

Cinematograph Films Act, 1957

5 & 6 ELIZ. 2 CH. 21

ARRANGEMENT OF SECTIONS

PART I

PROVISIONS RELATING TO THE EXHIBITORS' LEVY

Section

1. The British Film Fund Agency.
2. Levy on exhibitors.
3. Payments by Agency to makers of British films.
4. Power of Commissioners of Customs and Excise and their officers to obtain information.
5. Restriction on disclosure of information.
6. Temporary financial assistance by Board of Trade to Agency.
7. Accounts and audit.
8. Interpretation of Part I.
9. Expenses and receipts of Commissioners of Customs and Excise and Board of Trade.

PART II

AMENDMENTS OF LAW RELATING TO FUNCTIONS AND FINANCES OF NATIONAL FILM FINANCE CORPORATION

10. Extension of time within which, and purposes for which, loans may be made by Corporation.
11. Duty of Corporation to pay their way.
12. Power to give effect to arrangements for transfer of Corporation's assets and liabilities to person providing alternative source of finance.
13. Dissolution of Corporation.

PART III

EXTENSION OF PERIOD DURING WHICH EXHIBITORS ARE OBLIGED UNDER THE CINEMATOGRAPH FILMS ACT, 1948, TO SHOW BRITISH FILMS AND INCREASE OF MAXIMUM AMOUNTS OF CERTAIN FEES PAYABLE UNDER THE CINEMATOGRAPH FILMS ACT, 1938

14. Extension of period during which exhibition of British films is obligatory.
15. Increase of maximum amounts of certain fees.

CH. 21 *Cinematograph Films Act, 1957* 5 & 6 ELIZ. 2

PART IV

SUPPLEMENTARY

Section

- 16. Exercise of powers by Board of Trade.
- 17. Short title, citation, extent and repeal.

SCHEDULE—Provisions relating to British Film Fund Agency.



CHAPTER 21

An Act to provide for the imposition of a levy on exhibitors of cinematograph films and for the making from the proceeds thereof of payments to, or for the benefit of, makers of British cinematograph films and to the Children's Film Foundation Limited; to amend the law relating to the functions and finances of the National Film Finance Corporation; to extend the period during which, under section one of the Cinematograph Films Act, 1948, the inclusion of British cinematograph films amongst registered films exhibited to the public in theatres in Great Britain is obligatory and increase the maximum amount of certain fees payable under the Cinematograph Films Act, 1938; and for purposes connected with the matters aforesaid.
[17th April, 1957]

BE it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

PART I

PROVISIONS RELATING TO THE EXHIBITORS' LEVY

1.—(1) On such day as may be appointed for the purposes of this section by an order made by the Board of Trade by statutory instrument, there shall be established, in accordance with the provisions of this Act, a body corporate to be called the British Film Fund Agency. The British Film Fund Agency.

the objects whereof shall be to make, out of the levy imposed on exhibitors in accordance with regulations made under section two of this Act,—

- (a) such payments to, or for the benefit of, makers of British films as are authorised or required to be made by regulations made under section three of this Act; and

PART I
—cont.

(b) with the approval of the Board of Trade, payments to the Children's Film Foundation Limited.

(2) The members of the Agency shall be appointed by the Board of Trade, and the number thereof shall be such (not being less than three nor more than five) as the Board may from time to time determine.

(3) It shall be the duty of the Board of Trade to satisfy themselves, with respect to any person whom they propose to appoint to be a member of the Agency, that he has no such financial or industrial interest as is likely to affect him in the discharge of his functions.

(4) The provisions of the Schedule to this Act (which relate to the procedure of, and similar matters concerning, the Agency) shall have effect with respect to the Agency.

Levy on
exhibitors.

2.—(1) It shall be the duty of the Board of Trade by regulations (made by statutory instrument) to provide for the imposition, upon exhibitors, of a levy in respect of each of ten successive periods of fifty-two weeks, of which the first shall begin not later than the twentieth day of October, nineteen hundred and fifty-seven.

(2) Regulations under this section—

(a) shall provide for defining the classes of persons, being exhibitors, who are to be liable to the levy and may provide for the exemption of any exhibitors or classes of exhibitors;

(b) shall specify the rate of the levy or the method by which it is to be calculated and may make different provision in relation to different exhibitors or classes of exhibitors;

(c) shall contain provisions as to the times at which payments shall be made in respect of the levy; and

(d) may make such incidental or consequential provision as may appear to the Board of Trade to be necessary or expedient for the purposes of the regulations.

(3) The Board of Trade shall discharge the duty imposed on them by subsection (1) of this section in such manner as will secure—

(a) that the amount to be yielded by way of the levy in respect of the first period in respect of which it is imposed will, in their estimation, be approximately three million seven hundred and fifty thousand pounds;

(b) that the amount to be so yielded in respect of each such period after the first will, in their estimation, be neither less than two million pounds nor more than five million pounds;

and, in determining the amount referred to in paragraph (b) of

this subsection, regard shall be paid to the prevailing economic circumstances of both exhibitors and makers of British films as well as the prevailing level of production of such films.

PART I
—cont.

(4) The Commissioners of Customs and Excise shall be charged with the duty of collecting the levy, and they shall pay the proceeds thereof to the Agency after deduction of such sums as are necessary to defray the cost of collection.

(5) A sum due from any person in respect of the levy may be recovered by the Commissioners of Customs and Excise as a simple contract debt in any court of competent jurisdiction.

(6) When the Board of Trade propose to make regulations under this section, they shall, before making the regulations, consult with the Cinematograph Films Council.

(7) No regulations shall be made under this section unless a draft thereof has been laid before Parliament and has been approved by resolution of each House of Parliament.

3.—(1) The Board of Trade shall by regulations (made by statutory instrument) provide for the making by the Agency to, or for the benefit of, makers of British films of such payments as may be determined by or under the regulations.

Payments
by Agency to
makers of
British films.

(2) Regulations under this section—

- (a) shall define the classes of British films in respect of which payments may be made;
- (b) shall specify the rate of the payments or the method by which they are to be calculated and may provide for different rates of payment or different methods of calculation in relation to different classes of films;
- (c) shall contain provisions requiring the making of claims for payment and the furnishing of information required for the determination thereof or of any question arising in connection therewith;
- (d) shall prescribe the persons to whom the payments are to be made by the Agency and may contain provisions requiring persons receiving the payments to hold them for specified persons or deal with them in a specified manner;
- (e) shall provide for the making of provisional payments and the recovery of over-payments; and
- (f) may make such incidental or consequential provision as may appear to the Board of Trade to be necessary or expedient for the purposes of the regulations,

(3) When the Board of Trade propose to make regulations under this section, they shall, before making the regulations, consult with the Cinematograph Films Council.

(4) No regulations shall be made under this section unless a draft thereof has been laid before Parliament and has been approved by resolution of each House of Parliament.

PART I
—cont.

Power of
Commissioners
of Customs
and Excise
and their
officers
to obtain
information.

4.—(1) The Commissioners of Customs and Excise shall have power, for the purpose of enabling them properly to perform their functions under this Part of this Act, by notice in writing served on an exhibitor, to require him—

(a) to furnish to such person as may be specified in the notice such returns or other information as may be so specified;

(b) to keep such records as may be so specified;

and, for that purpose, any officer of theirs may at all reasonable hours enter any premises occupied for the purposes of his business by an exhibitor and may require him or any person employed by him in connection with his business to produce for examination by the officer such books or other documents relating to the exhibitor's business as the officer may specify.

(2) If any person on or to whom a notice or requisition is duly served or made under the foregoing subsection fails to comply with the notice or requisition, he shall, unless he proves that he had reasonable excuse for the failure, be guilty of an offence under this subsection and be liable, on summary conviction thereof, to a fine not exceeding one hundred pounds.

(3) If any person in purported compliance with the requirements of a notice under subsection (1) of this section to furnish returns or other information makes a statement, or furnishes a document, which he knows to be false in a material particular or recklessly makes a statement, or furnishes a document, which is false in a material particular he shall be guilty of an offence and shall be liable, on summary conviction, to imprisonment for a term not exceeding three months or to a fine not exceeding one hundred pounds, or to both such imprisonment and such a fine.

(4) An offence under this section may be tried by a court having jurisdiction either in the county or place in which the offence was actually committed or in any county or place in which the alleged offender resides or carries on business.

(5) For the purposes of section three hundred and one of the Customs and Excise Act, 1952 (which penalizes the delivery of false documents and the making of false statements to the Commissioners of Customs and Excise or their officers), the collection of the levy imposed by virtue of this Part of this Act shall be deemed not to be an assigned matter.

Restriction on
disclosure of
information.

5.—(1) Returns or other information furnished in compliance with a notice served under subsection (1) of the last foregoing section and information obtained on an examination of books or other documents produced in compliance with a requisition made under that subsection shall not, without the written consent of the person carrying on the business to which the returns or other

information or the books or other documents relate, be disclosed otherwise than—

PART I
—cont.

- (a) in the form of a summary of similar returns or information furnished by, or obtained from, a number of persons, being a summary so framed as not to enable particulars relating to any individual business to be ascertained therefrom; or

- (b) to the Board of Trade or an officer thereof:

Provided that the foregoing provisions of this subsection shall not apply to any disclosure of information made for the purposes of any legal proceedings (whether civil or criminal and including an arbitration) pursuant to this Part of this Act, or for the purposes of any report of any such proceedings as aforesaid.

(2) If any person discloses any information in contravention of the foregoing subsection, he shall be liable on summary conviction to imprisonment for a term not exceeding three months or to a fine not exceeding one hundred pounds or to both such imprisonment and such a fine.

6.—(1) The Board of Trade may, with the approval of the Treasury, lend to the Agency such sums on account of the levy imposed by virtue of this Part of this Act as appear to the Board to be necessary to enable the Agency to discharge their functions between the date of their establishment and the time when they have received, by way of payments in respect of the said levy, such sum as, in the opinion of the Board, will be sufficient to enable the Agency to discharge their functions without financial assistance from the Board.

Temporary
financial
assistance
by Board of
Trade to
Agency.

(2) Sums lent under this section by the Board of Trade to the Agency shall be lent on such terms as to payment of interest thereon as may be imposed by the Board with the approval of the Treasury and shall (together with the interest) be repaid by the Agency to the Board, at such times as the Board may determine, out of payments received in respect of the said levy.

7.—(1) The Agency shall keep proper accounts and proper records in relation to the accounts, and shall prepare in respect of each financial year of the Agency a statement of accounts in such form as the Board of Trade, with the approval of the Treasury, may direct, being a form conforming with the best commercial standards.

Accounts
and audit.

(2) The accounts of the Agency shall be audited by auditors to be appointed annually by the Board of Trade.

(3) No person shall be qualified to be appointed under the last foregoing subsection unless he is a member of one or more of the following bodies:—

- (a) the Institute of Chartered Accountants in England and Wales;

PART I
—cont.

- (b) the Society of Incorporated Accountants;
- (c) the Institute of Chartered Accountants of Scotland;
- (d) the Association of Certified and Corporate Accountants;
- (e) the Institute of Chartered Accountants in Ireland;
- (f) any other body of accountants established in the United Kingdom and for the time being recognised for the purposes of paragraph (a) of subsection (1) of section one hundred and sixty-one of the Companies Act, 1948, by the Board of Trade.

(4) So soon as the accounts of the Agency for any financial year have been audited, the Agency shall send to the Board of Trade a report setting out what has been done in discharge of their functions during that year and that report shall include a copy of the statement of accounts for that year together with a copy of any report made by the auditors on the statement or on the accounts.

(5) The Board of Trade shall lay a copy of every such report before Parliament.

Interpretation
of Part I.

8.—(1) In this Part of this Act the expression “ film ” means a cinematograph film and other expressions used in this Part of this Act have the same meanings as in the Cinematograph Films Acts, 1938 and 1948:

Provided that regulations made under section three of this Act may provide that, for all or any of the purposes of the payments made under that section, an assignee of earnings in Great Britain of a film may, in such cases as may be provided for by the regulations, be treated as the maker of the film.

(2) Section twenty-five of the Cinematograph Films Act, 1938, as set out in the Second Schedule to the Cinematograph Films Act, 1948, shall have effect for the purpose of determining whether a film is a British film for the purposes of this Part of this Act as it has effect for the purpose of determining whether a film to which the said Act of 1938 applies is a British film for the purpose of the registration thereof under Part III of that Act.

Expenses and
receipts of
Commissioners
of Customs
and Excise
and Board of
Trade.

9. Any expenses incurred by the Commissioners of Customs and Excise in collecting the levy imposed by virtue of this Part of this Act and any expenses incurred by the Board of Trade under section six of this Act in making loans to the Agency shall be defrayed out of moneys provided by Parliament, and any sum retained by the said Commissioners out of the proceeds

of the said levy or received by the Board by way of repayment of, or payment of interest on, loans made under the said section six shall be paid into the Exchequer.

PART I
—cont.

PART II

AMENDMENTS OF LAW RELATING TO FUNCTIONS AND FINANCES OF NATIONAL FILM FINANCE CORPORATION

10.—(1) For paragraph (b) of subsection (1) of section one of the Cinematograph Film Production (Special Loans) Act, 1949 (which, as amended by the Cinematograph Film Production (Special Loans) Act, 1954, empowers the National Film Finance Corporation to make, during the eight years beginning with the passing of the first-mentioned Act, loans to be employed in financing the production or distribution of cinematograph films to persons who, in the judgment of the Corporation, while having reasonable expectations of being able to arrange for the production or distribution of cinematograph films on a commercially successful basis, are not for the time being in a position otherwise to obtain adequate financial facilities for the purpose on reasonable terms from an appropriate source) there shall be substituted the following paragraph:—

Extension of time within which, and purposes for which, loans may be made by Corporation.

“(b) to make, during the period of eighteen years beginning with the passing of this Act, loans to be employed in financing the production or distribution of cinematograph films to persons who, in the judgment of the Corporation, have reasonable expectations of being able to arrange for the production or distribution of cinematograph films on a commercially successful basis”.

(2) In subsection (1) of section four of the said Act of 1949 (which, as amended by the Cinematograph Film Production (Special Loans) Act, 1950, and the said Act of 1954, authorises the Board of Trade, with the consent of the Treasury, to make advances to the Corporation within the eight years beginning with the passing of the first-mentioned Act, so, however, that the aggregate amount of the principal outstanding in respect of any such advances shall not at any time exceed six million pounds) for the words “eight years” there shall be substituted the words “eighteen years”.

11. It shall be the duty of the National Film Finance Corporation to exercise and perform their functions in such manner as appears to them best calculated to secure the avoidance of default's being made in the discharge, as regards any loan made to them after the passing of this Act, of their obligations with respect to repayment of the principal of the loan and the payment of interest on any sum for the time being outstanding in respect of it.

Duty of Corporation to pay their way.

PART II
—cont.

Power to give effect to arrangements for transfer of Corporation's assets and liabilities to person providing alternative source of finance.

12.—(1) If at any time before the expiration of the period of eighteen years beginning with the passing of the Cinematograph Film Production (Special Loans) Act, 1949, there are made between—

- (a) the National Film Finance Corporation; and
- (b) a company which satisfies the Board of Trade that it is and will remain a British company and is willing and able to make adequate financial facilities available to persons who wish to arrange for the production or distribution of cinematograph films;

arrangements satisfactory to the Board for the transfer to that company, for valuable consideration, of the assets of the Corporation and of their liabilities to persons other than the Board, the Board may, with the approval of the Treasury, by order (made by statutory instrument) make such provision as appears to the Board requisite for giving effect to the arrangements and provide for the cesser of the exercise of the functions of the Corporation.

(2) No order shall be made under this section unless a draft of the order has been laid before the Commons House of Parliament and has been approved by resolution of that House.

(3) In this section “British company” means a company incorporated under the laws of Great Britain, being a company over which a British subject has control or two or more British subjects are together in a position to exercise control or over which a company which is a British company by virtue of the foregoing provisions of this definition has control or two or more such companies or such a company and a British subject are together in a position to exercise control, and “control” has the same meaning as in section three hundred and thirty-three of the Income Tax Act, 1952.

Dissolution of Corporation.

13. For sub-paragraph (1) of paragraph 8 of the Schedule to the Cinematograph Film Production (Special Loans) Act, 1949 (which, as amended by the Cinematograph Film Production (Special Loans) Act, 1954, empowers the Treasury to dissolve the National Film Finance Corporation after the expiration of the period of eight years beginning with the passing of the first-mentioned Act), there shall be substituted the following sub-paragraph:—

“(1) The Board of Trade may, with the approval of the Treasury, by order dissolve the Corporation at any time after the expiration of the period of eighteen years beginning with the passing of this Act or upon its functions ceasing to be exercisable by virtue of section twelve of the Cinematograph Films Act, 1957”.

PART III

EXTENSION OF PERIOD DURING WHICH EXHIBITORS ARE OBLIGED UNDER THE CINEMATOGRAPH FILMS ACT, 1948, TO SHOW BRITISH FILMS AND INCREASE OF MAXIMUM AMOUNTS OF CERTAIN FEES PAYABLE UNDER THE CINEMATOGRAPH FILMS ACT, 1938.

14. Section one of the Cinematograph Films Act, 1948 (which makes compulsory the inclusion of British films amongst registered films exhibited to the public in theatres in Great Britain during the period beginning with the first day of October, nineteen hundred and forty-eight, and ending with the thirtieth day of September, nineteen hundred and fifty-eight) shall have effect with the substitution, in subsection (7) thereof, for the words "nineteen hundred and fifty-eight", of the words "nineteen hundred and sixty".

Extension of period during which exhibition of British films is obligatory.

15.—(1) The maximum amount of the fee payable under section twenty-four of the Cinematograph Films Act, 1938, on an application for the registration of a film shall be increased from two guineas to five guineas.

Increase of maximum amounts of certain fees.

(2) The maximum amount of the fee payable under section nine of the said Act of 1938 for a renter's licence shall be increased from five guineas to twelve guineas.

(3) The maximum amount of the fee payable under the said section nine for an exhibitor's licence shall be increased from two guineas to five guineas.

PART IV

SUPPLEMENTARY

16. Anything required or authorised by or under this Act to be done by, to or before the Board of Trade may be done by, to or before the President of the Board, any Minister of State with duties concerning the affairs of the Board, any secretary, under-secretary or assistant secretary of the Board or any person authorised in that behalf by the President.

Exercise of powers by Board of Trade.

17.—(1) This Act may be cited as the Cinematograph Films Act, 1957.

Short title, citation, extent and repeal.

(2) The Cinematograph Film Production (Special Loans) Acts, 1949 to 1954, and Part II of this Act may be cited together as the Cinematograph Film Production (Special Loans) Acts, 1949 to 1957.

PART IV
—cont.

(3) The Cinematograph Films Acts, 1938 and 1948, and Part III of this Act may be cited together as the Cinematograph Films Acts, 1938 to 1957.

(4) This Act shall not extend to Northern Ireland.

(5) Section one of the Cinematograph Film Production (Special Loans) Act, 1954, is hereby repealed.

SCHEDULE

Section 1.

PROVISIONS RELATING TO BRITISH FILM FUND AGENCY

1. The Agency shall have a common seal, and shall have power to hold land without licence in mortmain and to do all things incidental to the proper discharge of their functions.

2.—(1) The Board of Trade shall have power, exercisable by statutory instrument, to make regulations with respect to—

- (a) the appointment of the members of the Agency and their tenure and vacation of office;
- (b) the execution of instruments and the mode of entering into contracts by or on behalf of the Agency, and the proof of documents purporting to be executed, issued or signed by the Agency or a member or officer thereof.

(2) Subject to the provisions of regulations under sub-paragraph (1) of this paragraph, the Agency shall have power to regulate their own procedure, including the manner in which matters subject to the determination of the Agency are to be determined by or on behalf of the Agency.

(3) Regulations made under sub-paragraph (1) of this paragraph shall be subject to annulment in pursuance of a resolution of either House of Parliament.

3. The validity of any proceedings of the Agency shall not be affected by any vacancy amongst the members thereof or by any defect in the appointment of a member thereof.

4. The Agency shall pay to the members thereof such salaries or other remuneration, and such allowances, as the Board of Trade may, with the approval of the Treasury, determine.

5.—(1) The Agency shall—

- (a) pay to their officers, servants and agents such remuneration as the Agency may determine; and
- (b) as regards any officers, servants or agents in whose case it may be determined by the Agency with the approval of the Board of Trade to make provision for the payment on their death or retirement of pensions, gratuities or other like benefits, pay, or provide for the payment of, such pensions, gratuities or other like benefits to them or to others by reference to their service as may be so determined.

(2) Provision for pensions, gratuities or other like benefits under this paragraph may be made either by contributory or by non-contributory arrangements or partly by the one and partly by the other.

6. The expenses incurred by the Agency in the exercise of their functions shall be paid out of the proceeds of the levy imposed by virtue of Part I of this Act or sums lent to them on account thereof by the Board of Trade.

7.—(1) If at any time it appears to the Board of Trade that no functions remain to be discharged by the Agency, the Board may by order provide for the dissolution of the Agency, for the winding up

SCH.
—cont.

of the affairs thereof and for the application, for purposes connected with the British film industry, of any amount by which the assets thereof exceed the liabilities thereof; and regulations under section three of this Act may include provision for requiring the Agency to set aside, out of the proceeds of said levy in respect of the last period in respect of which it is imposed, such sum as appears to the Board sufficient to defray the expenses of the winding up.

(2) An order under the foregoing sub-paragraph may be varied by a subsequent order made by the Board of Trade.

(3) The powers conferred by this paragraph to make orders shall be exercisable by statutory instrument.

(4) No order shall be made under this paragraph unless a draft thereof has been laid before Parliament and has been approved by resolution of each House of Parliament.



Table of Statutes referred to in this Act

Short Title	Session and Chapter
Cinematograph Films Act, 1938	1 & 2 Geo. 6. c. 17.
Cinematograph Films Act, 1948	11 & 12 Geo. 6. c. 23.
Companies Act, 1948	11 & 12 Geo. 6. c. 38.
Cinematograph Film Production (Special Loans) Act, 1949	12, 13 & 14 Geo. 6. c. 20.
Cinematograph Film Production (Special Loans) Act, 1950	14 Geo. 6. c. 18.
Customs and Excise Act, 1952	15 & 16 Geo. 6 & 1 Eliz. 2. c. 44.
Cinematograph Film Production (Special Loans) Act, 1954	2 & 3 Eliz. 2. c. 15.

PRINTED BY SIR JOHN ROUGHTON SIMPSON, C.B.
Controller of Her Majesty's Stationery Office and Queen's Printer of Acts of Parliament
LONDON: PUBLISHED BY HER MAJESTY'S STATIONERY OFFICE

PRINTED IN GREAT BRITAIN

(38484)

ISBN 0 10 518483 7