

Our ref

Dear Sirs

**Report of factual findings in respect of the production cost report to [REDACTED] 2019 in relation to "[REDACTED]
[REDACTED]" ("the Programme")**

In order to assist you with meeting your reporting obligations to Creative Scotland ("CS") in relation to the above named Programme, we submit to you our findings in respect of the total reported costs of production (presented in Appendix 1) of the above named Programme.

As set out in the terms of our engagement letter dated [REDACTED] 2017, we have examined the information given in the production cost report in respect of the Programme and have performed procedures in accordance with generally accepted practice. We have obtained such information and explanations as we consider necessary for the purpose of these procedures.

The key procedures completed by us are as set out below:

- Agreed a sample of invoiced and committed costs disclosed in the production cost report to supporting documentation
- Agreed the receipt of a sample of funding advances from the parties financing the Programme to bank statement
- Agreed the total amount of funding due from the parties financing the Programme to executed contracts with these parties
- Agreed the recovery of a sample of amounts recognised in debtors per the [REDACTED] 2019 production trial balance to bank statement
- Agreed the payment of a sample of amounts recognised in creditors per the [REDACTED] 2019 production trial balance to bank statement
- Reviewed a sample of the bank reconciliations performed by the production team as at [REDACTED] 2019



These procedures did not constitute an examination made in accordance with generally accepted auditing standards. Had we performed an audit in accordance with generally accepted auditing standards, other matters might have come to our attention that we would have reported to you. This report and our findings as stated below relate only to the production cost report and do not extend to any financial statements of [REDACTED] ("the Company") taken as a whole.

Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have (or may have had) in relation to the Company or otherwise. During our review of the books and records of production, we noted the following items that we feel should be drawn to your attention.

A) INCOME AND EXPENDITURE SUMMARY

INCOME – PRODUCTION ADVANCES

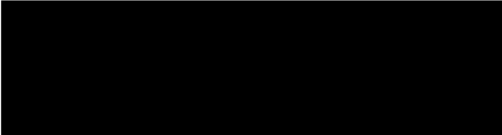
	<i>Paid to</i> [REDACTED] 2019	<i>Outstanding</i> (see note 1)	<i>Total</i>
	£	£	£
[REDACTED] Fee	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED] Fee	[REDACTED]	[REDACTED]	[REDACTED]
Creative Scotland	[REDACTED]	[REDACTED]	[REDACTED]
Tax credit loan (note 1)	[REDACTED]	[REDACTED]	[REDACTED]
TOTAL	[REDACTED]	[REDACTED]	[REDACTED]

1. [REDACTED] has loaned the Company £ [REDACTED] as a loan against the tax credit. Due to the underspend on the production and the tax credit being higher than expected, the loan has been reduced by £ [REDACTED]. This will be repaid to [REDACTED] on receipt of the £ [REDACTED] tax credit outstanding from HMRC. An interim tax credit claim of £ [REDACTED] was made for the period to [REDACTED] 2018, this was received from HMRC on [REDACTED] 2019 and was repaid to [REDACTED] during the current period.

EXPENDITURE – PRODUCTION COSTS

The final cost report can be found in Appendix 1. As at the date of this report, and based on the books and records supplied to us by the production, the cost of the Programme per the final cost report prepared by the production was £ [REDACTED] and the reported Scottish spend was £ [REDACTED].

On discussion with production we were advised that due to a timing difference in the running of the cost report, there is a £ [REDACTED] difference between the final cost reported in Appendix 1 and the total production cost reported above in respect of costs not yet incurred.



Yours faithfully



Chart	Description
3410	DPRS
3501	Production Office
3504	Telephone/Telex/Fax
3505	Postage & Stationery
3506	Photocopying
3507	Office Equipment Hire
3601	Contingency
3701	Production fees
	Total

Actual Scottish Spend	Actual Other Spend

PO Amount	TotalToDate	Est To Comp	Est Final Cost	Budget	Variance