

BRITISH BOARD OF FILM CLASSIFICATION

**ANNUAL REPORT
AND ACCOUNTS FOR 1989**

BRITISH BOARD OF FILM CLASSIFICATION

3 Soho Square, London W1V 5DE

President: The Rt. Hon. The Earl of Harewood, KBE

Director: James Ferman

Fax: 071-287 0141

Telephone: 071-439 7961

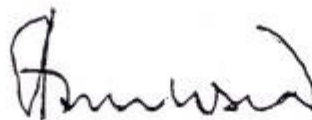
18th July 1990

THE FIFTH ANNUAL REPORT OF THE BRITISH BOARD OF FILM CLASSIFICATION

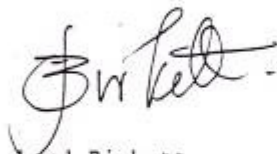
Dear Secretary of State,

We have pleasure in sending you, in accordance with section 6 of the Video Recordings Act 1984 and our letter of designation of 26th July 1985, the Annual Report of the British Board of Film Classification, together with the statement of accounts, for the year ended 31st December 1989.

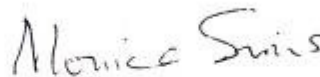
Yours sincerely,



Lord Harewood
President



Lord Birkett
Vice President



Monica Sims OBE
Vice President

The Rt Hon David Waddington QC MP
Secretary of State for the Home Department
Home Office
50 Queen Anne's Gate
London SW1H 9AT

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PRINCIPAL OFFICERS OF THE BBFC

President
THE RT HON THE EARL OF HAREWOOD KBE

Vice Presidents
THE LORD BIRKETT
MONICA SIMS OBE

Director
JAMES FERMAN

Deputy Director
MARGARET FORD JP

Assistant Director (Administration)
PETER WILSON FIPM MBIM

COUNCIL OF MANAGEMENT

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Hon Treasurer: G W Brooks

D C Calder
M H Cox
J C Holton
D Kimbley
W T McMahon
P Rigby CBE JP
D W Samuelson
S Sansom OBE
W P Vinten OBE

BBFC Staff at 31st December 1989

EXAMINERS

Principal Examiner: GUY PHELPS PhD

Assistant Principal Examiners: GEOFFREY WOOD PhD, JULIAN WOOD

David Blewitt PhD, Michael Bor, Anne Cheung, Carolyn Choa, Bonny Crawley, Sylvia Denham, Richard Falcon PhD, Behroze Gandhi, Margaret Glasspool, Paul Hoffman, Shah Hussain, Greg Lyons, Maggie Mills, Jim Moody, Maria Moustaka, Jeremy O'Grady, Asha Richards, Sally Sampson JP, Rosemary Stark, Victoria Tawadros, Carol Topolski, Enis User.

ADMINISTRATIVE AND TECHNICAL

Accountant: J KEITH BRAY FCCA

Computer Manager & Systems Co-ordinator: Jean McMeakin

Head of Programming: Jackie Simons, Chief Projectionist: Dennis Askew,

Post-Exam Co-ordinator: Karen Grant, Chief Video Technician: Vincent Hull

Senior Accounts Officer: Peter Mavromatis, Senior Secretary: Xandra Barry

Chief Registration Officer: David Hyman, Video Archivist: Stephen Myers

PRESIDENT'S INTRODUCTION

The best laid plans of public bodies are at the mercy of history and economic pressures. And so the deadline for classifying every video in the shops was succeeded not by a pause for retrenchment and reassessment, but by an urgent need to expand. This was the Board's task during most of 1989 in order to keep pace with the unprecedented demand. A thriving and now respectable video industry exceeded all forecasts with its brisk volume of submissions, while at the same time trading standards officers were starting to discipline the laggards and to demand a steady flow of expert evidence from the BBFC. That the Board was able to meet these demands out of its own resources is a matter of some pride.

The distinction which the Board seeks to draw between manners and morals, offence and harm, is never straightforward. There is to some extent a moral issue which underlies manners, since the injuries which follow from breaches of civility may be deeply felt. A mannerly society is one that considers the feelings and susceptibilities of individuals, and consideration for others can be seen as a moral issue. Parental concern about bad language in videos viewed in the home is one such issue, for which stricter classification is a remedy, not a panacea.

Another area in which consideration for others is paramount is blasphemy. Rumours on that score proved unreliable when focussed in 1988 on the film THE LAST TEMPTATION OF CHRIST. This turned out to be a reinterpretation of Christ's life and passion rather than a scurrilous attack. By the time the video version was released in 1989, the storm had passed, but in the autumn, the issue surfaced again with a short video about the supposed sexual fantasies of St Teresa. In British law, blasphemy is distinct from heresy, having nothing to do with questions of doctrine or dissent. Issues of conscience may be fully debated in Britain, but a degree of civility is enjoined on those who attack the deepest religious feelings of believing Christians. The Video Appeals Committee confirmed the Board's legal advice that the video under review was blasphemous in tone and treatment and that the Board had no choice but to refuse it a certificate. During the hearing and afterwards, the Board reaffirmed its view that it was invidious in a modern pluralist society that the law should single out only one religion for protection, echoing Lord Scarman's judgment in the House of Lords (1979) that "in modern Britain it is necessary not only to respect the differing religious beliefs, feelings, and practices of all, but also to protect them from scurrility, vilification, ridicule, and contempt." The line between fair comment and gratuitous insult is never clear, but it is a line the Board attempts to draw with the greatest care.

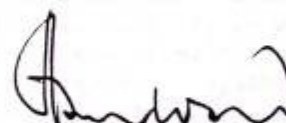
Video violence was less of a problem in 1989, since fewer extreme examples seem to have been imported by British distributors, most of whom are by now familiar with BBFC policy on the need to limit both the quantity and intensity of violence which films and videos regularly deliver to children, teenagers and young adults. The Broadcasting Standards Council in its 1989 Code of Practice cited public concern that regular exposure to violence may desensitise an audience, adding that "a society which delights in or encourages cruelty or brutality for its own sake is an ugly society, set on a path of self-destruction." This is a line the BBFC has pursued for many years, and it welcomes signs that such principles will inform the transmission standards of all the multifarious satellite and cable services which will soon compete with broadcast TV and video for the supply of home entertainment in Britain. In 1989, the Board began to apply such principles to the classification of films for satellite television.

In its published research, the Broadcasting Standards Council has found that while British viewers are worried about violence and bad language on TV, they are far more relaxed about the sexual content of programmes, provided they are scheduled late enough in the evening. Yet the setting of limits to representations of sex on the screen makes far greater claims on BBFC time than our concern with violence. Before the 1984 Act, much of the business of video retailers was taken up with a routine trade in sex videos, and the accessibility of such tapes, often uncensored, to the young was widely criticised.

It has been the policy of the BBFC not only to cut such material, but to remove the more prurient examples to the controlled environment of licensed sex shops. Indeed, the 'R18' was devised in an effort to segregate such material into specialist shops to which no one under 18 had access, either in front of the counter or behind it. It was this approach to public policy which the House of Commons had envisaged in providing for a category of videos which should be available only in licensed sex shops. The viability of such a category does of course depend on a sufficiency of retail premises. In 1986, the Video Appeals Committee indicated that the more limited the market for 'R18' videos, the more punitive the category would become in commercial terms; it might even, they suggested, constitute restraint of trade. The Video Consultative Council expressed misgivings at the Committee's view that such material might return to the open market.

In 1989, it became clear that the number of licensed sex shops was shrinking further. The number of videos classified 'R18' has declined each year since the Act came into force, and pressure on the Board to bowdlerise such films for the '18' market has increased, with the result that more and more such titles may begin to appear in corner shops where they are likely to be accessible to teenagers. In 1992, there will be an influx of sex videos from the continent, where legal standards are far less strict than in Britain and where non-consenting sex is often featured. If licensing dwindles, and the regime of segregation is dismantled under the influence of market forces, then 1992 could see a very much wider range of pornography on open shelves.

In November 1989, the Board welcomed delegates from the film regulatory Boards of the European Community to a London meeting. Concern at the spread of video violence and of unregulated satellite TV was high on the agenda, and Britain was able to give a lead in both areas. The Video Recordings Act is so far the only fully operational system of video regulation in the Community, and the Board could also draw on a year's experience of classifying films for satellite TV. As home entertainment, cable and satellite have much in common with video, but there are differences, since once the choice has been made to subscribe, the material such channels transmit may be encountered unawares and devoid of context - a mere random selection on the hand-set. Above all, our EC neighbours were concerned at the prospect of 1992 and the risk that national standards might wither along with frontiers. Germany and France cited the lack of effective controls on child pornography in Holland, with which they share common borders. It is in the interests of Britain that adequate regulatory measures are taken in good time.



Harewood

1. 1989 was the busiest year in the Board's history, with the submission of 366 feature films, more than 4,500 videos, and nearly 750 films for satellite television. The rate of expansion since the end of 1988 had not been predicted, but as the video industry boomed and a new market mushroomed in low-cost tapes designed for sale like paperback books, so the Board's workload grew, along with the need for increased staff and accommodation. The rebuilding of the Board's reserves had made it possible to resume the building programme which financial constraints had halted in 1988. The noise and dust had returned, and it says much for the dedication of a hard-working staff that productivity in 1989 increased despite the working conditions.

A New Category

2. The category system introduced seven years earlier was showing signs of strain as the film industry experimented by challenging the norms of public taste and audience expectations. The James Bond series, for so long the flagship of big-budget film-making in the UK, with its worldly hero raising a weary eyebrow at the latest outrage from a long line of villainous megalomaniacs, suddenly shifted into a new gear. Audiences had become accustomed to, and accepted, a relatively high degree of stylised violence in these films, all of them 'PG' (Parental Guidance), because their wit and polish kept them balanced (however precariously) on the knife-edge between the acceptable and the exploitative.
3. LICENCE TO KILL knowingly left this territory. Filmed in America, it was targeted at the adolescent audience of the American 'PG-13' rating, which cautions parents that the film is unsuitable for pre-teenagers, whilst keeping no one out of the cinema. In fact, as first assembled, the film contained far too much brutality for both the American 'PG-13' and the BBFC's new '12', an age-bar category issued first not to the Bond, which was much too violent, but to BATMAN a month later. Indeed, there were cuts in violence for the Bond on both sides of the Atlantic, with an advisory 'PG-13' achieved in America, but a minimum '15' in the UK, a far cry from the 'PG' into which all other Bonds had fallen.
4. BATMAN, not Bond, was the family blockbuster of the year, yet it was far from the traditional 'PG', darker and more sinister than the INDIANA JONES trilogy, and with escalating violence and a touch of viciousness in the second half of the film. Yet if 'PG' was clearly too lenient, '15' seemed over-protective, revealing yet again the lack of a pigeon hole for films which were ideal for those who had completed the difficult transition from primary to secondary school, a stage that little bit beyond eleven plus. Parents had written in to the Board complaining that there were no films to which they could take a party of 12/13-year-olds, and both the National Council of Women and the Mothers' Union confirmed the need for an in-between category.
5. On 26th July, with the unanimous consent of the Cinema Consultative Committee, comprising members of the local licensing authorities and cinema trade associations, the Board introduced a new '12' category to take effect from August 1989. Like the '15' and '18' categories, the '12' is a minimum age, barring admission to any child still in primary school, but suitable for and available to the full range of teenagers, particularly that watershed age, the first year of secondary school.

6. So far, there has been no equivalent category for home video, since the video industry has resisted yet another age-bar to which criminal sanctions would apply. After all, it was said, CROCODILE DUNDEE was '15' and there were few 12-year-olds who didn't see it, usually with their parents' consent, since it seemed so innocent. It was innocent, after a few trims to the drugs scene, but CROCODILE DUNDEE was at the mildest end of '15', and would have been 'PG' save for a detail or two, including one sexual expletive which proved uncuttable. If only there had been a '12' at the time, it might have stopped parents assuming that all '15' films were like CROCODILE DUNDEE and suitable for 12-year-olds. Most '15' videos are not suitable for audiences as young as 12, but those that are, like GREMLINS and BATMAN and TOP GUN, with no sexual expletives at all, could have been made available to them, had there been a '12' on video.

Enforcement of the Video Recordings Act

7. Claims on the Board by trading standards officers for evidence under the Act increased markedly in 1989, with 231 inquiries about 4,851 different titles. Charges were laid in 356 cases, bringing the total number of seized tapes examined by the Board to 1829. The initiative taken by the Video Consultative Council in recommending that enforcement powers be extended from police to trading standards officers has transformed the situation. Few shopkeepers are now unaware of the Act, and few unclassified videos remain on the shelves. But there is still far to go in bringing home to sales assistants that it is an offence to supply a tape to children younger than the specified age. It is hoped that the new Video Standards Council will make retailers aware of their responsibilities, and that the courts will appreciate the seriousness of mislabelling an adult video as if it were suitable for children.
8. The enforcement provisions of the Act set a time limit of six months between seizure and laying of charges, during which the Board must examine each video in sufficient detail to state that a classification certificate either had or had not been issued on the date of seizure. Examination of a video and comparison with the classified version can be time-consuming, and a target was set for turning round such requests in a maximum of two months. In early 1989, the Board was temporarily overwhelmed by the volume of requests put before it, but recruitment and training of specialist staff and a productivity drive in the relevant sections resulted in the target being achieved by the end of the year.
9. There is, of course, room for improvement, on all sides, including, it is hoped, amendments to the enforcement provisions of the Act. For example, the Board has had to limit the number of videos examined in any one case in the interests of turnover, leading some magistrates to rule that charges be dropped in respect of all titles on which BBFC evidence is not provided. It is proposed that once sample charges are laid on the basis of a close examination of certain tapes, then supplementary evidence that other listed titles are not to be found in the Board's Register of classified videos should be admissible and subject to challenge. Secondly, an extended time limit would make it easier for trading standards officers to assemble evidence. And finally, it should be possible for the offence to be traced back to the original supplier through 'bypass powers' of the kind given to trading standards officers in the Trade Descriptions Act. Lax distributors should not be able to go on passing the buck to retailers with impunity.

CLASSIFICATION

Films

10. The boom in cinema admissions in Britain was reflected in the increased number of films submitted during 1989, 369 features being classified during the year, as well as 51 short features, 344 trailers, and 114 advertisements. For the third year running, no film was submitted which had to be refused a certificate, although cuts were required in 62 films, 16.8% of the total.
11. The percentage of films cut in 1989 was higher than in the last three years and reflects the impact of two factors: the increasing incidence of violence and bad language in American family films, and the lack of licensed club cinemas for the showing of 'R18' sex films, which has meant the very heavy cutting of an increasing number of such films, sixteen in 1989 as against ten a year earlier, in order to make them suitable for showing in the public cinema. Roughly half the films cut in the '18' category were of this type, accounting for the largest proportion by far of cut running time, and leaving many classified sex films very truncated indeed. Levels of violence or horror required cutting in eighteen films, eleven of them in the adult category, and the remaining seven were cut at the distributor's request to achieve a less restrictive category than either quantity or intensity of violence would initially have required. Sexual violence is a perennial problem and needed cutting in six adult films, while a light-hearted treatment of attempted rape in a British fantasy adventure had to be trimmed to avoid confusing and perhaps disturbing the younger teenage audience to whom it was designed to appeal.
12. Category trends since 1970 can be gauged from the figures given in Appendix I, in which the statistics of films classified and cut each year are set out in tabular form. In July 1989, the new '12' category was introduced, 23 films having been classified '12' in this first year, of which seven were cut to make them suitable for this early-teens audience. For the fifth year running, there were no films in the 'R18' category.
13. In 1989, the 369 features to which classification certificates were issued can be broken down statistically as follows, with percentages rounded up to the nearest tenth:

<u>Classification Categories</u>	<u>Total number and percentage of works in each category</u>	<u>Number and percentage of works classified only after cuts</u>
'U'	12 (3.3%)	-
'PG'	75 (20.3%)	10 (13.3%)
'12'	23 (6.2%)	7 (30.4%)
'15'	152 (41.2%)	11 (7.2%)
'18'	107 (29.0%)	34 (31.8%)
'R18'	-	-
Rejected	-	-
<u>Total</u>	<u>369 (100%)</u>	<u>62 (16.8%)</u>

Video

14. During the calendar year 1989, some 4,682 new video features were submitted to the Board, with classification certificates being issued to 3,347 of them and a further 1256 given interim approval pending the approval of packaging under the voluntary scheme. Most of this packaging has since been cleared, and 1989 thus becomes a record year for video classification.
15. Video statistics for 1989 are summarised in the table opposite, with cumulative totals for 1985/89 on the following page. As well as the 3,347 video features on which classification certificates were issued during the year, one feature was refused a certificate altogether, whilst another 249 (7.4% of the total) required cuts as a condition of certification. Statistics for 1989 show that 1900 features (56.8% of the total) were suitable for general viewing, with 800 of them (23.9%) subject to the 'Parental Guidance' warning that some contents 'might be unsuitable for young children.' A growing proportion (4.4%) were classified 'U/c', meaning particularly suitable for young children, a measure of the extent to which dealers are now beginning to cater to the pre-school and nursery market by providing special shelves of stories, songs and rhymes, often in cartoon form, for infant viewers. Of the features classified as suitable only for those above a certain age, the '15' category maintains its narrow lead over the '18', confirming the trend noted a year ago that distributors are turning away from the sort of overseas material which at one time brought the industry into disrepute. Only 42 video features, 1.3% of the total and the lowest proportion so far, were classified 'R18', which restricts supply to the diminishing number of licensed sex shops. No video games were submitted in 1989.

Video Lists

16. In previous years, the Board has published monthly lists of classified video works as well as four-monthly updates and annual bound volumes in consolidated form. In 1989, an alphabetical catalogue of all video works classified during the first four years under the Act was published, followed by an annexe of titles added during the remainder of the year. Since the total number of features classified by the end of 1989 had reached some 14,501 titles, with a further 3,385 trailers and 335 advertisements, it is clearly necessary that the Board publish an authoritative annual catalogue of classified works for the convenience of dealers and law-enforcement agencies.
17. It is important to reiterate each year for the benefit of new subscribers that these lists include the approved running time of the classified video to the nearest second, as well as the duration of any cuts required by the BBFC as a condition of certification. Timings are video timings, which in Europe are 4% quicker than film (25 frames per second instead of 24). The remarks column gives the predominant language of the work where this is other than English, and also such information as whether the work has been abridged by the distributor or re-titled before submission to the Board. Where the latter is the case and the work is classified and available to the public under more than one title, both are carried in the alphabetical lists.

Video Recordings Act 1984

VIDEO STATISTICS FOR 1989

<u>Classification Categories</u>	<u>Total Number and percentage of works in each category</u>	<u>Number and percentage of works classified only after cuts</u>
FEATURES		
'U'	952 (28.4%)	2 (0.2%)
'U/c'	148 (4.4%)	-
'PG'	800 (23.9%)	33 (4.1%)
'15'	717 (21.4%)	44 (6.1%)
'18'	688 (20.6%)	150 (21.8%)
'R18'	42 (1.3%)	20 (47.6%)
Rejected	1 (0.03%)	-
<u>Total</u>	<u>3,348 (100%)</u>	<u>249 (7.4%)</u>
TRAILERS		
'U'	137 (22.0%)	5 (3.6%)
'U/c'	-	-
'PG'	166 (26.6%)	15 (9.0%)
'15'	189 (30.3%)	16 (8.5%)
'18'	132 (21.1%)	36 (27.3%)
'R18'	-	-
Rejected	-	-
<u>Total</u>	<u>624 (100%)</u>	<u>72 (11.5%)</u>
ADVERTISEMENTS		
'U'	22 (81.5%)	1 (4.5%)
'PG'	1 (3.7%)	-
'15'	-	-
'18'	4 (14.8%)	1 (25.0%)
'R18'	-	-
<u>Total</u>	<u>27 (100%)</u>	<u>2 (7.4%)</u>

CUMULATIVE VIDEO STATISTICS
September 1985 to December 1989

<u>Classification Categories</u>	<u>Total Number and percentage of works in each category</u>	<u>Number and percentage of works classified only after cuts</u>
FEATURES		
'U'	3,717 (25.6%)	32 (0.9%)
'U/c'	472 (3.2%)	-
'PG'	3,347 (23.1%)	163 (4.9%)
'15'	3,520 (24.3%)	232 (6.6%)
'18'	3,193 (22.0%)	875 (27.4%)
'R18'	226 (1.6%)	76 (33.6%)
Rejected	26 (0.2%)	-
<u>Total</u>	<u>14,501 (100%)</u>	<u>1,378 (9.5%)</u>
TRAILERS		
'U'	1,465 (43.3%)	131 (8.9%)
'U/c'	1 (0.3%)	-
'PG'	572 (16.9%)	45 (7.9%)
'15'	798 (23.6%)	62 (7.8%)
'18'	537 (15.9%)	114 (21.2%)
'R18'	4 (0.1%)	1 (25.0%)
Rejected	8 (0.2%)	-
<u>Total</u>	<u>3,385 (100%)</u>	<u>353 (10.4%)</u>
ADVERTISEMENTS		
'U'	318 (94.9%)	3 (0.9%)
'PG'	6 (1.8%)	-
'15'	6 (1.8%)	-
'18'	4 (1.2%)	1 (25.0%)
'R18'	1 (0.3%)	-
<u>Total</u>	<u>335 (100%)</u>	<u>4 (1.2%)</u>
VIDEO GAMES		
'15'	2 (50%)	-
'18'	2 (50%)	-
<u>Total</u>	<u>4 (100%)</u>	<u>-</u>

18. Since the day-to-day needs of trading standards officers go beyond the availability of up-to-date lists in the A4 format, the Board is looking at the possibility of supplying abbreviated data in a handier form, which can be supplemented by fuller details held in the office. It is also planning to provide computerised information which can be down-loaded at frequent intervals from the Board's computer on to one accessible to standards departments throughout the country.

Cuts

19. There was a further decrease of nearly 2% during the year in the proportion of videos cut as a condition of certification, from 9.1% in 1988 to 7.4% in 1989, which reflects the increasing family orientation of mainstream companies. In the cumulative statistics for 1985/89, the proportion is 9.5%, a reduction from 10.1% a year earlier. There may, of course, be another factor in the steady decline in films cut, namely the reluctance of companies to take the time or trouble to edit out the bad language in American films and videos, which is often sufficient to consign them to the '15' or '18' categories. Since a single instance of such language is often cynically inserted into a Hollywood film in order to guarantee the commercially advantageous 'PG-13' rating, it seems a pity that the more restrictive British '15' is not considered sufficiently punitive to justify cutting. The smaller proportion of '18' videos cut as a condition of certification reflects the decline in exploitative violence and sexual violence, on which Board policy has acted as a deterrent. But this is counter-balanced by the greater number of sex films painstakingly reduced to '18', producing an annual total of far more deleted running time than the total of all the other cuts imposed that year across the category system.

Violence and Weaponry

20. Just over fifty videos and sixteen films were cut on grounds of violence during the year, including, to widespread surprise, the latest James Bond film, LICENCE TO KILL, which was cut for '15'. The key to this change was the decision to present Bond not as an urbane British intelligence man, but as an embittered vigilante, seeking personal revenge for the sadistic murder of a colleague. The tone of the picture was consequently nearer to Rambo than Ian Fleming, and the sadism of scenes in which a man is fed to a hungry shark, a woman is whipped, and the villain is immolated were far from family viewing.
21. RAMBO III itself was cut more heavily on video than on film, chiefly to limit the glamorisation of weaponry for home viewing, since the film's release coincided with publication of a catalogue of military weaponry available from Britain's proliferating weapons shops and advertised along with pictures of Rambo in militaristic pose. Among these was Rambo's trade-mark knife, virtually removed from the film as a combat weapon though retained for the cutting of barbed wire. His high-tech bow was also given rather less prominence in an age when the sale of crossbows has had to be legally controlled in Britain. The obsession of certain film-makers with martial arts weapons and military hardware and their fetishisation through carefully lit close-ups and slow-motion shots is a perennial problem. In 1989, 21 videos were cut, one by 5½ minutes, to reduce to manageable proportions the 'selling' to young males of weapons of all sorts. It is to be hoped that this cinematic fascination with guns, butterfly knives and crossbows is short-lived.

22. The horror film is for the moment a less popular genre (the razor-fingered Freddy of A NIGHTMARE ON ELM STREET apart), but those few can still cause problems. Four videos were cut by between 1½ and 4 minutes to remove the sort of excesses that led to the passing of the Video Recordings Act, but such cutting is now rare. More often the Board's task is to eliminate the one or two moments when the line of balance is over-stepped. Judging this line is never easy, since context and treatment can be just as important as the images used, and the problem is exacerbated by the fact that so much of this material is made by and for people in societies very different from our own.
23. Sadly, Britain is no longer a major film-making nation, and most videos released in the UK are made abroad, America dominating. But Hollywood attitudes to violence have drifted further and further away from the attitudes of most British parents, and of many censorship Boards in northern Europe, particularly the BBFC. More complex still is the dilemma posed by the need to assess the meaning of violence in a Punjabi melodrama, designed for a rural audience in Pakistan, but now released to those trying to settle into western urban society. Or again, how is one to assess the scenes of mayhem in a TV series made in Hong Kong, where family audiences are accustomed to levels of prime-time violence that would surprise or even outrage a British family audience?
24. The Board is actively seeking to discover how audiences react to violence, through a wide-ranging strategy that extends from test screenings of films like PLATOON and BORN ON THE FOURTH OF JULY for pupils and teachers, to discussions with school children of all ages and the many ethnic groups to whom the video industry caters. Considering that media violence has become an issue of real social concern, the Board must take very seriously the importation for ethnic communities of some exceptionally violent films from India and Hong Kong, yet the audience for whom they were designed seem to take them in their stride. Indeed, the Board receives very few complaints about violence, which many adults evidently object to in principle but seek out in practice. There is an urgent need for more knowledge about the tastes and viewing habits of those who enjoy such films, which continue to be very popular.

Imitable Criminal Techniques

25. The teaching capacity of home video has been noted in earlier Annual Reports, and 21 videos were cut to remove the clear display of imitable criminal techniques like the breaking and entering of houses, picking of locks, taking and driving away of cars, including the often detailed process of 'hot-wiring' the ignition. Only if the technique is one which works and could easily be copied by amateurs does the Board feel it reasonable to intervene. Cuts are usually brief and designed to remove some vital step in the instructive process, but where there is any doubt, we consult the experts.
26. Imitable techniques include the display of harmful or even lethal forms of unarmed combat, blows to the front or back of the neck, or to the eyes or ears, including in particular the ubiquitous double ear-clap of Asian films. The inserting of sharp or dangerous objects into the ears is a frequent occurrence in Hong Kong cinema, one such film even including the lighting of a firecracker in a man's ear, which eventually explodes. The danger of opportunistic copycat crimes or pranks is one we take particularly seriously, above all when a work is otherwise suitable for the young and impressionable.

Drugs

27. The glamorisation of soft drugs is less of a problem these days in American films, since the anti-drugs campaign of the Reagan presidency led Hollywood producers to look more carefully at whether or not their films 'sell drugs to kids'. Nowadays they rarely do, but sometimes, through misplaced zeal or a tendency to sensationalise the dirt and danger of the drugs scene, they create an outlaw culture which attracts precisely those to whom the boredom of a safe but sorry existence is no longer enough. Films about the dangers of crack or cocaine can be counter-productive, like some anti-drugs health warnings, familiarising audiences with the lifestyle and techniques of administration, while exaggerating the risks and thereby losing credibility. In 1989, there were some serious and sober anti-drugs films which earned the trust of the audience, but there were also some tabloid shockers which invest the ritual of drug-taking with a spurious glamour, to the point of requiring cuts. Four films and videos were cut to reduce drugs scenes in 1989, the Board being particularly cautious about the suggestion that drugs are an enhancer of sex or sexual attractiveness. Usually, the reverse is true, but as an advertising pitch, it can be dangerously alluring.

Sexual Violence

28. Although sexual violence in films and videos is no longer the problem it was a few years ago, the most shocking examples can still leave the Board's examiners appalled that anyone should put such material on the screen, or indeed that a market still exists for scenes in which women's bodies are abused merely to cater to the worst instincts of men. Nine films and 44 videos were cut in 1989 to remove or modify scenes of sexual violence to women. Some were rapes, often occurring in the same films in which cuts were required for violence or weaponry. A few were old films, just finding their way onto video in a 'soft' version. And a few were of that most disturbing kind, films that revel in cruelty and pain inflicted on helpless women to provide a sense of vicarious retribution for male anger at failed relationships, or no relationships at all. That such scenes may prove cathartic to those who seek them out is insufficient justification, since the gratification they provide can easily validate and reinforce this hatred and taste for retribution, the acting out of which rates headlines in the tabloid press.
29. Since 1987, the decline in the incidence of sexual violence in films and videos has continued, with both the number of scenes and their length falling in 1989 to less than an hour of cut material. Still too much, but given the human condition, and the track record of a few sections of the industry, an encouraging trend. It should be noted, however, that as the interest in rape and sexual abuse begins to fade among western film-makers, it seems to have taken root in other parts of the world. Some of the most disturbing and exploitative rape scenes the Board has dealt with in the last year or two have been in films and videos from Hong Kong, India and other parts of Asia. Often such scenes are derivative, or even carbon copies, of notorious rape scenes in western films, and they are subject to the same cuts as the scenes they imitate. But the influx of such material into Britain under the innocent foreign-language umbrella demonstrates the importance of having comparable levels of enforcement in all video shops across the land.

Animals

30. Since 1937, British law has proscribed the exploitation on cinema screens of actual cruelty to animals in the making of films, and the same standards have been extended by the Board to video under the Video Recordings Act. In 1989, seven films and thirty-three videos were cut to remove scenes in which actual suffering or distress was inflicted on animals, either physically or through being goaded to fury or terror. Once again, the majority of these scenes involved either the tripping of horses or the baiting of animals into fights either with one of their own species or some natural enemy. Thus snakes were pitted against other snakes but, in two cases, against a mongoose; rams were goaded into charging and battering each other to the point of blood-letting, and an exceptional number of cockfights were cut this year, mostly in films from India and other parts of Asia. In 1989, the Board sent its own guidelines on animal welfare in films to both the Indian Censor Board and the National Film Development Corporation in Bombay. We hope that as a result some of this cruelty may be prevented, or at least cut before export, since the UK video market is so important now to the Indian film industry that British law might have an influence.
31. An unusual problem occurred with a big-budget American film in which a rat was totally submerged in oxygenated liquid as an experiment. The technique could be seen to work, thankfully, and the rat survived, but dialogue about the creature's "anxiety" was an understatement. The rat was terrified, and struggling to escape the hand holding it under. The 1937 Cinematograph Films (Animals) Act forbids any scene in which an animal is actually goaded to terror, a fair description of a sequence in which every participant but the rat was aware of the life-support system in the liquid. For the rat, it was a traumatic return to the condition of the womb and a cruel infliction of terror on a dumb animal. Under British law, it was cut. Such scenes have become rare in American films since the Screen Actors Guild amended the standard contract, which now requires that no animal be treated inhumanely during filming. The scene in question was, we hope, the exception that proves the rule.

Manners

32. The perennial problem of bad language in American films is with us still, with classification the only tool when the distributor refuses to cut. Since UK film categories exclude those younger than the stated age, film companies are more inclined to cut the odd moment of bad language to secure the advisory 'PG' which helps the box-office. Video companies rarely bother to cut, counting perhaps on the likelihood that parents will not be too strict with the viewing habits of younger teenagers, even when the label gives as the minimum age 15.
33. In 1989, expletives were removed from six cinema films, in five cases to gain a 'PG' and in one to achieve a '12', the new age-bar category which permits a very occasional use of expletives provided they are kept to a minimum. On video, twelve films were cut for 'PG' to remove expletives, and in one case adult sexual references, but it was often the Board which had to persuade the company to cut on the grounds that a certificate could not in all conscience be issued stating that the work was "suitable only for persons of 15 years and over".

34. The '12' has worked in the cinema, and of the 23 films passed in that category in 1989, only half contained any such language at all. Others might once have been at the top end of 'PG', so that '15' would seem an over-classification. Indeed, there is already too wide a range of videos in the '15' category, including some which were perforce excluded from 'PG' by the Board's absolute bar on sexual swearwords. Since one such usage, however casual, can determine category, those who fail to notice that lone example may well be mystified about the rationale behind the rating. Classification depends for its success on people's expectations about the likely contents to be found in every category, and the '15' given to CROCODILE DUNDEE and its like have baffled viewers who expected stronger fare. A more gradual ascent up the category scale is needed, with stepping stones to match the natural stages of child development. A '12' category on video is overdue.

The Sex-Shop Category

35. The scarcity of licensed sex shops and the environmental concerns arising when such premises are not well maintained and responsibly managed have led inevitably to a shrinkage in the market for 'R18' videos, of which only 42 were classified in 1989. In consequence, an unusually large number of sex videos were submitted in cut form for the '18', most of them requiring still further cuts on grounds of decency. Since this procedure might continue through any number of resubmissions, it constituted a tedious and time-consuming claim on the Board's resources. Fourteen sex tapes were cut extensively in 1989, two of them by more than 20 minutes. In all, some 66 videos required cuts in sex content, 20 for the 'R18' where standards and limits are set by the courts, and 45 for '18', where the norms have been adjusted from time to time to accord with decisions of the Video Appeals Committee. The Board also monitors indicators of public taste or tolerance, in which connection discussions in the Video Consultative Council, where all appeals decisions are reviewed, have been invaluable.
36. In video works which have as their primary purpose the sexual pleasure of the viewer, the Board has adopted a very firm line on the primacy of mutual consent as the basis for any of the sexual activity displayed. Forcible or non-consenting sex is a feature of much of the pornography on offer in other parts of the world, including several of our Common Market neighbours, and the linking of sex with bondage, violence and pain can be a constituent of soft pornography as well as hard. There is a considerable body of research evidence which indicates that men who are predisposed to find rape attractive, or who find it difficult to sympathise with women who are victims of sexual assault, can have their prejudices confirmed and their tastes reinforced by scenes in which women are overcome by force or made to endure pain or terror. All such scenes are cut from sex films and videos in Britain, on the grounds that the sexual pleasure aroused by the tape associates such gratification with anti-social or even criminal behaviour. If we do not wish the standards imposed under the deprave-and-corrupt test to be eroded, then provision must be made in good time to prevent an influx of such films and videos after 1992. It will also be necessary to consider whether more explicit depictions of consenting sex than the Board will currently classify are to be permitted entry after 1992, and if so, whether their supply can be restricted to licensed premises under the Video Recordings Act.

Blasphemy

37. Only one video was refused a certificate in 1989, having been found blasphemous in the legal sense, the first time in the Board's history that a film or video has ever been rejected on those grounds. Cuts for blasphemy had been required in two videos in previous years, but in 1989 an 18-minute erotic video raised problems of a different sort. Unlike THE LAST TEMPTATION OF CHRIST, the treatment of the crucifixion here was informed not by its meaning as an act of redemption or martyrdom, but by its erotic power in the visualised fantasies of a nun. For much of its length, it focussed on the body and blood of the crucified Christ in a context of imagery the Board has come to associate with soft pornography.
38. BBFC misgivings were confirmed by leading Counsel, who advised that blasphemy is committed when the tone, style and spirit in which God, Jesus Christ or the Bible is treated is so contemptuous, reviling, scurrilous or ludicrous as to outrage and insult the feelings of believing Christians. In its letter of rejection, the Board explained that the problem was related not to the work's sexual imagery, which remained within the limits of the '18', but to the fact that for a major proportion of the work's duration, these sexual images were focused on the human figure of the crucified Christ. If the male figure were not Christ, the letter stated, or if the overt expressions of sexuality between the nun and the Christ figure were removed, the problem would not arise. Since the BBFC must avoid classifying works which infringe the criminal law, the producer's reluctance to cut left it no choice but to refuse a certificate. This was appealed, and the written decision of the Video Appeals Committee is summarised on pages 17 to 20.

Foreign Language Videos

39. Nearly a third of the videos classified in 1989 were in the languages of the ethnic minorities, and since few of these will be subtitled, the Board has assembled a specialist team of multi-lingual examiners with fluency in the Indo-Pakistani languages, Cantonese, Arabic, Greek, and Turkish. Submission rates vary, with Turkish, Greek and Arabic falling and Cantonese rising steeply. Statistics for 1989 are as follows:-

<u>Language</u>	<u>Total</u>	<u>'U'</u>	<u>'PG'</u>	<u>'15'</u>	<u>'18'</u>	<u>Cuts</u>
Arabic	-	-	-	-	-	-
Bengali	5	-	1	3	1	1
Cantonese	432	92	227	88	25	10
Greek	24	14	4	6	-	-
Gujarati	6	1	5	-	-	-
Haryavni	1	-	-	1	-	1
Hindi	431	118	141	128	54	26
Punjabi	31	-	7	14	10	3
Tamil	6	1	1	4	-	3
Turkish	76	2	32	36	6	3
Urdu	57	16	13	14	14	5
	<u>1,069</u>	<u>243</u>	<u>422</u>	<u>263</u>	<u>90</u>	<u>30</u>

Packaging and Advertising

40. The Video Packaging Review Committee (VPRC) has been operating weekly since December 1987, paralleling the VARC (Video Advertising), which meets on the same day to vet ads in the trade press. There are three industry representatives at each meeting, two from the British Videogram Association and one independent, with consistency ensured by the regular attendance of the BBFC, the Video Standards Council, and the Advertising Standards Authority. Both Committees were set up on a voluntary, self-regulatory basis to curb the excesses of Marketing Managers in the interest of public taste and decency. Few companies have opted out.
41. The packaging side is administered by the BBFC, which retains copies of all approved sleeves, rejects, and VPRC Decisions as a growing body of precedent. Packaging is submitted separately from the video and is first vetted by the Board's examiners, whose decisions must be ratified by the VPRC. If revisions are needed, the sleeve or artwork is resubmitted until approval is given. The VPRC button logo may appear only on sleeves passed by the Committee, and failure to carry this will mean that retailers who are members of the Video Standards Council will refuse to stock those tapes. The scheme has Home Office support and is registered with the Office of Fair Trading as a recognised restrictive trade practice. The courts have accepted the button logo as an indication of testing and approval under the Trade Descriptions Act.
42. Informal guidelines have been preferred to checklists and books of rules, since treatment matters, but a strict line has been taken on the material that brought the industry into disrepute: gross violence, torture, blood, personal threat, violence against women, especially nude or scantily clothed women, and threats to defenceless victims, above all children. Glossy emphasis on weaponry which sells the glamour of killing and maiming was discouraged after Hungerford and is now rare. Covers of sex tapes must be decent in the legal sense, with a ban on overt sexuality. The presence of women on the committee, often from the distribution companies, has tempered male attitudes to pin-ups. Toplessness is often resisted on the principle that page 3 is not yet page 1, these views having crystallised at a meeting of women from all sides of the industry (and some men), who argued that the common-sense caution applied to sexual violence should extend to nudity and exploitation. Horror is reined in, with the fantastical given greater leeway than realism, but disturbing imagery, like emphasis on death or imminent death, is rejected. What is acceptable in an '18' video is less so when blown up and cropped to grab the attention of shoppers. Most distributors have learned by now that the first impression of the industry is vital and remains for some the only image they ever have.
43. Virtually all companies remain in the scheme whose sleeves appear in the shops, but suppliers of mail-order sex videos have, for the most part, opted out. Since some of them also trade through sex shops, licensed and unlicensed, this means two different standards for sex video covers, those pre-vetted for decency (in accordance with the Indecent Displays (Control) Act and the Post Office Act), and those opted out. It is common practice among some of them to use explicit photos on the covers, even for '18'-rated tapes. Since this belies the contents, it is deliberately misleading to the public and confuses both law enforcers and the courts about the standards enforced by the BBFC. It would be a pity if the good name for which the video industry has striven were to be undermined by the actions of an uncaring few.

Subscription Television

44. At the end of 1988, the BBFC was invited to assist Sky Television by classifying all the films on the Sky Movie Channel. At the same time, the Board was involved in consultations with the Broadcasting Standards Council, who were publishing a draft Code of Practice which would set standards for all forms of TV transmission under the terms of the new Broadcasting Bill. It was not yet clear whether Sky, with satellite transmissions beamed from Luxembourg, would be bound by the Code, but they were adopting a policy of public responsibility from the beginning.
45. As a consumer service, satellite is closer to cable than to broadcast TV, since there is an act of private and deliberate choice involved in buying a dish and receiver and then in paying a subscription for the programmes. Neither satellite nor cable is an open service on a common carrier giving anyone with a TV set instant access. Subscription TV is a minority service and a medium of consumer choice, and it has something in common therefore with home video. But there is a difference between going to a shop and buying or hiring a named video for private viewing, and switching on a subscription channel on which choice and timing of programmes is someone else's. Television has a greater degree of random access than any other medium, and a greater need to shield its public from the consequences of disturbing, frightening or embarrassing material, some of which may be encountered without warning or context, at any time of the day or night, by the flick of a button on a handset. When children are around, the danger is even greater.
46. Cable had established the practice of showing '15' films at 8 pm and '18' films at 10 pm, but the BSC Code preferred the 'watershed' policy of the BBC and the IBA, under which children are protected up to 9 pm by treating that period as Family Viewing Time. After 9 o'clock, material of an increasingly adult kind may be shown. But what about 8 o'clock? Films classified as 'suitable for viewing only by persons of 15 years and over' do not sound like 'family viewing'. When the Video Recordings Bill was considered in Standing Committee, it was recognised that two thirds of the households in Britain had no child under sixteen. They had a right to see the videos of their choice in their own home, in their own time, provided they were not accessible to children in the shops or elsewhere. Classification and labelling were introduced to restrict access and to maximise informed choice, but how adequate was that to subscription TV?
47. Common standards or differential? The BSC opted for a single set of standards for television, flexibly and responsibly applied in the light of viewing conditions, ease of access and likely audience. The BBFC has applied those standards to the classifying and labelling of all Sky movies, 710 of them in 1989. Category statistics are as follows:

'U'	151	2 with cuts
'PG'	177	17 with cuts
'15'	207	22 with cuts
'18'	175	34 with cuts

When the '15' rested on manners issues like nudity or language, 8 pm was permitted, since parental choice determines the rules of the home, like the TV. But where sex, violence and drugs were the issue, the Board observed the watershed policy of child protection, and '15' films carried the condition 'Not before 9 pm' or sometimes later. '18' films can be put back to 11 pm or even midnight. All categories for satellite carry a time condition, but there can be cuts for an earlier time slot. One film was rejected as too disturbing for late-night TV. Categories are read out and displayed before every film, and TV listings will carry them.

THE VIDEO APPEALS COMMITTEE

48. Under Section 4(3) of the Video Recordings Act, the Video Appeals Committee hears appeals against BBFC decisions more restrictive than the distributor thinks appropriate. Only one appeal was heard during 1989, the sixth since the Act came into force. For the first time, it was an appeal against the Board's refusal to grant a classification certificate to a video work, in this case the work entitled VISIONS OF ECSTASY. The grounds for the refusal were equally unprecedented: blasphemy, a common-law test that had fallen into disuse until 1979, when it was validated by the House of Lords in a landmark judgment.
49. In the Home Secretary's Letter of Designation, the Board is enjoined to "avoid classifying works which are obscene in the meaning of the Obscene Publications Acts ... or which infringe other provisions of the criminal law." Strong advice, but as the Board's Counsel pointed out in the hearing, it is given force by the Court of Appeal's ruling in 1976 that "no licensing authority may give its consent to that which is unlawful" [R v Greater London Council ex parte Blackburn].
50. The written decision of the Video Appeals Committee, signed by its President, Peter Barnes CB, gives a full account of the issues:-

"... the Board based its refusal solely upon the ground that the work was blasphemous according to the Criminal Law and made it clear that it would have granted an '18' category Certificate if the male figure had been anyone other than Christ."

The Panel says it is in no doubt that, under its designation,

"the Board should refuse a Certificate if it decides that in all probability publication could constitute a criminal offence and that ... a reasonable and properly directed jury would convict.

"Indeed, where it is sufficiently plain that publication could be an offence, the Board might itself be at risk of being charged with aiding and abetting were it to grant a Certificate.

"We consider that on appeal from a decision of the Board, the Panel of the Video Appeals Committee should adopt the same criteria but, in reaching its decision, must take into account any new factors which may have arisen since the Board considered the case [evidence from witnesses, arguments by Counsel for the parties, affidavits etc].

"We did not however find it at all easy to ascertain and apply what we take to be the present law of blasphemy."

Reference is then made to the "Gay News" case and to the judgment of the House of Lords:-

"... Lord Scarman said that it was unnecessary to speculate whether an outraged Christian would feel provoked ... to commit a breach of the peace, the true test being whether the words are calculated to outrage and insult the Christian's religious feelings, the material in question being contemptuous, reviling, scurrilous or ludicrous matter relating to God, Jesus Christ, or the Bible or the formularies of the Church of England...."

"... Lord Diplock said the material must be 'likely to arouse a sense of outrage among those who believe in or respect the Christian faith.'

"In the present case the Board's Director, Mr James Ferman, said in evidence that the Board's view was that the video was 'contemptuous of the divinity of Christ'. He added that although the Board's decision was based upon its view that the video is blasphemous (blasphemy being an offence which relates only to the Christian religion), it would take just the same stance if it were asked to grant a Certificate to a video which, for instance, was contemptuous of Mohammed or Buddha."

There follows a lengthy description of the 18-minute work, which is

"shot throughout in semi-darkness to a background of sombre music and [in the] complete absence of any dialogue. At the beginning one sees a young nun in a black habit piercing the palm of one hand deeply with a large masonry nail until the blood begins to flow. She writhes in pain and spreads the blood over her naked breasts and clothing... she knocks over a silver chalice ... and proceeds to lick the wine from the floor. After further writhings she faints or loses consciousness.... the remainder of the work is clearly intended to portray her 'visions of ecstasy' whilst in this state.

"In this second part we see the nun, now dressed in a white habit, standing with her arms held aloft above her head by a cord of white muslin suspended from above and tied round her wrists. A second, near naked, female form slowly crawls towards her. Upon reaching her, she begins to caress the nun's feet and legs, then her midriff and naked breasts, and finally to engage in passionate kisses with her. Throughout this sequence the nun appears to be writhing in exquisite erotic sensation.

"This sequence is intercut ... with [one] which shows the nun with the body of Christ just after the Crucifixion when the cross has been lowered to the ground with Christ still upon it. It becomes clear that at this stage He is still just alive. The nun first kisses the stigmata of his feet before moving up his body and kissing or licking the gaping wound on his right side. Then she sits astride him, seemingly naked under her habit, moving in a motion which viewers may take to be one reflecting intense erotic arousal (reinforced by the intercut shots of her reaction to the attentions of the female figure) and proceeds to kiss Him upon the lips. There follows a close-up shot lasting some three or four seconds in which, by the movement of his lips, Christ appears to respond to her kisses. Finally the nun entwines her fingers with those of Christ and, as she does so, the fingers of Christ are seen to curl upwards in response. This close-up shot also lasts some three or four seconds and brings the video to an end.

"Although throughout this description we have referred to the central character just as 'the' nun, we accept without reservation that the figure [the film-maker] had in mind was St Teresa of Avila, a 16th Century Carmelite nun who is known to have had ecstatic visions of Christ although, incidentally, these did not start until she was 39 years of age - in marked contrast to the obvious youthfulness of the actress who plays the part.

"From the writings of St Teresa herself, and ... of others, there seems no reason to doubt that some of her visions were of seeing the glorified body of Christ and being shown his wounds but ... apart from the age discrepancy - a comparatively minor matter - we were made aware of nothing which would suggest that Teresa ever did anything to injure her hand or that any element of lesbianism ever entered into her visions. More importantly, there seems nothing to suggest that

Teresa, in her visions, ever saw herself as being in any bodily contact with the glorified Christ. As one author, Mr Stephen Clissold, puts it: "Teresa experienced ecstasy as a form of prayer in which she herself played almost no part". So, in view of the extent of the artistic licence, we think it would be reasonable to look upon the video as centering upon any nun of any century who, like many others down the ages, had ecstatic visions.

"There is also another reason for taking this stance: unless the viewer happens to read the cast list which appears on the screen for a few seconds, he or she has no means of knowing that the nun is supposed to be St Teresa, nor that the figure of the second woman is supposed to be her Psyche. And he or she in any event may well be unaware that Teresa was a real-life nun who had ecstatic visions.

"... although we have thought it proper to dwell at some length with the 'St Teresa' aspect, we are of the opinion that in practice, when considering whether or not the video is blasphemous, it makes little or no difference whether one looks upon the central character as being St Teresa or any other nun.

"The appellant, in his written statement, lays stress upon the undoubted fact that the whole of the second half consists of Teresa's vision or dream. Hence, he says, the video says nothing about Christ, his figure being used only as a projection of St Teresa's mind, nor was it his intention to make that figure an active participant in any overt sexual act. Although we quite appreciate the logic of this point of view, we have reservations about the extent to which a vision or dream sequence can affect the question of whether what is pictured or said is blasphemous. It would, for instance, be possible to produce a film or video which was most extremely contemptuous, reviling, scurrilous or ludicrous in relation to Christ, all dressed up in the context of someone's imaginings. In such circumstances we find it hard to envisage that, by such a simple device, it could reasonably be said that no offence had been committed. If in our opinion the viewer, after making proper allowance for the scene being in the form of a dream, nevertheless reasonably feels that it would cause a sense of outrage and insult to a Christian's feelings, the offence would be established.

"In the opinion of a majority of the Panel the video did not, as the appellant claims, explore St Teresa's struggles against her visions but exploited a devotion to Christ in purely carnal terms. Furthermore they considered that it lacked the seriousness and depth of 'The Last Temptation of Christ' with which Counsel for the appellant sought to compare it. Indeed the majority took the view that the video's message was that the nun was moved not by religious ecstasy but rather by sexual ecstasy, this ecstasy being of a perverse kind - full of images of blood, sado-masochism, lesbianism (or perhaps auto-erotism) and bondage. Although there was evidence of some element of repressed sexuality in St Teresa's devotion to Christ, they did not consider that this gave any ground for portraying her as taking the initiative in indulged sexuality.

"They considered the over-all tone and spirit of the video to be indecent and had little doubt that all the above factors, coupled with the motions of the nun whilst astride the body of Christ and the response to her kisses and the intertwining of the fingers would outrage the feelings of Christians, who would reasonably look upon it as being contemptuous of the divinity of Christ.

"In these circumstances the majority were satisfied that the video is blasphemous, that a reasonable and properly directed jury would be likely to convict and therefore that the Board was right to refuse to grant a Certificate. Hence this appeal is accordingly dismissed."

51. There is a sting in the tail, however, since the decision was not unanimous. A sceptical minority, "whilst being in no doubt that many people would find the video to be extremely distasteful," apparently took the view that in the present climate on a blasphemy charge, "it is unlikely that a reasonable and properly directed jury would convict."
52. The implications for future policy are twofold:
- (1) if the Board is convinced that the publication of a particular video work could constitute a criminal offence and that a reasonable and properly directed jury would convict, it has no choice but to refuse a certificate; but
 - (2) there can never be certainty where a jury is concerned, and the Board's judgment must rest on a balance of probability.

53. During 1989, the full membership of the Video Appeals Committee was as follows:-

President:

Peter Barnes CB, former Deputy Director of Public Prosecutions

Members:

Nina Bawden FRSL JP, novelist, President, Society of Women Writers and Journalists

Richard Hoggart FRSL, former Professor of English and Warden of Goldsmiths College, University of London

Dr Neville March Hunnings, lawyer and author, editor Common Market Law Reports

The Hon Mrs Sara Morrison, member of the Annan Committee, and former director, Channel Four Television Company Ltd

Dr Faith Spicer OBE JP, psychotherapist and founder Director, London Youth Advisory Centre

Laurie Taylor, Professor of Sociology, York University

T J Taylor, Assistant Director, Department of the DPP

Fay Weldon, novelist and playwright

Sir Brian Young, former Director-General, Independent Broadcasting Authority

54. The Video Consultative Council is an advisory body which provides a forum for the periodic monitoring of the Video Recordings Act. Members include representatives of the local authority associations and the video trade and industry as well as persons of individual distinction with relevant experience or expertise. In 1989, three members of the Council retired: The Bishop of Peterborough, Professor Donald West and Anne Jones; they were replaced by Michael Marland, Head of North Westminster Community School; Jan Neville-Oates, Head of Education at Duncroft School, a Barnado's home for adolescent girls in care; and Dr Kevin Browne, head of the Violence Research Unit, Leicester University Medical School and Department of Psychiatry. It was agreed that for the benefit of new members of the Council a full review of classification standards should be instituted, reviving the series of morning screenings of scenes illustrating BBFC standards in the various video categories. The Council also continued its review of the decisions of the Video Appeals Committee.

55. Principal issues discussed by the Council during 1989 were:

- (a) the rate of enforcement of the Act by police and trading standards officers;
- (b) a local-authority report-back on the problems encountered by trading standards officers in preparing cases, together with the cost and time implications of evidentiary work by the BBFC;
- (c) possible amendments to the enforcement provisions of the Act;
- (d) the adequacy of the current category system and the problem of language in the American junior categories;
- (e) the need for public information for retailers and customers; and
- (f) the BBFC's need to expand in response to a thriving industry.

Observers from the Home Office and Local Authority Associations attended meetings of the Council, so that the views of members could be brought to the attention of Ministers, Members of Parliament, and Local Authorities. Other issues discussed by the Council during the year included the training and recruitment of BBFC examiners, the continuing scarcity of licensed sex shops, and the Code of Practice of the Broadcasting Standards Council and its relevance to home video and the Board's classification of films for satellite television.

The Video Appeals Committee and the 'R18' category

56. As part of its monitoring function, the Council considered the results of the fifth appeal, which like the others was against the award of an 'R18' to a work designed for supply by mail order. The Board's offer of '18' had been conditional on cuts, and the distributor had preferred to take the 'R18' uncut so he could appeal against it, and against the strictness of the '18' and the standards the Board imposes on mail-order videos. The work was one of a series, each of which shows a young woman dressing and undressing in a private bedroom, with no dialogue or commentary but continuous music. The Appeals Committee had supported the Board's cuts for '18' to remove moments of "self-stimulation and quasi-masturbation" by the woman, finding the work voyeuristic in nature and subject to the normal standards of restraint imposed on prurient material not restricted to licensed sex shops. The Appeals Committee had noted the importance of the '18' for mail-order, since 'R18' can be supplied "only in licensed sex shops".

57. The VCC had previously considered whether it was desirable to impose such strict controls on mail-order and had written to the Minister on the subject. His reply had cited the Post Office Act, which bars the sending not only of obscene, but also indecent matter through the post, a test which was likely to catch an 'R18' video, which, while not obscene, would almost certainly be indecent. The Council had accepted the position, and when they considered the latest decision of the Appeals Committee, and had viewed the mail-order video under review, they were content to agree with the Committee and the Board that the scenes in question exceeded normal standards for the '18' category. This was the only appeal reviewed by the Council in 1989, the blasphemy decision not being available until 1990.

Enforcement and the Increased Demands on BBFC Services

58. The Council considered the effects of the vigorous enforcement drive which had encouraged many of the laggards in the industry to begin submitting their full catalogue of videos to the BBFC. It noted the success of the 'sell-through' market, with lists of titles never before released in Britain, all of them needing certificates. The result for the Board was a year-on-year increase in turnover of 52.5% between the first quarter of 1988 and the same period in 1989. Unprecedented claims on the Board's resources were being made at a time when they were already over-stretched in trying to meet the evidentiary needs of trading standards officers, who had demanded 112 certificates of evidence requiring examination of 525 seized tapes in the first three months of their new powers. Only eight certificates had been asked for by the police in a comparable 3-month period in 1988.
59. Recruitment and training of staff, and rebuilding to accommodate them, had placed financial strains on the Board which Home Office observers agreed to look at, while discounting suggestions of public funding or any subvention from the industry. An economical approach to enforcement was urged on all parties. The British Videogram Association (BVA) made it clear that its members wanted the maximum number of prosecutions and heavy fines to impose some discipline on those who were bringing the industry into disrepute. It also wanted an efficient and speedy classification process to be funded, preferably by an increase in the fees charged for classification, which most companies large and small could easily bear. With the support of the industry and the Council, the tariff was introduced in June 1989, going a long way to restoring the Board's financial base and prospects.
60. Dramatically high rates of enforcement were reported at the October meeting, and the recruitment of four more BBFC staff to speed the evidence. Exemplary fines were imposed and reported in the trade press, with the result that the Act began to make itself felt throughout the industry. Requests for BBFC evidence were reported as within the targeted two-month turn-round. In witness of the seriousness with which labelling regulations were now being taken, the Association of Metropolitan Authorities provided a record of the activities of a typical trading standards department:

Inspection visits to video shops	44
Examined items correctly labelled	5,894
" " incorrectly labelled	5,717
Prosecutions pending	2
Formal cautions	3

61. Problems in enforcing the Act had been identified by local authorities, and possible amendments had been broached at the Home Office by a deputation representing the Board and LACOTS (the Local Authority Co-ordinating Committee on Trading Standards). The Council considered the three objectives: a simplified, supplementary statement of evidence listing the titles of seized works which do not appear on the BBFC Register of classified videos; an extension of the six-months time limit between seizure and the laying of charges; and the provision of bypass powers as in the Trade Descriptions Act, permitting TSOs to trace the offence back to source so guilty distributors can no longer rely on the criminal liability of retailers. The BVA went on record as supporting bypass powers so that irresponsible distributors could be held to account. The Council asked the Home Office to report progress at future meetings and agreed that trading standards officers should be invited to report to the Council from time to time on progress and problems.
62. Wholehearted support was given to plans to publicise the Act and its consequences through posters and notices in the shops and public service announcements on television. Ministers had asked the industry to draw up a voluntary Code of Practice, and this was being done by the Video Standards Council, whose Secretary General was invited to join the Council in the New Year.

The Category System

63. The Council considered the effectiveness of the current category system and particularly the gap which had been noted between the advisory 'PG' and the relative strictness of an age-bar at '15', with the 'PG' intended to warn parents about the relative unsuitability of a work for an age range stretching from 4 to 14. The Americans had introduced an intermediate category, the 'PG-13', which was cautionary but non-restrictive, and given the increasingly casual attitude to swearing in Hollywood films, the permissive guidelines introduced for this advisory category threatened to familiarise American children with the kind of language the Board would prefer to keep from the ears of primary school pupils in Britain. Yet classifying all this material at '15' could seem unreasonably strict to many members of the public, and would muddy the sense that audiences had about the sort of material barred to young teenagers. When films as mild as CROCODILE DUNDEE were classified '15', parents might assume that all '15' films were equally innocent, and the protection classification was meant to offer against relatively grown-up material would be eroded. The Board saw the need for an intermediate category but preferred an age-bar excluding all children not yet of secondary school age.
64. The BVA reported their own misgivings about introducing a new category when they were engaged in a major public relations effort to familiarise customers and shopkeepers with the existing ones. They were also worried about the language now prevalent in American films and about complaints to dealers about the level of swearing at 'PG', even though this category excluded the stronger words. They would prefer to see such language at '15' where the disproportionate degree of restriction might exert some pressure on the industry to impose cuts. On the other hand, little progress was reported on the BVA's attempt to persuade the Hollywood studios to prepare an alternative version for Britain with the language toned down, the British market evidently being too small in international terms to have much leverage.

65. The question of bad language was considered at several meetings, a head-teacher putting the view that most children were already familiar with such words, but that their parents preferred them not to use them or hear them in mixed company. It was suggested that the 'PG' might carry a more specific warning of contents, like 'some nudity' or 'violence', or 'strong language', which reminded members that issues other than language could determine categories. This was accepted by the Council as a promising avenue to explore along with other information about the meaning of categories and their contents.
66. During the year, the Council was given regular reports on the film industry's experience with the new '12' certificate, which had been awarded first to BATMAN on grounds of violence and sinister atmosphere. By the autumn, the '12' had begun to embrace a range of films from both the milder end of the '15' and the top of 'PG'. It was agreed to keep the question of the new category under review, the BVA conceding that their position could change, given time.
67. In 1989, membership of the Video Consultative Council was as follows:
- Norman Abbott (British Videogram Association)
 - Cllr R F Ashmole (London Boroughs Association)
 - The Hon Mrs S Baring OBE JP (Central Council of Probation Committees)
 - Dr Kevin Browne (Family Violence Research Group, Univ of Leicester)
 - Dr Alan Gilmour CBE (Director, NSPCC) (Observer)
 - Cllr W Harley (Convention of Scottish Local Authorities)
 - Sandra Horne (The Industrial Society)
 - Haydon Luke (Association of County Councils)
 - Derek Mann (Video Trade Association)
 - Michael Marland (North Westminster School)
 - Raymund McClusky (Convention of Scottish Local Authorities)
 - Rajesh Mehra (India Videogram Association)
 - Jan Neville-Oates (East Duncroft School)
 - Robert Perkins (Association of Metropolitan Authorities)
 - Otto Plaschkes (British Film & Television Producers' Association)
 - Patricia Rawlings (appeals organiser and fundraiser)
 - Claire Rayner (author, journalist and broadcaster)
 - Mark Riley (Independent Television Association)
 - Cllr L A Robertson (Association of District Councils)
 - Cllr T D Sheard (Association of Metropolitan Authorities)
 - Cllr R Stinson (Association of Local Authorities of Northern Ireland)
 - Cllr LLOYD Trott (Inner London Education Authority)
 - Will Wyatt (BBC Television)
-

FINANCE AND FORWARD PLANNING

68. After a year of financial retrenchment in 1988 during which the Board rebuilt its reserves, 1989 saw a return to the major programme of capital expenditure on accommodation which has stretched its resources repeatedly over the past five years. The last of the sub-tenants were persuaded to surrender their tenancy after payment of a premium, and builders began a series of four current phases of works designed to fulfil both the needs of the Board and a proportion of the remaining leasehold commitments to modernise and refurbish its listed building. An exceptionally heavy year of capital expenditure, including the acquisition of the sub-tenant's lease and a provision of £180,000 in respect of future capital commitments, resulted in a loss after tax of £16,001 in 1989. Because the Board is a company limited under guarantee and has no access to public funds, it must continue to generate all its capital requirements from fee income.
69. 1989 was the busiest year in the Board's history, with a larger than average number of films, an acceleration in the submission of video features, and the advent of satellite TV material for classification. This coincided with growing demands for Certificates of Evidence to support enforcement proceedings by Trading Standards Officers under Section 19 of the Video Recordings Act, a time-consuming service which the Board provides without charge. These increased claims on the Board's resources led to the recruitment of new examiners and also of administrative and technical staff, which exacerbated the pressure on accommodation. By the autumn of 1989, the salary structure of all BBFC staff had been assimilated to civil service scales, a once-for-all adjustment with cost implications for the year under review.
70. In any case, much of the required refurbishment and development of the Board's premises was already committed under the terms of its lease, which expresses a detailed programme of refurbishment to be completed by mid 1991. It cannot be too strongly emphasised that because the Board has no shareholders and no access to public funds, it must rely on creating a surplus after tax from its classification activities to generate sufficient capital to support its expanded activities and also to satisfy its capital needs. The history of the Board since designation under the Video Recordings Act has been one of striving constantly to respond to a video market which has been and remains unpredictable. It has a duty to ensure that the service it provides is of a high standard and adequate to the demands placed upon it, yet it must not overstretch its resources in case the demand shrinks. To this end, the Board has implemented procedures to measure both its own productivity and the likely demand for its services in the immediate future and the longer term.

Finance

71. The Statement of Accounts and the Auditors' Report for the year ended 31st December 1989 are set out in the pages which follow. These show that after provision for extraordinary items, the Board made a loss after tax of £16,001 as against the surplus in 1988 of £80,510.

72. The loss for the year meant that revenue reserves as shown in the Balance Sheet declined to £69,014 from the figure of £85,015 in the 1988 accounts. In view of the Board's higher financial profile and the potential for liabilities stemming from this, the Council of Management have determined that reserves equal to 10% of annual expenditure should be achieved as quickly as possible in order to ensure the Board's financial recovery. In this connection, the annual reassessment of the tariff of fees must be calculated to generate a healthier surplus than in recent years, while not being so high as to discourage the many small traders for whom the Board's fees are an important budgetary factor.
73. In 1989, it was again video classification which provided the major share of the Board's activities, generating some 73% of fee income. 1989 also saw the advent of satellite business, which provided a cushion against the volatility of the video industry. Although 1989 was a year in which the Board's financial resources were stretched, it was a very satisfactory year from the point of view of earnings. Present trends suggest that 1990 may show some decline in volume, although this is not expected to prove of major significance.
74. While revenue in the accounts which follow has been apportioned between film, video and other activities, it is difficult to apportion operating costs in the same manner, since both functions are shared by the same staff working in the same premises. The accounts therefore reflect the unified structure of the BBFC, and they have been prepared in accordance with the Companies Act 1985.

REPORT OF THE AUDITORS TO THE MEMBERS OF
THE BRITISH BOARD OF FILM CLASSIFICATION

We have audited the financial statements of the Board, which are reproduced on pages 28 to 35, in accordance with approved Auditing Standards.

In our opinion, the financial statements, which have been prepared under the historical cost convention, give a true and fair view of the state of the company's affairs at 31st December 1989, and of its loss and source and application of funds for the year then ended and comply with the Companies Act 1985.

W H Payne & Co
Chartered Accountants
Sandringham House
199 Southwark Bridge Road
London SE1 0HA

22nd June 1990

The annual accounts which follow were approved by the Council of Management and were signed on its behalf by the Chairman and Hon Treasurer.

They comprise:

- Profit and Loss Account
- Balance Sheet as at 31st December 1989
- Statement of source and application of funds
- Notes to the Accounts

22nd June 1990

COUNCIL OF MANAGEMENT

Chairman: R G F CHASE
Hon Treasurer: G W BROOKS

D C CALDER	M H COX	J C HOLTON
D KIMBLEY	H MANLEY	W T McMAHON
P P RIGBY CBE JP	D W SAMUELSON	J S SANSOM OBE
	W P VINTEN OBE	

Secretary: J A Ferman

THE BRITISH BOARD OF FILM CLASSIFICATION

PROFIT AND LOSS ACCOUNT	FOR THE YEAR ENDED 31ST DECEMBER 1989		
	<u>Note</u>	<u>1989</u>	<u>1988</u>
Turnover	(2)	2,091,062	1,356,470
Operating costs		(1,712,443)	(1,237,423)
Operating profit	(3)	378,619	119,047
Interest and investment income	(4)	18,451	3,844
Interest payable		(5,013)	(12,205)
Property refurbishment		(58,479)	-
Profit on ordinary activities before taxation		333,578	110,686
Tax on profit on ordinary activities	(6)	(129,579)	(30,176)
Profit on ordinary activities after taxation for the year		203,999	80,510
Extraordinary items	(7)	(220,000)	-
(Loss)/profit after extraordinary items		(16,001)	80,510
Retained profit at beginning of year		85,015	4,505
Retained profit at end of year		£69,014	£85,015

THE BRITISH BOARD OF FILM CLASSIFICATION

BALANCE SHEET

31ST DECEMBER 1989

	<u>Note</u>	<u>1989</u>	<u>1988</u>
<u>Fixed assets</u>			
Tangible assets	(8)	343,836	211,721
Listed investments	(9)	10,000	10,000
		<hr/>	<hr/>
		353,836	221,721
		<hr/>	<hr/>
<u>Current assets</u>			
Debtors	(10)	291,550	175,808
Cash at bank and in hand		77,351	83,808
		<hr/>	<hr/>
		368,901	259,616
Creditors: amounts falling due within one year	(11)	(450,472)	(326,199)
		<hr/>	<hr/>
Net current liabilities		(81,571)	(66,583)
		<hr/>	<hr/>
Total assets less current liabilities		272,265	155,138
Creditors: amounts falling due after more than one year	(12)	-	(46,872)
Provision for liabilities and charges	(13)	(180,000)	-
		<hr/>	<hr/>
		£92,265	£108,266
		<hr/>	<hr/>
<u>Reserves</u>			
Capital reserve	(14)	23,251	23,251
Profit and loss account		69,014	85,015
		<hr/>	<hr/>
Total reserves		£92,265	£108,266
		<hr/>	<hr/>

Approved by the Council of Management

..... R.F.G. Chase - Chairman

..... G.W. Brooks - Hon. Treasurer

22nd June 1990

THE BRITISH BOARD OF FILM CLASSIFICATION

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 31ST DECEMBER 1989

	<u>1989</u>	<u>1988</u>
<u>Funds generated from operations</u>		
Profit from ordinary activities before taxation	333,578	110,686
Adjustments for items not involving the movement of funds:-		
Depreciation	195,000	146,453
Profit on disposal of motor car	(3,779)	-
Profit on realisation of investments	-	(5,298)
Extraordinary item - purchase of sub-lease	(40,000)	-
	<hr/>	<hr/>
	484,799	251,841
Proceeds from disposal of tangible assets	6,365	250
Proceeds from realisation of investments	-	20,298
	<hr/>	<hr/>
Total funds generated from operations	491,164	272,389
	<hr/>	<hr/>
<u>Application of funds</u>		
Purchase of tangible fixed assets	329,701	35,838
Taxation paid	48,654	59,536
Decrease in creditors falling due after more than one year	46,872	57,478
	<hr/>	<hr/>
	425,227	152,852
	<hr/>	<hr/>
Increase in working capital	£65,937	£119,537
	<hr/>	<hr/>
<u>Comprising:</u>		
Increase in debtors	115,742	7,004
(Decrease)/increase in cash and bank balances	(1,249)	139,817
(Increase) in creditors due within one year (excluding bank overdraft and loan)	(48,556)	(27,284)
	<hr/>	<hr/>
	£65,937	£119,537
	<hr/>	<hr/>

THE BRITISH BOARD OF FILM CLASSIFICATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1989

1. Accounting policies

a) Convention

The accounts have been prepared in accordance with the historical cost convention. The principal accounting policies which the Council of Management have adopted within that convention are set out below.

b) Depreciation

Furniture and equipment and motor car are depreciated over their estimated useful lives at the rate of 25% on a straight line basis. Expenditure on leasehold premises is written off over the life of the lease.

c) Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for accounting and taxation purposes.

d) Pensions

The company operates a contributory pension scheme to provide retirement benefits for its staff. Contributions are charged to the profit and loss account as they are made. Any deficits arising on periodic re-appraisal by the actuaries are charged to the profit and loss account when they arise.

2. Turnover 1989 1988

Fees receivable:

Video works	1,506,317	1,061,104	
Cinema films	222,263	193,024	
Other fees	339,960	51,340	
	2,068,540	1,305,468	

Video labels and lists	14,108		23,977
Rent receivable	6,125		26,625
Other income	2,289		400
	£2,091,062		£1,356,470

3. Operating profit 1989 1988

Operating profit is after charging:

Depreciation and amounts written off	195,000		146,453
Staff costs (see below)	1,085,309		754,767
Auditors remuneration	4,641		12,645
Rental of equipment	3,153		7,359
Bank overdraft interest	4,519		11,601
Hire purchase interest	494		604

THE BRITISH BOARD OF FILM CLASSIFICATION

NOTES TO THE ACCOUNTS - continued FOR THE YEAR ENDED 31ST DECEMBER 1989

4. <u>Interest and investment income</u>	<u>1989</u>	<u>1988</u>
Bank and other interest received	17,238	2,224
Income from listed investments	1,213	1,620
	<hr/>	<hr/>
	£18,451	£3,844
	<hr/>	<hr/>

5. Staff costs

Average number of people employed by the company during the year:	<u>1989</u>	<u>1988</u>
Examining	26	21
Administrative and technical	42	37
	<hr/>	<hr/>
	68	58
	<hr/>	<hr/>
Costs in respect of these employees:	<u>1989</u>	<u>1988</u>
Wages and salaries	913,956	657,998
Social security costs	89,640	62,498
Pension costs	81,713	34,271
	<hr/>	<hr/>
	1,085,309	£754,767
	<hr/>	<hr/>

In 1989 there was one employee whose remuneration was in the band £50,001 - £55,000 (1988 £45,001 - £50,000).

6. <u>Tax on profit/(loss) on ordinary activities</u>	<u>1989</u>	<u>1988</u>
The credit/(charge) for the year is made up as follows:-		
Provision for corporation tax (see below)	(129,814)	(45,000)
Overprovision in respect of previous years	235	14,824
	<hr/>	<hr/>
	£(129,579)	£(30,176)
	<hr/>	<hr/>

The taxable profit for the year has been subject to corporation tax at an effective rate of 33%.

7. <u>Extraordinary items</u>				<u>1989</u>	<u>1988</u>
Purchase of sub-lease				40,000	-
Provision for lease refurbishment commitments (note 15 b)				180,000	-
				<u>£220,000</u>	<u>-</u>
8. <u>Tangible fixed assets</u>					
	<u>Leasehold premises</u>	<u>Furniture equipment</u>	<u>Motor car</u>		<u>Total</u>
<u>Movements</u>					
Cost at 1st January 1989	45,744	740,669	10,343		796,756
Disposals	-	-	(10,343)		(10,343)
Additions	72,513	240,206	16,982		329,701
Cost at 31st December 1989	<u>£118,257</u>	<u>£980,875</u>	<u>£16,982</u>		<u>£1,116,114</u>
Accumulated depreciation at 1st January 1989	45,744	531,534	7,757		585,035
Depreciation on disposals	-	-	(7,757)		(7,757)
Charge for the year	3,453	187,301	4,246		195,000
Accumulated depreciation at 31st December 1989	<u>£49,197</u>	<u>£718,835</u>	<u>£4,246</u>		<u>£772,278</u>
Net book value at 31st December 1989	<u>£69,060</u>	<u>£262,040</u>	<u>£12,736</u>		<u>£343,836</u>
Net book value at 31st December 1988	<u>Nil</u>	<u>£209,135</u>	<u>£2,586</u>		<u>£211,721</u>
9. <u>Listed investments</u>				<u>1989</u>	<u>1988</u>
Cost (market value £10,139 - 1988 £10,397)				<u>£10,000</u>	<u>£10,000</u>
10. <u>Debtors</u>				<u>1989</u>	<u>1988</u>
Trade debtors				201,160	133,631
Other debtors				76,732	42,177
Prepayments				13,658	-
				<u>£291,550</u>	<u>£175,808</u>

THE BRITISH BOARD OF FILM CLASSIFICATION

NOTES TO THE ACCOUNTS - continued FOR THE YEAR ENDED 31ST DECEMBER 1989

<u>11. Creditors: amounts falling due within one year</u>	<u>1989</u>	<u>1988</u>
Amount due on hire purchase	2,081	2,270
Bank overdraft and loan	-	5,208
Trade creditors	70,100	69,349
Current corporation tax	129,500	48,575
Other taxation and Social Security costs	73,710	51,307
Other creditors	158,531	137,990
Accruals and deferred income	16,550	11,500
	<hr/>	<hr/>
	<u>£450,472</u>	<u>£326,199</u>

<u>12. Creditors: amounts falling due after one year</u>	<u>1989</u>	<u>1988</u>
Amounts due on hire purchase	-	2,080
Bank loan (see below)	-	44,792
	<hr/>	<hr/>
	-	<u>£46,872</u>

Bank loan

In order to finance the capital commitments of the Board, a term loan of £100,000 was arranged during 1987 with Barclays Bank Plc on the security of the leasehold deeds of 3 Soho Square. Of this sum £50,000 was repaid in 1988 and the balance in 1989.

13. Provision for liabilities and charges

The provision relates to the future costs of property refurbishment required under the lease (see also note 15 b).

<u>14. Capital reserve</u>	<u>1989</u>	<u>1988</u>
As at 1st January 1989 and 31st December 1989	£23,251	£23,251
	<hr/>	<hr/>

The capital reserve represents surpluses realised on sales of fixed assets prior to 1984.

THE BRITISH BOARD OF FILM CLASSIFICATION

NOTES TO THE ACCOUNTS - cont.

FOR THE YEAR ENDED 31ST DECEMBER 1989

15. Guarantees and other financial commitments

a) <u>Capital expenditure</u>	<u>1989</u>	<u>1988</u>
Committed	£130,000	NIL
	<hr/>	<hr/>
Authorised, but not committed	£120,000	NIL
	<hr/>	<hr/>
b) <u>Lease commitments</u>		

During 1987, the company entered into a 25 year lease of its offices at 3 Soho Square with effect from 24th June 1986. The company bears all insurance, maintenance and repairs of the premises and in addition is committed by the terms of the lease to carry out certain specified refurbishment work before 24th June 1991. Some of this specified refurbishment work has been carried out in 1986, 1987 and 1989 and the work that remains to be carried out is estimated to cost £180,000 at present day values. The commencing rent payable under the lease was £70,000 and rose to £91,500 from 24th June 1987. It is subject thereafter to re-negotiation at intervals specified in the lease. A reduction of £50,000 in the annual rental is to be made from the date by which the refurbishment works mentioned above are due for completion.

APPENDIX

FILM CLASSIFICATIONSTATISTICS

Trends may be deduced from the annual figures, starting with 1970, when separate age-bars were introduced at 14 ('AA') and 18 ('X'). In 1982, the age for 'AA' was raised from 14 to 15 and the age-bar categories were referred to simply as '15' and '18'. At the same time, the 'R18' was introduced for films restricted to licensed clubs. In 1989, a '12' was added. Figures in brackets indicate the number of films cut or, in the final column, passed with cuts in later years.

<u>Year</u>	<u>Total</u>	<u>'U'</u>	<u>'PG'</u> (<u>'A'</u>)	<u>'12'</u> (1989)	<u>'15'</u> (<u>'AA'</u>)	<u>'18'</u> (<u>'X'</u>)	<u>'R18'</u> (1983)	<u>Refused</u>
1970	502(166)	104(9)	84(31)		77(29)	212(97)		25(11)
1971	502(165)	98(7)	77(22)		77(25)	228(111)		22(8)
1972	488(179)	78(5)	81(25)		77(23)	222(126)		30(8)
1973	504(201)	62(4)	78(24)		85(25)	249(148)		30(10)
1974	540(218)	72(5)	80(23)		93(21)	268(169)		27(6)
1975	424(147)	74(5)	96(32)		73(12)	164(98)		17(6)
1976	402(135)	53(3)	73(17)		74(10)	187(105)		15(1)
1977	375(105)	39(1)	86(18)		78(8)	164(78)		8(1)
1978	324(74)	35(2)	81(16)		66(8)	138(48)		4
1979	331(81)	33(2)	88(19)		87(14)	120(46)		3(1)
1980	319(67)	25(-)	82(9)		84(4)	124(54)		4
1981	278(59)	15(-)	57(7)		87(4)	115(48)		4
1982	326(79)	17(-)	54(4)		115(11)	139(64)		1
1983	390(100)	23(1)	95(14)		100(8)	137(52)	33(25)	2
1984	376(73)	12(-)	92(15)		126(7)	130(46)	13(9)	3
1985	351(70)	16(1)	85(12)		146(11)	103(46)	-	1
1986	348(44)	25(-)	78(14)		137(12)	107(18)	-	1
1987	330(38)	16(-)	89(15)		129(3)	96(20)	-	-
1988	337(49)	12(-)	76(11)		142(5)	107(33)	-	-
1989	366(61)	12(-)	75(10)	22(7)	151(11)	106(33)	-	-

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CERTIFICATION SYMBOLS FOR VIDEO PACKAGING AND PUBLICITY

Symbols only, for use on:

- 1) Cassettes: front and spine of case
and top and spine of spool
- 2) Discs: front of disc sleeve
and centre of disc itself

Symbol plus explanatory statement for use on:

- 1) Cassettes: reverse side of case
- 2) Discs: reverse side of sleeve

