (Resigned November 2003)
Alex Hamilton (Appointed 8 August 2003)	Duncan Petrie (Resigned 12 December 2003)
Kate Leys	Colin Young
Ashley Luke (Appointed 8 August 2003)	

Decisions on lottery awards between £25,000 and £500,000 are taken by Scottish Screen's Lottery Production Committee which is comprised of individuals with experience of both the Scottish and world-wide film industry. Awards of up to £25,000 are approved by Officers on delegated authority from the Board of Scottish Screen. Awards of over £500,000 require the approval of Scottish Screen's Board of Directors.

A register of committee members' interests is held at Scottish Screen's registered office. If a committee member wishes to bring a project forward for funding they are required to declare an interest and absent themselves from the relevant meeting and the one prior to that. Also to avoid any potential conflict of interest it is a condition of employment that Scottish Screen's staff are required not to work on any of their projects for the duration of their contract.

Fixed Assets

No fixed assets are held solely for lottery use.

Future Developments

Scottish Screen has now been operational as a National Lottery Distributor for four years. During this period it has constantly worked to revise and refine its Lottery operating arrangements to ensure that they match as closely as possible the operating requirements of the film and television industry in Scotland while continuing fully to meet with Lottery funding criteria. In line with this commitment Scottish Screen is currently concluding the extensive consultation process undertaken during the year with the industry in Scotland to update its National Lottery strategy and operations. Implementation of the results of this consultative process will be undertaken in 2004/05.

Scottish Screen continues to work closely with the UK Film Council as well as with our sister bodies in

Wales and Northern Ireland. It is agreed that co-ordination of approach and policy is of vital importance. During the year, Scottish Screen participated in the regular '4 Nations' meetings with these bodies. During the year Scottish Screen has co-financed projects with both the UK Film Council and the Northern Ireland Film and Television Commission.

The Production Committee advising Scottish Screen on Lottery funding decisions continues to operate effectively and we thank all members for their invaluable contributions.

Scottish Screen will continue to fund all areas of film and programme making from shorts to features. As part of our continuing effort to support filmmakers moving from shorts to features, and after the success of last year's New Found Films scheme, a fully funded low budget production scheme for first time feature filmmakers, Scottish Screen in conjunction with BBC Films, BBC Scotland and ContentFilm plc have launched a new scheme, Fast Forward Features. This special initiative will aim to fully fund three low budget features with a target budget of up to £1.2 million per film and is intended to enable emerging talent to take that crucial step into feature production. ContentFilm plc will also handle international sales and UK distribution, thus ensuring world wide exhibition for all three films.

Project Monitoring and Evaluation

Post award, all projects are monitored by the designated Officer on an ongoing basis to ensure compliance with contractual agreements, Lottery funding only being released on completion of designated milestones. Officers are in regular contact with relevant production companies to ensure that the production /development process is proceeding as planned.

During the year Scottish Screen has developed and implemented an evaluation process for each funding strand, based on the collation of key quantitative and qualitative measurables. The evaluation forms are issued to award recipients, at designated times to best reflect the 'life' of projects and ensure optimum capture of evaluation material. The completion and return of the evaluation material within a specified timescales is now stipulated as a contractual requirement. The collected material is collated to enable review of the effectiveness of award and scheme structures and also to provide key reference material. Data Protection Act requirements are fulfilled in the undertaking of this process.

Performance against Objectives

Scottish Screen has reviewed its objectives as set out in its Operational Plan 2003/04, and is satisfied that all objectives have been satisfactorily addressed. A detailed appraisal of performance against objective will be included in our Annual Report.

Appointment of Auditors

The annual accounts are audited by auditors appointed by the Auditor General for Scotland.

Equal Opportunity in Employment and Disabled Employees

Scottish Screen's policy and practice is to encourage the employment of disabled persons (or persons becoming disabled whilst employed), their recruitment, training, career development and promotion. Scottish Screen is an equal opportunities employer and has monitoring procedures in place to ensure continual compliance in this area.

Employee Consultation

During the year Scottish Screen maintained the practice of keeping employees informed about current activities and progress through formal communication channels.

Payment of creditors

Scottish Screen's policy is to pay creditors within thirty days of a valid invoice. During the year ended 31 March 2004, 72% of invoices were paid within the terms of the payment policy (2003, 98%).



30/08/04

Steve McIntyre
Chief Executive &
Accountable Officer

Date

Statement of Chief Executive and Directors' Responsibilities

Under Section 35 of Part II of the National Lottery etc Act 1993 Scottish Screen is required to prepare a statement of accounts for the financial year in the form and on the basis directed by the Scottish Ministers.

The financial statements are prepared on an accruals basis and must show a true and fair view of Scottish Screen's state of affairs at the year end and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the financial statements Scottish Screen is required to:

- observe the accounts direction issued by the Scottish Ministers including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- make judgements and estimates that are reasonable and prudent
- state whether the applicable 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 its Lottery Fund will continue in operation

The Accountable Officer for the Scottish Executive Education Department has designated the Chief Executive of Scottish Screen as Accountable Officer for Scottish Screen's Lottery Fund. His relevant responsibilities as Accountable Officer, including his responsibility for the propriety and regularity of the public finances and the keeping of proper records are set out in the Memorandum to Accountable Officers issued by the Scottish Ministers under S26 (3) of the National Lottery, etc, Act 1993.



Steve McIntyre
Chief Executive and Accountable Officer
Scottish Screen

Statement on the system of internal control

As Accountable Officer and Chief Executive in conjunction with the Board, we have joint responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives as set by the Scottish Ministers, whilst safeguarding the public funds and assets for which the Accountable Officer is personally responsible. This is in accordance with the responsibilities assigned in Government Accounting. In addition, the Chief Executive is also personally responsible for ensuring compliance with the policy and financial directions issued under section 26 (1), (3), (3a) and (4) of the National Lottery Act 1993 (as amended).

As Accountable Officer, the Chief Executive chairs monthly meetings of the senior management of Scottish Screen which effectively delivers on risk management for the Organisation. Through a regular, formal process, key risks are identified. These are given a weighting and allocated to specific managers for control. Risk management is a standing item on all management team meetings. Details are given below. High level risks (for example, the risk to the Screen Archive of losing its premises) are notified to the Scottish Executive. Where appropriate, these would be communicated to Ministers.

Scottish Screen works closely with other partner organisations such as Scottish Enterprise and the Scottish Arts Council. Each partnered scheme or project would be driven by one lead agency which would undertake risk management as part of its overall risk management portfolio.

The system of internal control is designed to manage risk to a reasonable level (rather than to eliminate all risk of failure to achieve policies, aims and objectives); it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the organisation's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the organisation for the year ended 31 March 2004 and up to the date of approval of the annual report and accounts and accords with Treasury guidance.

The Accountable Officer and Board jointly have ultimate responsibility for the control of all identified organisational risks. To ensure effective daily control, a large proportion of the risks are allocated to members of the Senior Management Team, based on their appropriate skills/knowledge within the area concerned. They have responsibility to ensure that current controls are maintained; that initiatives for improvement are successfully undertaken; and that any new risks identified within their areas are immediately highlighted to the Accountable Officer/Chief Executive. To fully support the Senior Management in this process, any newly identified risks; decisions for controls, new initiatives, reviews of risks and controls, etc. are discussed with the Accountable Officer/Chief Executive and further guidance is given before any action is taken.

Scottish Screen has continued to operate the Lottery distribution in line with its published Strategy and operational system (agreed June 2000) and is currently concluding the extensive consultation process undertaken during the year with the industry in Scotland to update its National Lottery Strategy and operations. Implementation of the results of this consultative process is to be undertaken in 2004/05.

An Annual Report for the National Lottery activity, as required by the Financial Directions, has not been presented separately, but is incorporated within the Annual report for Scottish Screen.

As Accountable Officer, the Chief Executive also has responsibility for reviewing the effectiveness of the system of internal control. His review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the managers within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letters and other reports. He has been advised of the effectiveness of the system of internal control by the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place. As part of the internal audit in 2003/04, a review of

Lottery funding and spending was undertaken, which resulted in positive affirmation from the auditors with regard to arrangements being in accord with good practice.

To address the requirements of the Financial Directions for project monitoring and evaluation, Scottish Screen currently monitors all projects. This is undertaken by designated Officers, who ensure compliance with contractual agreements on an ongoing basis Lottery funding is only released on completion of designated milestones. Officers are in regular contact with award recipients to ensure that the production/development process is proceeding as planned. To ensure complete compliance with Financial Directions, during the year Scottish Screen has developed and implemented an evaluation process for each funding strands, based on the collation of appropriate key quantitative and qualitative measurables, as set by Officers. The evaluation forms are issued to award recipients, at designated times, chosen to best reflect the 'life' of projects and ensure optimum capture of evaluation material. The completion and return of the evaluation material within a specified timescale is now stipulated as a contractual requirement. The collected material is collated to enable review of the effectiveness of award and scheme structures and also to provide key reference material. Data protection requirements are fulfilled in the undertaking of this process. Ongoing monitoring of agreed recoupments will, of course, continue as present.

A Business Risk Assessment Register is in place which identifies the organisation's risks, categorised as 'Business Critical', 'Important Risks' and 'Other Risks'. A control strategy has been established for each of the significant risks and the register is reviewed and updated to reflect any changes in potential risks and or developments of the controls in place. The management team, now have risk management as a regular agenda item at management meetings and risk management is fully incorporated into the corporate planning and decision making processes of the organisation. The organisation's internal auditors submit stringent reports on the adequacy and effectiveness of the organisation's systems of internal control together with recommendations for improvement. All recommendations from the Audit process are responded to by management, the recommendations and responses for implementation being rigorously reviewed by the Audit Committee before being either approved or amended, for implementation. The findings from Audit are then reported to the Board.



Steve McIntyre
Chief Executive and Accountable Officer



Ray MacFarlane
Chair

Independent Auditor's Report

To the members of the Scottish Screen National Lottery Distribution Fund, the Scottish Parliament, the Houses of Parliament and the Auditor General for Scotland

I have audited the financial statements on pages 11 to 26 under the National Lottery etc. Act 1993. The financial statements have been prepared under the historical cost convention and in accordance with the accounting policies set out on pages 15 to 16.

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and the Code of Audit Practice approved by the Auditor General for Scotland and for no other purpose, as set out in paragraph 43 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by Audit Scotland, dated July 2001.

Respective Responsibilities of the Chief Executive, Directors and Auditor

As described on page 6, the Chief Executive and Directors are responsible for the preparation of the financial statements and for ensuring the regularity of expenditure and receipts. The Chief Executive and Directors are also responsible for the preparation of the Foreword. My responsibilities, as independent auditor, are established by the Public Finance and Accountability (Scotland) Act 2000 and the Code of Audit Practice approved by the Auditor General for Scotland, and guided by the auditing profession's ethical guidance.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the National Lottery etc. Act 1993 and directions made there under and whether, in all material respects, the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers. I also report if, in my opinion, the Foreword is not consistent with the financial statements, if Scottish Screen has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I review whether the statement on pages 7 to 8 complies with Scottish Executive guidance on statements on the system of internal control. I report if, in my opinion, it does not comply with the guidance, or if the statement is misleading or inconsistent with other information I am aware of from my audit. I am not required to consider whether the statement covers all risks and controls, or form an opinion on the effectiveness of Scottish Screen's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of Audit Opinions

I conducted my audit in accordance with the Public Finance and Accountability (Scotland) Act 2000 and the Code of Audit Practice, which requires compliance with relevant United Kingdom Auditing Standards issued by the Auditing Practices Board.

An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of expenditure and receipts shown in the financial statements. It also includes an assessment of the significant estimates and judgements made by Scottish Screen and the Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Scottish Screen National Lottery Distribution Fund's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error, and that, in all material respects, the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers. In forming my opinion I have also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinions

Financial Statements

In my opinion the financial statements give a true and fair view of the state of affairs of the Scottish Screen National Lottery Distribution Fund at 31 March 2004 and of the surplus, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the National Lottery etc. Act 1993 and directions made thereunder.

Regularity

In my opinion, in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Angela Cassels



Chief Auditor
Audit Scotland
7th Floor
Plaza Tower
East Kilbride
G74 1LW

Date

17 September 2004

Income and expenditure account
for the year ended 31 March 2004

	<i>Notes</i>	2003-04	2002-03
Income		£000s	£000s
National Lottery Fund proceeds		2,512	2,662
De-commitment of SAC Awards	2a	-	1,900
Other income	2b	<u>921</u>	<u>526</u>
		<u>3,433</u>	<u>5,088</u>
 Expenditure			
Award commitments	3a	4,160	5,409
De-commitment of prior year awards	3b	(1,283)	(853)
Staff costs	4	210	159
Other operating expenses	5	<u>204</u>	<u>166</u>
		<u>3,291</u>	<u>4,881</u>
Surplus on ordinary activities		<u>142</u>	<u>207</u>
Notional interest payable		<u>36</u>	<u>11</u>
Surplus on ordinary activities		106	196
Reversal of notional interest payable		<u>36</u>	<u>11</u>
Increase in Fund		<u>142</u>	<u>207</u>

All the results of the Fund relate to continuing activities

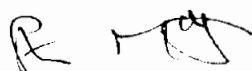
Statement of recognised gains and losses

The Fund has no recognised gains and losses other than those included in the surplus above and therefore, no separate statement of total recognised gains and losses has been presented.

The notes on pages 15 to 26 form part of these financial statements.

Balance sheet
as at 31 March 2004

	Note	2003-2004 £000s	2002-2003 £000s
Current assets			
Balance held in NLDF	6	2,195	2,273
Debtors	7	257	77
De-commitment of SAC Awards		-	2,400
Bank	8	<u>1,848</u>	<u>65</u>
		<u>4,300</u>	<u>4,815</u>
Creditors:			
amounts falling due within one year	9	<u>3,054</u>	<u>3,711</u>
Net current assets		<u>1,246</u>	<u>1,104</u>
Total assets less current liabilities		<u>1,246</u>	<u>1,104</u>
Represented by:			
General reserve	10	<u>1,246</u>	<u>1,104</u>



Steve McIntyre
Chief Executive

Date 30/08/04

Cash flow statement

	2003-04	2002-03
	£000s	£000s
Net cash inflow/(outflow) from operating activities	1,764	(379)
Returns on investments and servicing finance		
Interest received	19	10
Increase/(Decrease) in cash in the period	<u>1,783</u>	<u>(369)</u>

Notes to the cash flow statement

(1) Reconciliation of operating surplus to net cash inflow

Operating (deficit) surplus	142	207
Bank interest	<u>(19)</u>	<u>(10)</u>
	123	197
Decrease/(Increase) in debtors	(180)	(77)
Decrease/(Increase) in NLDF balances	78	1367
Decrease/(Increase) of SAC Award		
Decommitments	2,400	(1,900)
(Decrease)/Increase in creditors	<u>(657)</u>	<u>34</u>
Net cash flow from operating activities	<u>1,764</u>	<u>(379)</u>

(2) Analysis of changes in net funds

	1 April 2003	Movement	31 March 2004
	£000s	£000s	£000s
Cash at bank and in hand	65	1,783	1,848
Bank overdrafts	-	-	-
	<u>65</u>	<u>1,783</u>	<u>1,848</u>
NLDF	<u>2,273</u>	<u>(78)</u>	<u>2,195</u>

The notes on pages 15 to 26 form part of these financial statements.

Reconciliation of movement in funds for the year ended 31 March 2004

	Balances Held at SAC	Balances held in NLDF	Balances At Scottish Screen	Provisions for grant awards	Total
	£000s	£000s	£000s	£000s	£000s
Opening Balance	2,400	2,273	70	(3,639)	1,104
NLDF proceeds	-	2,512	-	-	2,512
Drawn down funds	-	(2,642)	2,642	-	-
Investment returns	-	52	-	-	52
Interest on cash balances	-	-	19	-	19
Other operating income	-	-	850	-	850
Transfer of SAC Monies	(2,400)	-	2,400	-	-
Grants paid	-	-	(3,581)	-	(3,581)
(Increase)Decrease in grant creditors	-	-	-	704	704
Expenditure	-	-	(414)	-	(414)
Closing Balance	-	2,195	1,986	(2,935)	1,246

The notes on pages 15 to 26 form part of these financial statements.

Notes to the accounts for the year ended 31 March 2004

1. Accounting Policies

(a) Basis of Accounting

These financial statements are prepared under the historical cost convention. The accounts have been prepared in accordance with the Accounts Direction issued by the Scottish Ministers and they meet the requirements of the Companies Act and of the Statements of Standard Accounting Practice/Financial Reporting Standards issued and adopted by the Accounting Standards Board, so far as those requirements are appropriate.

Separate accounts have been prepared for the activities funded from grant-in-aid, in accordance with the directions issued by the Scottish Ministers. Consolidated accounts have not been prepared.

(b) Accruals convention

All income and expenditure is taken into account in the financial year to which it relates.

Accounting for funding awards

As required by the Scottish Ministers, a distinction is made in respect of National Lottery Fund awards between *hard commitments*, where Scottish Screen has made a firm offer of grant which (together with the appropriate conditions) has been accepted by the recipient and the *soft commitments* where Scottish Screen has agreed to fund a project and made an offer but the offer has not yet been formally accepted.

Hard commitments are recognised in the income and expenditure account, whereas soft commitments are disclosed by way of a note. Hard commitments payable within one year are recognised in the balance sheet as current liabilities.

Scottish Screen's policy is that of making prudent pre-commitments of up to 4 months of anticipated NLDF receipts. The pre-commitment level is based on the ongoing analysis of the NLDF monthly statements and averaged for the year at £200,000 per month.

Project development awards

Scottish Screen make awards which are for the development of projects to progress them to production. Some or all of these awards may be repayable in the event of a project reaching completion. Income is only accrued when the repayment conditions are fulfilled.

(c) Tangible fixed assets and depreciation

No fixed assets were acquired during the year.

(d) National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Culture, Media and Sport. However, the share of these balances attributable to Scottish Screen is as shown in the Accounts and, at the Balance Sheet date has been certified by the Secretary of State for Culture, Media & Sport as being available for distribution by the body in respect of current and future commitments subject to:

- Completion of the Statement of Assurance of Payments due to the National Lottery Distribution Fund for 2003/04 by the National Lottery Commission.
- Completion of the audit of the National Lottery Distribution Fund accounts for 2003/04 by the National Audit Office.

The NLDF balance is brought to account at the lower of cost and market value.

(e) Pension costs

Pension costs for Scottish Screen staff are recharged to the Lottery Distribution Fund for staff employed on lottery related activities. Scottish Screen is an admitted body of the Strathclyde Pension Fund, a defined benefit scheme whose assets are held independently, being invested in managed funds. The pension fund is valued by actuaries, the rates of contribution payable being determined by the Trustees on the advice of the actuaries. Contributions to the pension fund are calculated so as to provide the cost of providing pensions over the period during which admitted bodies benefit from the employees services.

(f) Notional costs

In line with the accounts guidance issued by HM Treasury, notional costs in relation to the cost of capital have been charged to the income and expenditure account.

The cost of capital provision has been calculated by applying a rate of 3.5% to the average total assets less current liabilities, excluding grant creditors and NLDF balances.

2a De-commitment of SAC Awards

This represents awards made by SAC, which were withdrawn during 2001/02 and 2002/03, by Scottish Screen, as authorised by the Delegation Agreement between SAC and Scottish Screen. During 2003/04 the transfer process was finalised and the monies, £2.491 million were transferred from the SAC to Scottish Screen.

2b Other income

	2003-04 £000s	2002-03 £000s
Investment income	52	181
Bank interest	19	10
Award repayments	<u>850</u>	<u>335</u>
	<u>921</u>	<u>526</u>

3a Award Commitments (hard)

	2003-04 £000s	2002-03 £000s
Features	2,411	3,884
Company Development	400	-
Shorts	342	244
Project Development	248	354
Short film production schemes	328	425
Supplementary funding	88	-
Script Development	308	470
Distribution	<u>35</u>	<u>10</u>
	<u>4,160</u>	<u>5,387</u>
Contribution to development course	-	<u>22</u>
	<u>4,160</u>	<u>5,409</u>

3b De-commitment of prior year awards (hard)

This represents a total of £1.283 million of awards relating to prior year (hard) commitments, which were de-committed during 2003-04 (2002-03, £0.853 million).

4 Staff costs

	2003-04 £000s	2002-03 £000s
Wages and salaries	173	132
Social security costs	16	11
Other pension costs	<u>21</u>	<u>16</u>
	<u>210</u>	<u>159</u>

All staff costs are recharged from Scottish Screen grant-in-aid funded activities on the basis of staff time spent on lottery related activities. Scottish Screen's total payroll costs for the year to 31 March 2004 were £1,294,000, the average number of staff employed during the year was 42. The amount recharged in respect of the National Lottery Distribution Fund's share of Scottish Screen's payroll costs was 16% (2002-03, 13%).

Steve McIntyre (aged 49) was appointed as Chief Executive on 1 September 2001.

	2003-04	2002-03
	£000s	£000s
Emoluments of the Chief Executive, Steve McIntyre		
Remuneration:		
Salary	59,642	58,760
Other taxable benefits	4,520	5,865
Pension scheme contributions	<u>8,231</u>	<u>7,756</u>
	<u>72,393</u>	<u>72,381</u>

The Chief Executive is an ordinary member of the organisation's pension scheme. Information on pension accrued as at 31 March 2004, together with the increase for the year, is unavailable.

The above figures are taken from Scottish Screen's 2003-04 financial statements relating to its grant in aid funded activity.

The directors of Scottish Screen are unpaid and received no remuneration or taxable emoluments during the year.

Scottish Screen Lottery does not operate its own pension scheme but participates in a defined benefit scheme, Strathclyde Pension Fund, provided by Scottish Screen for all its employees. The scheme is funded by payments from Scottish screen and its employees to a trust administered fund, independent of Scottish Screen's finances. Contributions to the scheme are charged to the income and expenditure account so as to spread the cost of pensions over employees' working lives with the company.

Pension scheme

The company operates a defined benefit pension scheme as an admitted body under the Strathclyde Pension Fund, the assets of which are held in a separate trustee administered fund.

These figures are prepared by the Actuaries in accordance with their understanding of Financial Reporting Standard 17 (FRS17), published in November 2000. The calculations have been carried out in accordance with Guidance note 36: Accounting for Retirement Benefits under Financial Reporting Standard 17 issued by Institute and Faculty of Actuaries.

A full actuarial valuation was carried out on 31 March 2002 and was updated by the actuary on an FRS 17 basis as at 31 March 2004. In the previous year the actuarial valuation carried out at 31 March 1999 was updated on an FRS 17 basis as at 31 March 2002.

The major assumptions used by the actuary in these valuations were:

Pension scheme (continued)

	31 March 2004	31 March 2003
Rate of increase in salaries	4.4% (Real 1.5%)	4.0%
Rate of increase in pensions in payment and deferred pensions	2.9%	2.5%
Discount rate applied to scheme liabilities	6.5% (Real 3.5%)	6.1%
Inflation assumption	2.9%	2.5%

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions, which, due to the timescale covered, may not necessarily be borne out in practice.

Scheme assets

The fair value of the scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised, and the present value of the scheme's liabilities, which are derived from cash flow projections over long periods and are thus inherently uncertain, were:

	Long term rate of return 31 March 2004	Value at 31 March 2004 £000	Long term rate of return 31 March 2003	Value at 31 March 2003 £000
Equities	7.7%	1,296	8.0%	929
Government securities	5.1%	253	4.8%	152
Property	6.5%	151	6.0%	144
Cash	4.0%	74	4.0%	44
		<hr/>		<hr/>
		1,774		1,271
Present value of scheme liabilities		(1,837)		(1,616)
		<hr/>		<hr/>
Deficit in the scheme		(63)		(345)
Related deferred tax asset		-		-
		<hr/>		<hr/>
Net pension (liability)		(63)		(345)
		<hr/> <hr/>		<hr/> <hr/>

Pension scheme (continued)

Movement in surplus/(deficit) during the year

	Year to 31 March 2004 £000
Surplus/deficit in scheme at beginning of year	(345)
Current service cost	(95)
Contributions paid	121
Contributions in respect of Unfunded Benefits	1
Past service cost	-
Impact of settlements and curtailments	-
Net return on assets	(5)
Other finance income/cost	-
Actuarial gain/loss	260
	(63)

Analysis of other pension costs charged in arriving at operating profit

	Year to 31 March 2004 £000
Current service cost	95
Past service cost	-
Previously unrecognised surplus deducted from past service cost	-
Gains/losses on settlements or curtailments	-
Previously unrecognised surplus deducted from the settlement or curtailment losses	-
	95

Analysis of amounts included in other finance income/costs

	Year to 31 March 2004 £000
Expected return on pension scheme assets	97
Interest on pension scheme liabilities	(102)
	(5)

Pension scheme (continued)

Analysis of amount recognised in statement of total recognised gains and losses

	Year to 31 March 2004 %	Year to 31 March 2004 £000
Actual return less expected return on scheme assets		246
Percentage of year end scheme assets	13.8%	
Experience gains and losses arising on scheme liabilities		14
Percentage of present value of year end scheme liabilities	0.8%	
Changes in assumptions underlying the present value of scheme liabilities		-
Percentage of present value of year end scheme liabilities	14.2%	
		260
Actuarial loss recognised in statement of total recognised gains and losses		260

The calculations on investment returns, incorporate the actual return on the Fund's assets for the year ended 31 March 2004 of 25.4%, based on actual fund returns to 31 December 2003 of 24.2% and index returns thereafter.

The pension cost relating to the scheme is assessed in accordance with the advice of independent qualified actuaries using the projected unit method.

The contributions of the company and employees were or will be as follows:

	Company	Employees
2003-2004	13.8%	6%
2004-2005	14.4%	6%

The pension charge for the year to the Strathclyde Pension Fund was £123,450 with contributions to other schemes - £2,304.

5 Other operating expenses

	2003-04 £000s Direct	2003-04 £000s Recharged	2003-04 £000s Total	2002-03 £000s Direct	2002-03 £000s Recharged	2002-03 £000s Total
Legal & professional fees	65	1	66	92	-	92
Rent & overheads	5	46	51	2	33	35
Office administration	2	12	14	1	8	9
IT costs	6	-	6	-	-	-
Auditors' remuneration	11	-	11	10	-	10
Staff expenses	22	-	22	-	-	-
Panel expenses	10	-	10	6	-	6
Irrecoverable VAT	17	-	17	9	-	9
Script assessment	<u>7</u>	-	<u>7</u>	<u>5</u>	-	<u>5</u>
	<u>145</u>	<u>59</u>	<u>204</u>	<u>125</u>	<u>41</u>	<u>166</u>

6 Balance held in NLDF

Cost Brought forward at 1 April 2003	2,273
Income received from Lottery	2,512
Investment Income	79
Funds Drawn Down	<u>(2,642)</u>
Costs carried forward at 31 March 2004	<u>2,222</u>
Share of unrealised losses	<u>(27)</u>
Closing market Value at 31 March 2004	<u>2,195</u>

7 Debtors

	2004 £000s	2003 £000's
Sundry debtors	<u>257</u>	<u>77</u>
	<u>257</u>	<u>77</u>

8 Cash at bank

	2004 £000s	2003 £000's
Cash at bank *	<u>1,848</u>	<u>65</u>

* Increase in cash balance reflects receipt in December 2003 of £2.491 million from the Scottish Arts Council

9 Creditors

	2004 £000s	2003 £000's
Awards outstanding (hard commitments)	2,935	3,639
Accruals & sundry creditors *	<u>119</u>	<u>72</u>
	<u>3,054</u>	<u>3,711</u>

*Sundry creditors balance includes £ 90,758 relating to Scottish Arts Council awards

10 General reserve

	2004 £000s	2003 £000's
Balance at 1 April	1,104	897
Change in fund in year	<u>142</u>	<u>207</u>
Balance at 31 March	<u>1,246</u>	<u>1,104</u>

11 Soft commitments

	2004 £000s	2003 £000s
Balance at 1 April	311	1263
Awards withdrawn	(47)	(865)
Accepted in year	(264)	(373)
Amounts committed in year*	<u>205</u>	<u>286</u>
Balance at 31 March	205	311

*Awards made but not accepted at 31 March 2004

12 Hard commitments

	2004 £000s	2003 £000s
Balance at 1 April	3,639	3,616
De-commitment of prior year awards	(1,283)	(853)
Committed in year	4,160	5,387
Paid in year	<u>(3,581)</u>	<u>(4,511)</u>
Balance at 31 March	<u>2,935</u>	<u>3,639</u>

13 Related party transactions

Scottish Screen administers the Scottish Screen National Lottery Distribution Fund

Scottish Screen is regarded as a related party by the Scottish Screen National Lottery Distribution Fund. During the year, Scottish Screen's National Lottery Fund had material transactions with Scottish Screen.

During the year ended 31 March 2004 the following transactions took place between Scottish Screen's National Lottery Distribution Fund and related parties, principally directors or production committee members.

Decisions on grant in aid funded short film awards are made by Scottish Screen's projects panels. No member of this panel has input to allocation of lottery funds but in the interests of transparency these individuals have been included in the following related parties notes.

Henry Eagles, is a member of the Lottery Committee and also an employee of Scottish TV, a subsidiary of SMG. During the year ended 31 March 2004, Scottish TV and Grampian TV, funded with Scottish Screen two production schemes – **This Scotland and New Found Films** to the sum of £137,700 and £258,800, respectively. Scottish Screen National Lottery Fund awarded £68,750 and £322,000 to **This Scotland and New Found Films**, respectively.

In addition initial funding has also been received for the new round of **New Found Land** and **This Scotland**, which has been treated as deferred income in the financial year 2003-2004.

The following projects, which had previously received development funding from the Scottish TV and Grampian TVs **New Found Film** initiative, reapplied under separate cover to the Scottish Screen National Lottery Fund and received additional funding:

Forty (3 Sisters Films Ltd) - Development finance - £10,000
Deadline (Mead Kerr Ltd) - Development support - £1,500
Freak (Umbrella Productions Ltd) - Production finance - £250,000

A distribution and exploitation award of £45,000 was awarded to Afterlife in March 2004 and this film was generated through the **New Found Film** initiative.

Donald Emslie is a member of Scottish Screen's Board and is a Board Member of SMG plc, Scottish Television Ltd and Grampian Television Ltd. During the year ended 31 March 2004, Scottish TV and Grampian TV, funded with Scottish Screen two production schemes – **This Scotland and New Found Films** to the sum of £137,700 and £258,800, respectively. Scottish Screen National Lottery Fund awarded £68,750 and £322,000 to **This Scotland and New Found Films**, respectively.

The following projects, which had previously received development funding from the Scottish TV and Grampian TVs **New Found Film** initiative, reapplied under separate cover to the Scottish Screen National Lottery Fund and received additional funding:

Forty (3 Sisters Films Ltd) - Development finance - £10,000
Deadline (Mead Kerr Ltd) - Development support - £1,500
Freak (Umbrella Productions Ltd) - Production finance - £250,000

Stephen Foster is a member of Scottish Screen's Board and Chairman of Caledonia, Sterne & Wyld. During the year ended 31 March 2004, Caledonia, Sterne & Wyld, received an award from the Scottish Screen National Lottery Fund as part of the joint Scottish Screen and Scottish Enterprise **Company Development** scheme, of:

Scottish Screen National Lottery Fund - £37,000

Caledonia, Sterne & Wyld received funding from the Scottish Screen National Lottery Fund of **£8,600** for a documentary project entitled **Soisgeulan Is Sithichean**. The documentary has been commissioned by BBC Scotland.

Ashley Luke of Fortissimo was appointed to the Lottery Committee in August 2003 and a production award of **£500,000** was made to Nina's Heavenly Delights in October 2003. Ashley Duke's partner is producing this project through Nina's Heavenly Delights Ltd, however, Ashley did not take part or review any of the material submitted to the October meeting.

John McCormick is a member of Scottish Screen's Board and was also Controller of BBC Scotland until the 2nd April 2004. BBC Scotland is a co-founder of Scottish Screen's short film production schemes Tartan Shorts and Tartan Smalls. During the year a total of £60,000 was committed to each scheme from Scottish Screen's lottery funds. In addition, **£6,000** was committed to Tartan Shorts supplementary funding during 2003-04.

During the Financial Year 2003-04 BBC Scotland and BBC Films committed funding of £1.2 million to a low budget feature scheme entitled **Fast Forward Features** in collaboration with the BBC, Content International and Scottish Screen.

Barbara McKissack is a member of the Lottery Committee and also the Head of Drama at BBC Scotland. BBC Scotland is a co-funder of Scottish Screen's short film production schemes Tartan Shorts and Tartan Smalls. During the year a total of **£60,000** was committed to each scheme from Scottish Screen's lottery funds. In addition, **£6,000** was committed to Tartan Shorts supplementary funding during 2003-04. During the Financial Year 2003-04 BBC Scotland and BBC Films committed funding of £1.2 million to a low budget feature scheme entitled **Fast Forward Features** in collaboration with the BBC, Content International and Scottish Screen.

David Muir, of Umbrella Productions was a member of the Lottery Committee, however, resigned in November 2003. A production award totalling £250,000 was made to Umbrella Productions for the feature project, Freak in August 2003.

David Strachan is a member of Scottish Screen's Board and a Director of Tern Television Productions Ltd. During the year ended 31 March 2004, Tern Television Productions, received an award from the Scottish Screen National Lottery Fund as part of the joint Scottish Screen and Scottish Enterprise **Company Development** scheme, of:

Scottish Screen National Lottery Fund - £57,650

Tern Television Productions were also successful in being awarded £20,000 from Scottish Screen National Lottery Fund for a **Tartan Smalls** commission for **Lord of the Fleas**.

A development award of **£24,991** was made from Scottish Screen National Lottery Fund in May 03, towards a documentary project entitled **My Inuit Uncle**.

£14,000 production investment from the Scottish Screen National Lottery Fund was awarded to a feature documentary project, **Through Hell & High Water** in June 03. The project has been commissioned by BBC Scotland.

Colin Young, ACE is a member of the Lottery Committee and Karen Smyth (La Belle Allee Productions Ltd) is currently taking part in the ACE programme. During the financial year 2003 / 04 La Belle Allee Productions were awarded development support totalling **£17,700** for **Empty Days. Can't Stand the Heat** was commissioned under the **Tartan Smalls** strand and **£20,000** awarded to La Belle Allee Productions.

Becky Lloyd Short Film Executive for Scottish Screen, is a Non Executive Director of Screenbase Media Limited. During the year ended 31 March 2004, Screenbase Media Limited was contracted to create an online a database for Lottery awards, which was developed at a total cost £3,500.

Carole Sheridan Development Executive for Scottish Screen, is Scottish Screen's Development Executive. She is married to writer Barry Gornell.

During the year ended March 2004, 'The Race' written by Barry Gornell, was commissioned as part of the 2004 New Found Land initiative, for which he received an award from the Scottish Screen National Lottery fund of:

Scottish Screen National Lottery Fund - £12,500

SCOTTISH SCREEN

National Lottery Distribution Fund

List of awards made during the year ended 31 March 2004

Decision body	Applicant	Project Title	Project Type	Award
Hard Commitments				
Committee	Gabriel Films	Afterlife	feature	100,000
Committee	Blinded Films	Blinded	feature	100,000
Officers	Vestry Films	The Purifiers	feature	21,800
Officers	Solid Air	Solid Air	feature	5,000
Committee	Saltire Film & TV Productions	The Cone Gatherers	feature	500,000
Officers	Tern TV Productions	Through Hell And High Water	feature	14,000
Officers	Caledonia Sterne & Wyld	Soisgeulan is Sithichean	feature	8,600
Committee	Parallax Independent	Yasmin	feature	300,000
Officers	Gabriel Films	Afterlife	feature	25,000
Officers	Blinded Films	Blinded	feature	25,000
Officers	Blinded Films	Blinded	feature	2,000
Officers	Parallax Blind Flight	Blind Flight	feature	2,000
Committee	Umbrella Productions	Freak	feature	250,000
Officers	Gabriel Films	Afterlife	feature	25,000
Committee	Nina's Heavenly Delights	Nina's Heavenly Delights	feature	500,000
Officers	Jacket Pictures	The Jacket	feature	25,000
Committee	Young Miracle Films	The Listen	feature	300,000
Officers	Vestry Films	16 Years of Alcohol	feature	25,000
Officers	Holdings Ecosse	A Crying Shame	feature	25,000

Committee	Forthcoming Productions / In Film / Take Partnerships Production	On A Clear Day	feature	157,809
Officers	Young Miracle Films	The Listen	project development	17,000
Officers	Stella Maris Films	Sanctuary	project development	10,000
Officers	The Illuminated Film Co	Greyfriars Bobby	project development	25,000
Officers	3 Sisters Films / Tern TV Productions	Forty	project development	10,000
Officers	Tern TV Productions / 3 Sisters Films	My Inuit Uncle	project development	24,991
Officers	Mead Kerr	Deadline	project development	1,500
Officers	Posh Pictures	Mile High	project development	1,500
Officers	Ink Animations	Psychotica	project development	25,000
Committee	Kali Films	Nina's Heavenly Delights	project development	45,000
Officers	Saltire Film & TV Productions	Strange Beds	project development	15,000
Officers	Ecosse Films	Bonnie Prince Charlie	project development	25,000
Officers	Bard Entertainments	Nova Scotia	project development	5,000
Officers	Hopscotch Films	Sailing Lessons	project development	15,000
Committee	Sigma Films	The Great Beyond	project development	5,000
Officers	Caroline Films	Ana	project development	2,500
Officers	Gorbals Films	Runaway	project development	20,000
Officers	Ideal World Films / Out + Out Films	Shade	short film	11,175
Officers	4 Minute Wonders / La Belle Allee Productions	Caffalic Educashun	short film	15,555
Officers	Elysium Productions	Dansette	short film	10,000
Officers	Tranceformations Scotland	Drown	short film	24,821
Officers	Viz	Maggie's Centre: Architecture of Compassion	short film	20,000
Committee	Ink Animations	Psychotica	short film	141,438
Committee	West Highland	Seanachasan Nan	short film	81,500

	Animation	Treubhan		
Officers	Young Films	Foighidinn	short film	25,000
Officers	Ko Lik Films	Fatal Distraction	short film	12,894
Officers	Clerkenwell Films	Master Of Ballantrae	script development	10,000
Officers	Bronco Films	Renegade	script development	20,000
Officers	Clutha Productions	The Family	script development	25,000
Officers	Peedee	50 Days North	script development	6,000
Officers	Maverick (Scotland)	Way To Go	script development	2,500
Officers	La Belle Allee Productions	Empty Days	Script development	17,700
Officers	Wark Clements & Co	The Michelangelo Moment	script development	24,000
Officers	McDongall Films	Magic Bus	script development	15,000
Officers	Storyland	Atoz	script development	13,000
Officers	Crab Apple Films	Leonard	script development	20,000
Officers	Raindog	Ruby	script development	5,000
Officers	Sigma Films	The Changeling	script development	17,100
Officers	Young Films	Come Back, Brendan Derwoody	script development	24,000
Officers	Red Kite Animations	Tom Thumb	script development	25,000
Officers	Sigma Films	Christ On A Bike	script development	3,000
Officers	Catherine Bailey	Flip	script development	9,500
Officers	Bard Entertainments	The Girl Next Door	script development	10,000
Officers	River Films (Scotland)	MacNab	script development	12,500
Officers	4Way Pictures	Barbacoa	script development	25,000
Officers	Autonomi	Peshmarga	script development	10,000
Officers	Stella Maris Films	Worrals of the WAAF	script development	14,000
Officers	Nobles Gate Film & TV Productions	She Toon – City of Bingo	short film scheme	6,250
Officers	Junk 72 Film & TV	Screen Machine	short film scheme	6,250
Officers	Monkey Puzzle Productions	The Neilston Show	short film scheme	6,250
Committee	GMAC	Cineworks	short film scheme	75,000
Officers	La Belle Allee Productions	Can't Stand The Heat	short film scheme	20,000
Officers	Crab Apple Films	This Old House	short film scheme	20,000

Officers	Tern TV Productions	Lord Of The Fleas	short film scheme	20,000
Officers	Mediabase	First Writes	short film scheme	15,000
Officers	Hopscotch Films	Last Train To Beechwood	short film scheme	6,250
Officers	Hopscotch Films	Poet On A Plane	short film scheme	6,250
Officers	Asylum Pictures Ltd	Tree Fellers	short film scheme	6,250
Officers	Skyline Productions	Women In Black	short film scheme	6,250
Officers	Theatre Corporations	Inside Tennents	short film scheme	6,250
Officers	Autonomi	Some Distant Day	short film scheme	6,250
Officers	Hopscotch Films	No Man's Land	short film scheme	20,000
Officers	Plum Films	Tumshie McFadgen's Bid for Ultimate Bliss	short film scheme	20,000
Officers	Black Robin Productions	And So Goodbye	short film scheme	6,250
Officers	Mandragora Productions	Don't Make Me Laugh	short film scheme	6,250
Officers	Lichen Films	The Holly Hut	short film scheme	6,250
Officers	Corruption Films	Crude Progress	short film scheme	6,250
Officers	Keith Alexander Productions	Poetry In Motion	short film scheme	5,000
Officers	Central College Of Commerce	Docu-Web: The Internet Documentary	short film scheme	5,000
Officers	Design Is Central	Best Laid Schemes	short film scheme	5,000
Officers	Contact: Colin Andrews	Encyclopedia Kinomatica	short film scheme	5,000
Officers	Contact : Gair Dunlop	The Tomorrows Project	short film scheme	5,000
Officers	Lion Television Scotland	Rooted	short film scheme	6,250
Officers	Rogue Farm.Com	Rogue Farm	short film scheme	12,500
Officers	McDongall Films	Instant Credit	short film scheme	12,500
Officers	Taylorred Productions	Through Hell And High Water	supplementary	8,868
Officers	Parallax Blind Flight	Blind Flight	supplementary	9,720
Officers	Vestry Films	The Purifiers	supplementary	2,000
Officers	Película Films	Orwell Against the Tide	supplementary	10,000
Committee	Wark Clements & Co	The Gathering Place	supplementary	50,000

Officers	Murray Sports Marketing UK	Sredni Vashtar	supplementary	2,000
Officers	Hopscotch Films	Wise Guys	supplementary	2,000
Officers	Posh Pictures	All Over Brazil	supplementary	2,000
Officers	Red Kite Animations	The Loch Ness Kelpie	supplementary	932
Officers	Bard Entertainments	American Cousins	distribution	25,000
Officers	Armac Films Distribution	The Boy David	distribution	10,000
Committee	GBH Holdings		company development	28,850
Committee	Hopscotch Films		company development	20,500
Committee	Blackwatch Productions		company development	57,650
Committee	Raindog		company development	37,000
Committee	Caledonia Sterne & Wyld		company development	37,000
Committee	Tern TV Productions		company development	57,650
Committee	Saltire Film & Television Productions		company development	57,650
Committee	Ideal World Productions		company development	53,700
Committee	Red Kite Animations		company development	50,000
Total hard commitments				<u>4,159,403</u>

Soft commitments				
Officers	Roaring Fire Film Productions	The Ticking Man Sequel	feature	25,000
Officers	DJ Films	Except Me and My Monkey	project development	7,500
Officers	Young Miracle Films	The Listen	project development	5,000
Officers	Raindog	Ruby	script development	15,292
Officers	Posh Pictures	Little Arrows	script development	500
Officers	Mandragora Productions	Lollipop	script development	500
Officers	Mead Kerr	Night People	script development	500
Officers	Mead Kerr	White As Snow	script development	500
Officers	Raindog	Bunny, Mark & Me	script development	500
Officers	Peel Street Films	Making Love	script development	500
Officers	Brassneck Film & TV Productions	Man O'War	script development	500
Officers	Extra Veg	The Reign of Z'Rennk	script development	500
Officers	Search Party Productions	True North	script development	500
Officers	Young Films	The Indian	script development	500
Officers	Hopscotch Films	Ninety Eight Point Six	script development	500
Officers	Scottish Arts Council	Artists Film & Video	short film schemes	25,000
Officers	Mandragora Productions	Electric Blues	short film schemes	12,500
Officers	Heehaw	IM	short film schemes	12,500
Officers	Wish Film Productions	Elephant Boy	short film schemes	12,500
Officers	Ideal World Productions	The Race	short film schemes	12,500
Officers	Nobles Gate	Baldy McBain	short film schemes	20,000
Officers	Edge City Films	Total Rubbish	short film schemes	6,250
Committee	Gabriel Films	Afterlife	distribution	45,000
Total soft commitments				<u>204,542</u>

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