INDEPENDENT CINEMA OFFICE

England & Wales · Charity number 1109053

Details

Other names	ICO
Status	Registered
Legal form	Charitable company
Company number	05369193
Registered	2005-04-14
Register	View on the Charity Commission register

Contact

Address	Independent Cinema Office 9 Bickels Yard 151-153 Bermondsey Street London SE1 3HA
Phone	02076367120
Email	info@independentcinemaoffice.org.uk
Website	www.independentcinemaoffice.org.uk

Activities

Objects: TO PROMOTE ALL PURPOSES RECOGNISED AS CHARITABLE UNDER THE LAWS OF ENGLAND AND WALES FROM TIME TO TIME, IN PARTICULAR, WITHOUT PREJUDICE TO THE GENERALITY, THE PROMOTION, MAINTENANCE, IMPROVEMENT AND ADVANCEMENT OF EDUCATION OF THE PUBLIC BY THE ENCOURAGEMENT OF THE KNOWLEDGE AND APPRECIATION OF THE ARTS OF FILM AND VIDEO.

Activities: Film programming advice and bookings for non profit cinemas; training programmes of non-commercial cinemas; training for the independent exhibition sector; distribution of films; consultancy; organising events for film societies and independent cinemas; advocacy for the sector and grant giving.

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Classification

- **How:** Provides Services
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,715,952	£1,667,157	£740,489	20
2024-03-31	£1,698,040	£1,639,719	£691,694	20
2023-03-31	£1,936,460	£2,061,219	£633,373	27
2022-03-31	£1,669,899	£1,741,336	£757,905	23
2021-03-31	£1,530,344	£1,436,241	£830,368	20

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Trustees

Name	Role	Appointed
DOROTHY JOAN WILSON	Chair	2016-07-01
Anthony Lee		2025-04-07
Ayo Akingbade		2022-02-24
Dharmesh Rajput		2026-05-03
Dr Hiu Man Chan		2024-09-11
Dr Rowan Aust		2024-09-11
Dr Sita Thomas		2025-03-28
Eleanor Lowe		2022-03-01
Harry Kalfayan		2022-02-24
Richard McDonald		2025-03-20
Thea Elizabeth Burrows		2020-06-11
Will Massa		2022-03-01
Yi Wang		2024-09-11

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INDEPENDENT CINEMA OFFICE

England & Wales - Charity number 1109053

Accounts

REGISTERED COMPANY NUMBER: 05369193 (England and Wales)
REGISTERED CHARITY NUMBER: 1109053

Report of the Trustees and

Financial Statements

for the Year Ended 31 March 2025

for

Independent Cinema Office

Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
Studio 2
50-54 St Pauls Square
Birmingham
West Midlands
B3 1QS

Contents of the Financial Statements for the Year Ended 31 March 2025

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Independent Cinema Office

Reference and Administrative Details
for the Year Ended 31 March 2025

TRUSTEES	Ayo Akingbade Rowan Aust (appointed 8.10.24) Sudha Bhuchar Thea Burrows Hiu Man Chan (appointed 8.10.24) Harry Kalfayan Anthony Lee (appointed 25.4.25) Eleanor Lowe Will Massa Emily McDonald (resigned 3.3.25) Richard McDonald (appointed 20.3.25) Ameet Parekh (resigned 7.3.25) Sita Thomas (appointed 28.3.25) Yi Wang (appointed 8.10.24) Simon Ward Dorothy Wilson MBE FRSA
KEY MANAGEMENT PERSONNEL	Director/CEO - Catharine Des Forges Head of Cinemas - David Sin Head of Operations - Rebecca Clarke Head of Partnerships & Development - Hatice Ozdemirciler Head of Finance - Hayley Collins
REGISTERED OFFICE	9 Bickels Yard 151-153 Bermondsey Street London SE1 3HA
REGISTERED COMPANY NUMBER	05369193 (England and Wales)
REGISTERED CHARITY NUMBER	1109053
AUDITORS	Locke Williams Associates LLP Chartered Accountants Registered Auditors Studio 2 50-54 St Pauls Square Birmingham West Midlands B3 1QS
BANKERS	Barclays Bank Plc Leicester LE87 2BB
SOLICITORS	Bates, Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE

Report of the Trustees
for the Year Ended 31 March 2025

The trustees present their report and the audited financial statements for the year ended 31 March 2025 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The reference and administrative information set out on page 2 form part of this report. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Purposes and aims

The objects of the charity are to promote all purposes recognised as charitable under the laws of England and Wales from time to time, in particular, without prejudice to the generality, the promotion, maintenance, improvement and advancement of education of the public by the encouragement of the knowledge and appreciation of the arts of film and video.

Aims

The mission of the Independent Cinema Office ("ICO") is to stimulate an open, thriving and challenging film culture. We have six overarching goals:

- To increase admissions for independent cinemas
- To enable a diverse range of films to be seen by diverse audiences
- To make the exhibition industry more inclusive
- To provide formal training routes into exhibition careers
- To support new venues so that people can access independent films wherever they live
- To inform positive policy changes and increased funding for independent film exhibition.

Activities

The principal activity of the charity during the year was to act as the national support organisation for independent cinemas. Our key activities are film programming advice, training, advocacy for the sector, distribution and consultancy. We also manage Film Hub South East, part of the British Film Institute's (BFI) Film Audience Network (FAN). The trustees review the aims, objectives and activities of the charity each year.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit: running a charity (PB2) and fee charging. The ICO relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of its activities.

The charity has a series of aims which foreground public benefit as a key outcome of its activities. These include:

- Having inclusivity at the heart of our mission statement
- Ensuring that wherever you live in the UK, you have comparable access to the art of film as if you lived in the capital
- Expanding the geographical reach of world cinema (including artists' work, animation and archive film)
- Building capacity in organisations both professional and non-professional to ensure that they achieve the highest standards in audience development through training programmes and online resources available at no charge to users
- Offering bursaries on all our training courses for those with caring responsibilities or access needs
- Partnering with grassroots and community organisations, especially those in rural communities
- National advocacy for our sector
- Offering free advice and information to a huge range of organisations from schools to care homes as well as traditional cinemas
- Only working with partners and clients who share our goal to develop audiences for a wide range of cinema, thereby ensuring that the public has access to the widest range of films possible, both archive and contemporary.

OBJECTIVES AND ACTIVITIES

Diversity

The ICO was established in 2003 to ensure that the widest range of stories could reach the widest possible range of audiences. Our work seeks to diversify the sector and the audiences the exhibition workforce serves, ensuring everyone is welcome. We are also continuously looking at how to foster positive change within the ICO and share the privilege and power we hold.

In 2021, we created an Equality, Diversity and Inclusion (ED&I) action plan to increase ambition and drive meaningful change across ICO activities, the ICO as an organisation and the wider sector. ED&I principles are integrated into all levels of our operations, from recruitment and HR policies to staff appraisals. We want to ensure every staff member feels part of the development of this work and responsible for their assigned actions. Our ED&I plan is a living document that continues to evolve with the ICO, the wider sector, and the world at large, with progress updates published on our website every six months.

Ongoing and new initiatives include:

- Each year, we anonymously survey our staff and trustees and publish the results on our website as part of our commitment to increasing diversity across the ICO and our Board. Our ambition is to better reflect the ethnic diversity of the London region and the proportion of people who identify as disabled, in line with data from the 2021 UK Census.
- We have committed to working with a broader range of people when engaging speakers, writers, designers and other freelancers. In 2023, we began gathering anonymous feedback with a short form sent to freelancers once their projects were completed. This form allows us to keep a more accurate picture of who we commission, as well as helping us improve the experience for our collaborators going forward.
- During the year we organised meetings with diverse-led organisations in the South East to promote FHSE funding opportunities and encourage applications from a broader range of people and organisations. We hosted a webinar on the Film Exhibition Fund to explain its objectives and how people can apply for support. To ensure wider access, a recording of the webinar was uploaded to the ICO website for anyone unable to attend live.
- As part of the Young Film Network Southeast, we delivered an event for neurodivergent and learning-disabled writers in collaboration with Oska Bright Film Festival and Fabrica in Brighton.
- In order to make sure the BFI NETWORK Short Film Fund is reaching as wide and diverse a group of talent as possible we hosted six webinars in the year to disseminate information on funding and programme opportunities
- The Board of Trustees has approved the creation of designated funds to support the development of an organisation-wide Disability Action Plan.

ACHIEVEMENT AND PERFORMANCE

Achievements and performance

This report looks at the charity's achievements and the outcomes of its work in the reporting period.

Programming

Programming is at the heart of the ICO. We support film exhibitors all over the UK, whether they're in major cities or rural communities, to access a cultural film offering which will take their venue to the next level and serve all their local audiences.

In 2024-25 the ICO programming network grew with the addition of cinemas in Harwich, Haverhill, Whitley Bay and Newcastle. We continued to work with Mareel in Lerwick, Shetland Isles, the most northerly cinema in the UK, to extend the ICO's geographic reach. For the twelfth year running, ICO delivered programming to the Borderlines Film Festival in Herefordshire, Shropshire and Worcestershire, which is the UK's largest rural film festival with 20,000 admissions. We ended the year with 28 venues and one major regional film festival (an equal record high number of programming partner organisations for the ICO) and this remains one of the UK's biggest independent cinema networks. In an improved but still not yet fully recovered cinema marketplace, our programming team worked closely with venues to help them continue to rebuild their audiences and diversify their programming to include a wider range of culturally important films.

This year, our network screened 1,006 films, achieving 884,085 total admissions and £6,536,098 gross box office, with ICO cinemas making vital contributions to the broader UK performance of key independent and world cinema titles.

Screening Days

Screening Days is the ICO's flagship event series and the UK's biggest cinema conference programme. The events give exhibitors across the UK the chance to see the best world cinema and British independent titles months in advance of release, so they can make informed decisions on how best to position these films for their audiences.

We now deliver four events annually, alternating between Archive Screening Days and Young Audiences Screening Days every other year. We maintain our Inclusion and Diversity event and our Spring and Autumn events.

We continued to hold paid open calls for curated sessions for our specialised events, giving a national stage to groups and work that might otherwise stay on the margins. As well as increasing accessibility by offering online-only attendance, an affordable pricing model and bursary support to delegates, we made online films available with subtitles for the Deaf/hard of hearing and provided live captioning on capacity-building sessions held online. We also included the opinions of our Screening Days advisory group.

Our one-day audience development events preceding our Spring and Autumn events are becoming a major event in the exhibitors' calendar and have grown significantly in attendance. These have become useful closed-door meetings between theatrical exhibitors, not only giving clear routes to new audiences, but also showcasing ICO's central place in this area. We have offered case studies of effective working, shared audience data from research agency Indigo and offered ICO-led workshops to help find new audiences and highlight emerging trends from our national perspective.

Total figures for the Screening Days programme this year:

- 734 delegates attended the events (online, in-person or a combination of both)
- 331 unique organisations represented
- 60 films screened - 48% of which were foreign language; 38% made by Black, Asian and ethnically diverse filmmakers or disabled filmmakers; 33% by female filmmakers.

Training

The ICO's training portfolio provides film exhibition professionals with the opportunity to access expert knowledge to help our industry succeed, become inclusive, and stay progressive. In 2024-25, ICO training addressed sector needs by supporting key professional development goals for individuals and paving the way towards a highly-skilled, financially sustainable, and inclusive future for exhibition organisations.

We provided professional development and training opportunities both in-person and online, with courses available in hybrid formats. This year also marked the first full year of delivering support in our role as Cross-FAN lead for members.

The fifth edition of our **REACH: Strategic Audience Development** training programme concluded in September 2024, supporting 10 film exhibition professionals to enhance their skills in expanding and diversifying audiences. Participants attended skills development workshops, participated in high-level networking opportunities, and received one-to-one mentorships to implement a new audience development project. Projects included a workshop for Deaf filmmakers and an Under 25s membership scheme.

In April 2024, the first edition of our business skills course, **Revisiting Your Cinema Business Model**, launched in London. The course ran over eleven months, from April 2024 to March 2025, and offered 13 participants the chance to focus on developing a sustainable business model, enabling their organisations to survive and thrive in the long term. One of the aspects of the programme that participants valued most was its strong mix of practical insights and actionable lessons. After taking part in the training programme, venues and participants have taken concrete steps, including working with their Board more confidently and effectively, refining the membership scheme for their cinema, and adopting a more strategic approach to their current business model.

In the second half of 2024/25, we organised two short-form training courses as part of our role as Cross-FAN lead for member support. The first was **Accessibility Across the Board**, a new course aimed at providing organisations with practical steps to develop their own disability action plan. We had 23 participants from November 2024 to February 2025. The second course, **Film Programming Essentials**, was held over three sessions in March 2025, bringing together 30 film programming professionals to explore the basics of creating a successful film programme.

Building on the establishment of the International Film Festival Network (IFFN) in 2023, we have continued to expand the network and organise a series of events for our 21 members from 15 countries. Throughout the year, we have hosted online discussion sessions for members focused on key topics they have raised with us. These sessions have included:

- Working with sales agents
- Working with talent
- Creating a bespoke ticketing system
- Programming in the current political climate
- Ensuring staff wellbeing during festival delivery

In July 2024, we hosted the inaugural **International Festival Summit** as part of our **IFFN** activities. We welcomed 15 of our members back to the New Horizons International Film Festival in Poland with the aim of gaining fresh insights into key issues affecting our sector, as well as developing new connections and collaborative opportunities. During the event, the main topics discussed included crisis management, international film rights, impact assessments, and social media strategies.

We were delighted to bring back our flagship training course, **Cultural Cinema Exhibition**, for its 12th edition in January 2025. The course provided 18 participants from across the country with the tools to create pioneering film programmes and inclusive venues, as well as encourage community engagement with thought-provoking cinema. Through their group work, participants delivered a variety of innovative projects, including Brave Girls, a repertory season critiquing one of Hollywood's biggest backhanded compliments, and Reel Time, a repertory season focused on the concept of time, inspired by Christian Marclay's The Clock.

Finally, we continued to support and promote the courses available on our online learning platform. This year, the platform received a total of 286 new course enrolments, bringing the overall number of enrolments since its launch to over 2,800. **Practical Programming** and the **Front of House Workers Online Course** remain our two most popular courses, making up 30% of new enrolments.

Across all our online, in-person, and hybrid training courses and programmes, we trained 397 individuals from 344 different organisations and 25 countries in 2024-25.

Advice and Information
The ICO provides impartial, expert advice on a vast array of topics to ensure that everyone can show films and be a part of our sector.

Via our free, email-based enquiries service, we share advice on licensing requirements, identifying the rights holders of films, starting new cinemas, getting films into distribution and more. This service plays a significant role in increasing the number of community film screenings taking place in the UK each year and supporting new and existing venues.

We answered over 1,100 email enquiries this year, the majority from individuals or organisations hoping to start screening films in their communities for the very first time.

Complementing this service are the comprehensive suite of free guides and resources on our website. These include our popular 'What licences do I need?' resource and our 'How to start a cinema' guide, as well as guides on programming, marketing, environmental and financial sustainability, and more. This year, we added a practical guide to local film licensing, helping exhibitors navigate the often-challenging process of showing films that lack BBFC classification.

The ICO blog is a key resource for independent exhibitors, sharing news and opportunities in a regular monthly round-up as well as publishing articles showcasing examples of best practice in cinema work and exploring current industry debates. We published 26 blog posts this year: the most popular being a case study of a cross-arts festival that used archive film to engage a diverse audience in Wales.

Our blog also supports professional development in the sector more widely. We publish writers from a variety of backgrounds and at various career stages, giving them industry exposure and providing a competitive rate of pay of £0.19 per word.

Our free-to-use jobs board plays a significant role in the independent exhibition sector, providing a crucial service for employers and job seekers alike. We require employers to state specific salaries and limit the voluntary roles we include, making the job application process clearer and fairer for job seekers, while helping exhibitors find the best talent. This year our jobs page accumulated over 195,000 views, with our daily jobs e-bulletin reaching 6,500 subscribers.

In 2024-25:
- We answered 1,100+ enquiries
- We published 26 posts on the ICO Blog, reaching 17k+ readers
- We advertised 440+ jobs, circulated daily to 6,500 e-bulletin subscribers and generating 195,000+ page views

Film Hub Lead Organisation - South East
The ICO has managed Film Hub South East (FHSE) - one of the BFI Film Audience Network's eight regional film hubs - since 2018. In 2024-25, our mission remained focused on increasing access to a diverse range of independent British and international films for audiences across the South East. We supported regional exhibitors through funding, training and partnership initiatives, with a growing emphasis on peer-to-peer learning and network-building.

We awarded £220,017 across 43 projects through our Film Exhibition Fund and the UK-wide Art of Action season. These projects collectively generated 61,628 admissions - an 18% increase on the previous year - and supported a broad range of screenings and events, from silent film concerts and drag shows to collaborations with food banks, refugee groups and neurodivergent communities. Our key strategic fund, the Film Exhibition Fund, which is designed to support regional exhibitors' cultural film programming and audience development activities supported 32 projects with £186,647 of National Lottery funding. Screenings took place across nearly every county in the region, generating 58,758 admissions.

In addition, we:

- Supported 11 exhibitors in the South East to take part in the national Art of Action season, which delivered over 2,800 admissions through standout programmes such as a Michelle Yeoh double bill in Cambridge, youth-led seasons in Hastings, and "Fight Nights" at Ultimate Picture Palace, Oxford.

- Partnered with the Gateway Film Festival to deliver our second year of Spotlight, a targeted initiative in Peterborough, supporting 12 community groups to deliver 220 screenings for 12,669 people
- Expanded our Programming Group, which now includes 31 exhibitors who meet quarterly to discuss new releases, marketing strategies and sector trends, with guest sessions including a focus on family programming.
- Established a new Short Film Group, with 11 members from across six counties, offering peer support, business model planning and sponsorship strategies for short film programmers.
- Delivered the first-ever BFI FAN CON in Belfast, bringing together over 150 exhibitors for a three-day conference featuring 21 sessions on audience development, cinema business models, access, AI and wellbeing. 99% of attendees said they would recommend the event.
- Delivered the fifth edition of REACH: Strategic Audience Development, a six-month programme supporting 10 exhibitors to deliver real-life audience development projects. Delegates attracted an average of 66 new attendees, with one reporting a 55% increase in audience numbers for a targeted strand.
- Launched Film Programming Essentials, a new training course supporting 30 delegates to develop their programming skills through sessions on rights, research and audience focus. 100% of attendees said they achieved their goals.
- Continued to deliver events through Young Film Network South East for 16-25 year olds reaching over 1,240 people through screenings, on-set shadowing, workshops, and online events to increase access to and appreciation of cultural cinema, and to enable young people to learn more about the film industry.
- Continued to support regional filmmakers via BFI NETWORK South East and Young Film Network by:

    - Recommending awards of £144,998 for seven new Short Film Fund projects and £18,300 to Early Development Fund projects
    - Welcoming 1,280 people to a broad array of training and networking events across 17 locations in the South East
- Supporting three young filmmakers aged 17-24 with a £1,000 award plus mentorship from BFI NETWORK-supported directors and producers to develop their skills, create a short film and have their films screened to over 40 exhibitors at the Hub Member Forum.

Distribution
While a great number of films are released into distribution UK each year, the opportunity to see a true diversity of work remains limited. The ICO intervenes in the marketplace to champion films of cultural significance and/or which have an important appeal to a specific underserved audience. In 2024-25 we continued to share our organisational strength and expertise with organisations who have a strong track record with audiences. We completed our tour of the South African title Mapantsula with African curators Cinema Africa and Maona Arts, retaining the film in distribution in the UK. We also acquired new restored materials for film classic I Am Cuba (1964), giving cinemas the opportunity to offer the film to audiences for its sixtieth anniversary in a new 4K version, ultimately playing at sixteen venues in the UK.

Consultancy
Through consultancy, independent cinema operators can attain best practice at all stages of the cinema operation process, from initial feasibility studies through to business planning and into issues of management, programming, audience development, fundraising, technical presentation and sustainability.

ICO consultancy is a fee-based service offering research and special reporting on the widest possible range of cinema related matters. Each year, the ICO fields over 300 enquiries, and we have developed a repertoire of consultancy formats to respond to them in the most effective way - from advice sessions to the development of business or audience development plans, to full options appraisals or feasibility studies. We are proud to have boosted venues, festivals and community screens to new levels of achievement and to have played a part in establishing new venues for audiences nationwide.

In 2024-25, our consultancy work has included initial scoping work for a new independent cinema in Birmingham and a business viability study for a cinema proposal in East London.

FINANCIAL REVIEW

Financial review

In the year ended 31 March 2025 ICO's income was primarily derived from grant income and fees for programming services, courses, screening days, advocacy, consultancy and film hire. The charity's main expense is staff costs. Other costs largely comprise expenses related to running courses and grant-giving.

Income was £17,912 higher than the prior year. This was largely driven by additional projects undertaken by the ICO, which resulted in an increase in funding from the BFI. The charity also saw a growth in its programming fees due to a rise in the number of venues using its programming service. The increase in activities meant that costs were also higher than the prior year with staff costs and costs associating with running events increasing.

Overall net income for the year was £48,795 (comprising a £71,053 surplus on unrestricted funds and a £22,258 reduction in restricted funds).

Principal funding sources

Our principal sources of funding are from the British Film Institute. One of the BFI's main objectives is to promote access to and appreciation of the widest possible range of British and world cinema so it is a natural partner of the ICO.

Grant making policy

The ICO mainly grants awards through the Film Exhibition Fund. These funds are restricted and come from the BFI. Film Hub South East operates the Film Exhibition Fund and supports FAN members, which includes organisations of various shapes and sizes, from community cinemas to festivals to multi-arts centres, to maximise the number of audiences engaging with independent British and International film across the region.

The fund invites applications from members that respond to the Film Hub South East's strategic objectives of cultural engagement, developing young audiences, providing inclusivity and showcasing screen heritage. Applicants are asked to submit an application form, a budget and an equality monitoring form. The guidelines and regulations for awards are set by the BFI and we cannot make awards independently outside this rubric. All grants are assessed by a minimum of 3 members of the ICO's Senior Management team.

We also award grants to filmmakers from the Miles Ketley Bursary Fund. These monies come from ICO's designated funds. They are assessed by a panel of Trustees and Miles' widow, Rebecca Ketley.

Reserves policy and going concern

The reserves policy is reviewed by the trustees on a regular basis. Currently, the reserves policy seeks to have three months running costs available to enable the charity to seek alternative or additional funding, if necessary. This equates to £266,519 (2024: £220,522). At 31 March 2025 free reserves were £229,026. The finance committee will continue to focus on improving income streams and ensuring efficient cost management to raise the free reserves to be in line with our stated target. For 2025/26 the ICO has budgeted for a small surplus.

Total funds held at the 31 March 2025 were £740,489 of which £93,710 is restricted funds and £646,779 unrestricted funds. Included in unrestricted funds are designated amounts of £418,449. Designated funds include fixed assets (representing the net book value of fixed assets after accounting for the loan outstanding), a sustainability fund set aside by the charity to ensure a managed closure of the charity in the event that funding ceases, the Miles Ketley filmmakers' bursary fund established to commemorate our trustee who died in 2019, an amount to fund a disability action plan, funds for assessing the impact of our Film Exhibition Distribution and Sales (FEDS) training course, and money set aside for training activities at the Cannes Film Festival.

The ICO was awarded three-year funding from the BFI commencing April 2023. The trustees therefore believe that, combined with our available general funds, the charity is a going concern and will be able to pay its liabilities as they fall due.

FINANCIAL REVIEW

Investment policy

The trustees may invest the charity's money not immediately required for its objects in any investments, securities or property. The current policy is to keep available funds in interest-bearing deposit accounts.

Fundraising

The Charity does not engage in public fundraising and does not use professional fundraisers or commercial participators. The Charity nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and the Charity received no complaints relating to its fundraising practice.

Code of Governance

The Independent Cinema Office aims to maintain good governance practices in line with the Charity Governance Code. All trustees have a job description, and new trustees have a full induction programme and are offered the NCVO induction/refresher Trustee course.

We know the immense value of having a broad range of experiences and voices guiding our work. This is of particular importance when it comes to our trustees, who under the leadership of our Chair, work closely with our Senior Management Team to steer and monitor the ICO's strategic development. They ensure we remain focused on improving our work and broadening its reach to UK audiences.

We also engage several advisory groups to help us interrogate and reflect on specific areas of ICO work and ensure we better represent the communities we serve. We encourage these advisory group members to develop their relationships with us by applying to become trustees when their terms have finished.
We prioritise the importance of trustees and staff working together and learning from each other to deliver truly valuable, high-quality work. Trustees and staff often undertake organisation-wide training together and we ensure that staff can independently contact trustees, so they have an additional channel to raise issues and challenge harassment or discrimination.

Anonymous evaluation is an embedded part of our cultural programmes. Evaluation data is shared with trustees in quarterly board reports, to which all ICO teams contribute detailed updates on their work.

Our integration of trustees and staff ensures that we foster the sharing of ideas and maximise our combined expertise and diverse lived experiences, benefiting the reach of our organisation, the venues we support and the audiences we serve.

Principal risks and uncertainties

The high-level risks and management strategy are as follows:

Risks		Risk Management		
Nature of risk	**Gross risk**	**Strategy**	**Strength**	**Net risk**
Funding not renewed – the charity may close	High	Funding renewed for three years until April 2026. Consider opportunities in new funding bids. Explore new relationships and opportunities. Invest in marketing consultancy services and sponsorship development.	Strong	High
Property loan – facility may be withdrawn	High	Quarterly management accounts, cash flow, regular review of bank covenants.	Strong	High

PLANS FOR THE FUTURE

The current environment is still challenging across the whole arts sector and independent cinemas are not immune from this. We have seen some success but there is still great need of our advocacy and support. We have seen that our focus on advocacy and data reporting has had an impact on national conversations and we have been working hard to alert government to the challenges with a view to improving both structural support and funding for independent cinemas. We will continue at pace to undertake annual surveys of the independent cinema sector, respond in writing to government consultations and lobby ministers for increased support particularly as regarding capital investment.

We will continue with our support services for the sector including advice, information and programming as well as the continuation of our audience development evaluation project across venues.

We will deliver a fully hybrid portfolio of Screening Days events for exhibitors across the UK, both showcasing new releases and building capacity in professionals and arts organisations.

We will be the lead organisation for the BFI's FAN for Member Support and Communications and will continue to convene our national advisory group to help us in our work.

We will plan a national conference for FAN over 2 days in September 2026.

We will deliver a new major national short course on sponsorship for the sector with a particular focus on Film Festivals. In addition, we will continue with new iterations of our programmes on business development and audience development and online seminars to engage the wider membership who are unable to make the time commitment to longer training courses.

We will add a new online course to our training portal on Developing a Disability Action Plan for organisations based on our successful FAN course delivered in 2024. This will allow wider engagement in organisations across the UK who may otherwise be unable to attend courses due to time, cost or travel constraints.

We will aim to deliver a new iteration of our course for Film Producers on sales, distribution and exhibition called Get it Seen, in order to increase their skills in bringing their films to market and building sustainable careers.

We will hold our second International Film Festival Network summit in Poland in partnership with the New Horizons Film Festival in Poland and continue to hold events and deliver support for the Network.

We will continue to support filmmakers and exhibitors in the South East region of the UK as part of our work running Film Hub South East. In addition, we will continue to support and develop our FHSE Young Film Network with ongoing management of our dedicated website and member resources. We will continue our 'Shadow a Filmmaker' programme enabling young people to gain valuable experience on our NETWORK short film productions.

We will be recruiting and appointing a new Chair and a number of Trustees in 2025.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 18 February 2005 and registered as a charity on 14 April 2005. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment, appointment and induction/training of new trustees

All trustees give their time voluntarily and receive no benefits from the charity in their capacity as trustees. Any expenses reclaimed from the charity are set out in note 11 to the accounts. As set out in the Articles of Association the trustees are appointed by resolution of the trustees. Recruitment for new trustees is openly advertised with full job descriptions and interviews carried out prior to taking up office. New trustees are sent an extensive information pack which details the responsibility of trustees and their legal obligations. There are three subcommittees, Finance, Personnel & HR and EDI which make recommendations to the wider board.

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated indirectly into the regular board meetings. All new trustees are invited to attend the NCVO's introductory course for trustees.

Organisational structure

The ICO is managed by the board of Directors/trustees. Day-to-day management is delegated to the Director and the senior management team as follows:

Director/CEO - Catharine Des Forges
Head of Cinemas - David Sin
Head of Operations - Rebecca Clarke
Head of Partnerships & Development - Hatice Özdemirciler
Head of Finance - Angela Blanchard (resigned 31 May 2024)
Head of Finance - Hayley Collins (appointed 01 May 2024)

Key management remuneration

We have developed a formal framework with criteria for setting pay/remuneration for key management personnel which has included the establishment of a Personnel & HR subcommittee which makes recommendations to the wider board of trustees.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Independent Cinema Office for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS
The auditors, Locke Williams Associates LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 24 September 2025 and signed on its behalf by:

Dorothy Wilson MBE FRSA
Chair

Report of the Independent Auditors to the Trustees of Independent Cinema Office

Opinion

We have audited the financial statements of Independent Cinema Office (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the sector in which it operates, and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to these risks, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the Charities Act 2011 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management, trustees and enquiries of third parties, where appropriate.

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and checking the authorisation of expenditure as part of our substantive testing, using analytical review to identify any significant or unusual transactions and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Studio 2
50-54 St Pauls Square
Birmingham
West Midlands
B3 1QS

Date: 26 September 2025

Independent Cinema Office

Statement of Financial Activities
for the Year Ended 31 March 2025

	Notes	Unrestricted funds £	Restricted funds £	**31.3.25 Total funds £**	31.3.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	**15**	**175**	**190**	249
Charitable activities	5				
Programming		**232,276**	**416,777**	**649,053**	621,200
Training		**50,142**	**42,288**	**92,430**	117,254
Film Hub South East		**-**	**917,614**	**917,614**	894,764
Distribution		**11,549**	**141**	**11,690**	11,250
Advocacy		**-**	**30,124**	**30,124**	30,124
Consultancy		**8,403**	**-**	**8,403**	9,980
Other trading activities	3	**3,612**	**-**	**3,612**	6,272
Investment income	4	**2,836**	**-**	**2,836**	2,973
Other income	6	**-**	**-**	**-**	3,974
Total		**308,833**	**1,407,119**	**1,715,952**	1,698,040
EXPENDITURE ON					
Charitable activities	7				
Programming		**75,407**	**434,746**	**510,153**	496,726
Training		**46,201**	**41,461**	**87,662**	156,113
Film Hub South East		**107,579**	**926,055**	**1,033,634**	929,903
Distribution		**8,740**	**217**	**8,957**	17,027
Advocacy		**4,591**	**22,066**	**26,657**	32,917
Consultancy		**94**	**-**	**94**	7,033
Support & governance		**-**	**-**	**-**	-
Total		**242,612**	**1,424,545**	**1,667,157**	1,639,719
NET INCOME/(EXPENDITURE)		**66,221**	**(17,426)**	**48,795**	58,321
Transfers between funds	21	**4,832**	**(4,832)**	**-**	-
Net movement in funds		**71,053**	**(22,258)**	**48,795**	58,321
RECONCILIATION OF FUNDS					
Total funds brought forward		**575,725**	**115,969**	**691,694**	633,373
TOTAL FUNDS CARRIED FORWARD		**646,778**	**93,711**	**740,489**	691,694

The notes form part of these financial statements

Balance Sheet
31 March 2025

	Notes	31.3.25 £	31.3.24 £
FIXED ASSETS			
Tangible assets	14	**1,015,096**	1,040,548
CURRENT ASSETS			
Debtors	15	**37,517**	67,120
Cash at bank and in hand		**584,576**	547,331
		622,093	614,451
CREDITORS			
Amounts falling due within one year	16	**(229,443)**	(215,990)
NET CURRENT ASSETS		**392,650**	398,461
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,407,746**	1,439,009
CREDITORS			
Amounts falling due after more than one year	17	**(667,257)**	(747,315)
NET ASSETS		**740,489**	691,694
FUNDS	21		
Unrestricted funds		**646,779**	575,725
Restricted funds		**93,710**	115,969
TOTAL FUNDS		**740,489**	691,694

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2025.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for
(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The notes form part of these financial statements

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 24 September 2025 and were signed on its behalf by:

Dorothy Wilson MBE FRSA
Chair

Independent Cinema Office

Cash Flow Statement
for the Year Ended 31 March 2025

	Notes	**31.3.25** **£**	31.3.24 £
Cash flows from operating activities			
Cash generated from operations	23	**134,867**	149,109
Interest paid		**(34,792)**	(37,601)
Net cash provided by operating activities		**100,075**	111,508
Cash flows from investing activities			
Purchase of tangible fixed assets		**(4,588)**	(6,227)
Sale of tangible fixed assets		**-**	707
Interest received		**2,836**	2,973
Net cash used in investing activities		**(1,752)**	(2,547)
Cash flows from financing activities			
Loan repayments in year		**(61,078)**	(48,893)
Net cash used in financing activities		**(61,078)**	(48,893)
Change in cash and cash equivalents in the reporting period		**37,245**	60,068
Cash and cash equivalents at the beginning of the reporting period		**547,331**	487,263
Cash and cash equivalents at the end of the reporting period		**584,576**	547,331

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in Sterling, which is the functional currency of the charity, and rounded to the nearest £1.

Public benefit entity
The charity meets the definition of a public benefit entity under FRS 102.

Going concern
Independent Cinema Office has been awarded three-year funding from the BFI commencing April 2023. At the balance sheet date the charity has sufficient reserves, enough of which are unrestricted and are able to absorb short-term in year deficits, if required. The financial forecasts prepared show that the charity will be able to pay its liabilities as they fall due. On this basis the trustees have prepared these financial accounts on a going concern basis.

Estimates and judgements
Estimates and judgements have been used in the preparation of these financial statements, mainly in connection with the valuation of fixed assets and the allocation of support costs to charitable activities. The allocation of support costs is set out in accounting policy. The long leasehold property at Bickles Yard and its related refurbishment costs have been impaired and the carry forward amount is based on fair value depreciated over its remaining useful life.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants
Income from grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Donations of gifts, services and facilities
Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value to the charity which is the amount the charity would have been willing to pay to obtain services or facilities equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Investment income
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1. ACCOUNTING POLICIES - continued

Expenditure and irrecoverable VAT
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Governance costs
Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Allocation and apportionment of costs
Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on the direct staff costs of each activity, of the amount attributable to each activity.

Programming	38.21%
Training	4.36%
Film Hub South East	55.08%
Advocacy	2.35%
Distribution	-%
Consultancy	-%

Tangible fixed assets
Items of equipment are capitalised where the purchase price exceeds £250. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Long leasehold	2% straight line basis
Leasehold refurbishment	10% straight line basis
Fixtures, fittings & equipment	25% straight line basis
Database & website	25% straight line basis

Taxation
The charity is exempt from corporation tax on its charitable activities.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

1. ACCOUNTING POLICIES - continued

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Financial instruments
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors
Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pension costs and other post-retirement benefits
The charity contributes to the personal pension schemes of some of its employees and from 1 November 2016 to SMART Pension, the ICO auto-enrolment scheme. The schemes and their assets are held by independent managers. The pension charge represents contributions due from the charity.

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	**31.3.25 Total funds £**	31.3.24 Total funds £
Donations	**15**	**175**	**190**	249

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	**31.3.25 Total funds £**	31.3.24 Total funds £
Desk space and board room hire	**3,575**	**-**	**3,575**	6,272
Merchandise income	**37**	**-**	**37**	-
	3,612	**-**	**3,612**	6,272

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	**31.3.25 Total funds £**	31.3.24 Total funds £
Bank interest	**2,836**	**-**	**2,836**	2,973

5. INCOME FROM CHARITABLE ACTIVITIES

Activity		31.3.25 £	31.3.24 £
Programming	BFI	**384,082**	383,603
	Venue income	**232,001**	195,353
	Sponsorship income	**5,495**	11,158
	Screening days income	**27,139**	26,968
	Contribution in kind	**-**	3,813
	Other income	**336**	305
Training	BFI	**29,127**	29,606
	Sponsorship income	**7,044**	-
	Contribution in kind	**-**	5,400
	Other income	**106**	-
	ScreenSkills	**-**	828
	British Council	**10,000**	75,000
	Course fees	**40,276**	5,149
	Membership	**5,977**	1,271
	Film hire and print transport	**(100)**	-
Film Hub South East	BFI	**895,768**	841,894
	Sponsorship income	**3,900**	-
	Event income	**12,289**	-
	Course fees	**5,657**	19,200
	Watershed Arts Trust Ltd	**-**	33,670
Distribution	Other income	**-**	1,825
	Arts Council England	**-**	4,997
	Distribution fee	**-**	1,875
	Film hire and print transport	**8,690**	2,553
	Fees	**3,000**	-
Advocacy	BFI	**30,124**	30,124
Consultancy	Other income	**-**	200
	Course fees	**2,000**	-
	Fees	**6,403**	9,780
		1,709,314	1,684,572

6. OTHER INCOME

	Unrestricted funds £	Restricted funds £	31.3.25 **Total funds £**	31.3.24 Total funds £
Gain on sale of tangible fixed assets	**-**	**-**	**-**	158
Income received from legal action	**-**	**-**	**-**	3,191
Advertising income	**-**	**-**	**-**	150
Other income	**-**	**-**	**-**	475
	-	**-**	**-**	3,974

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Grant funding of activities (see note 8)	Support costs (see note 9)	31.3.25
	£	£	£	£
Programming	**384,073**	**22**	**126,058**	**510,153**
Training	**73,162**	**116**	**14,384**	**87,662**
Film Hub South East	**594,752**	**257,167**	**181,715**	**1,033,634**
Distribution	**8,957**	**-**	**-**	**8,957**
Advocacy	**18,903**	**-**	**7,754**	**26,657**
Consultancy	**94**	**-**	**-**	**94**
	1,079,941	**257,305**	**329,911**	**1,667,157**

	Programming	Training	Film Hub	Distribution	Advocacy	Consultancy	31.3.25	31.3.24
	£	£	£	£	£	£	£	£
Staff costs (see note 12)	322,939	36,846	465,509	-	19,801	-	**845,095**	804,701
Fees - course leader/Speaker/Film-maker/Project manager	20,594	7,118	65,080	-	350	-	**93,142**	127,955
Focus group evaluation	12,675	-	102	-	372	-	**13,149**	7,235
Film hire	2,176	-	2,053	7,030	-	-	**11,259**	1,937
Filming & editing	-	-	2,880	-	-	-	**2,880**	2,367
Catering/hospitality/entertaining	20,901	5,286	28,119	-	18	-	**54,324**	33,532
Marketing & publicity	(214)	1,826	5,928	-	687	-	**8,227**	8,414
Couriers/transport	288	-	8	1,162	-	-	**1,458**	1,137
Production programming costs	10,573	681	25,022	-	-	-	**36,276**	14,062
Certification/accreditation	524	176	293	128	6	-	**1,127**	7,163
Venue hire	33,057	6,534	19,645	-	-	-	**59,236**	36,644
Bursaries	589	11,418	2,999	-	-	-	**15,006**	24,688
Grants (see note 8)	22	116	257,167	-	-	-	**257,305**	271,929
Hotels, travel & subsistence	18,117	9,493	33,257	-	73	94	**61,034**	68,066
IT/Web costs	12,167	1,394	15,726	423	404	-	**30,114**	32,678
Office costs	10,193	1,390	44,503	-	2,187	-	**58,273**	34,710
Premises costs	9,799	1,116	14,307	182	601	-	**26,005**	26,246
Bank charges & interest	14,119	1,799	19,849	32	827	-	**36,626**	39,871
Exchange loss	74	9	108	-	5	-	**196**	146
Depreciation and impairment costs	11,478	1,310	16,546	-	706	-	**30,040**	74,303
Irrecoverable VAT	5,401	616	7,786	-	332	-	**14,135**	7,602
Bad debts							**-**	(10,734)
Audit	4,510	514	6,499	-	277	-	**11,800**	14,000
Legal & professional							**-**	11,067
Trustees' meeting costs	171	20	248	-	11	-	**450**	-
	510,153	87,662	1,033,634	8,957	26,657	94	**1,667,157**	1,639,719

8. GRANTS PAYABLE

The total grants paid to institutions during the year was as follows:

	31.3.25	31.3.24
	£	£
Film Exhibition Fund - Young Audiences	**18,417**	10,500
Film Exhibition Fund	**137,600**	161,428
Small Pots Fund	**30,580**	17,156
FHSE Programming Group	**1,000**	3,600
Spotlight	**38,388**	38,000
Independent Cinema Office (Art of Action Young Programmers Group Project)	**6,750**	-
FHSE – Art of Action	**21,570**	-
Film Academy Plus	**-**	9,000
Cinema Unbound - Powel & Pressburger	**-**	32,245
	254,305	271,929

The total grants paid to individuals during the year was as follows:

	31.3.25	31.3.24
	£	£
Film Academy Plus	**3,000**	-

In total, 54 grants were made; material grants paid in the year were:

Cambridge Film Festival	**25,000**
Chichester Cinema at New Park	**17,000**
Cinecity	**15,000**
Creative Arts East	**30,000**
Cine-Sister CIC	**38,388**

In addition to those above, the number of grants paid fell into the following brackets:

Less than £1,000	**9**
£1,001 to £5,000	**32**
£5,001 - £10,000	**8**

9. SUPPORT COSTS

	Management	Governance costs	31.3.24 Totals
	£	£	£
Programming	**121,377**	**4,681**	**126,058**
Training	**13,850**	**534**	**14,384**
Film Hub South East	**174,968**	**6,747**	**181,715**
Advocacy	**7,466**	**288**	**7,754**
	317,661	**12,250**	**329,911**

9. SUPPORT COSTS - continued

These costs are allocated on a direct salary costs basis and consist of:

	31.3.25	31.3.24
	£	£
Staff costs	**175,077**	137,909
Couriers/transport	**-**	139
Catering/hospitality/ entertaining	**747**	1,102
Certification/accreditation	**238**	85
Marketing & publicity	**(559)**	1,805
Hotel, travel & subsistence	**3,106**	8,319
IT/web costs	**17,203**	18,937
Office costs	**16,704**	17,728
Premises costs	**25,593**	26,246
Bank charges & interest	**35,181**	38,496
Exchange loss	**196**	146
Depreciation of tangible assets	**30,040**	29,857
Impairment of tangible assets	**-**	44,446
Legal & professional	**-**	4,466
Irrecoverable VAT	**14,135**	7,600
Bad debts	**-**	418
	317,661	337,699

Governance costs are as follows:

	31.3.25	31.3.24
	£	£
Trustees' meetings	**450**	-
Accountancy and legal fees	**11,800**	15,100
	12,250	15,100

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.25	31.3.24
	£	£
Depreciation - owned assets	**30,040**	29,857
Surplus on disposal of fixed assets	**-**	(158)
Impairment of property	**-**	44,446
Bank interest payable	**34,792**	37,601
Auditors remuneration	**11,000**	14,000
Foreign exchange loss	**196**	146

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

12. STAFF COSTS

	31.3.25	31.3.24
	£	£
Wages and salaries	**727,938**	686,820
Social security costs	**71,417**	64,546
Other pension costs	**32,793**	30,787
Other staff costs:		
Freelance staff	**578**	11,255
Staff recruitment	**1,011**	1,434
Staff training	**1,045**	1,325
Human resources fees	**5,690**	5,597
Occupational health insurance	**3,703**	2,483
Other staff costs	**921**	454
	845,096	804,701

The average monthly number of employees during the year was as follows:

	31.3.25	31.3.24
Programming	**4.2**	4.5
Training	**2.0**	1.2
Film Hub South East	**9.2**	8.8
Advocacy	**0.2**	0.2
Distribution	**0.1**	0.1
Consultancy	**0.2**	0.2
Support	**3.8**	5.1
	19.7	20.1

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.25	31.3.24
£60,001 - £70,000	**1**	1

The total employee benefits including employer national insurance and pension contributions of the key management personnel were £277,983 (2024: £263,633).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	249	-	249
Charitable activities			
Programming	201,649	419,551	621,200
Training	4,859	112,395	117,254
Film Hub South East	-	894,764	894,764
Distribution	4,723	6,527	11,250
Advocacy	-	30,124	30,124
Consultancy	9,980	-	9,980
Other trading activities	6,272	-	6,272
Investment income	2,973	-	2,973
Other income	3,974	-	3,974
Total	234,679	1,463,361	1,698,040
EXPENDITURE ON			
Charitable activities			
Programming	68,516	428,210	496,726
Training	17,023	139,090	156,113
Film Hub South East	92,164	837,739	929,903
Distribution	4,302	12,725	17,027
Advocacy	5,020	27,897	32,917
Consultancy	7,033	-	7,033
Total	194,058	1,445,661	1,639,719
NET INCOME	40,621	17,700	58,321
Transfers between funds	(13,167)	13,167	-
Net movement in funds	27,454	30,867	58,321
RECONCILIATION OF FUNDS			
Total funds brought forward	548,271	85,102	633,373
TOTAL FUNDS CARRIED FORWARD	575,725	115,969	691,694

14. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Database and website £	Fixtures, fittings & equipment £	Totals £
COST					
At 1 April 2024	**1,308,014**	**65,082**	**35,973**	**42,830**	**1,451,899**
Additions	**-**	**-**	**-**	**4,588**	**4,588**
Disposals	**-**	**-**	**-**	**(500)**	**(500)**
At 31 March 2025	**1,308,014**	**65,082**	**35,973**	**46,918**	**1,455,987**
DEPRECIATION					
At 1 April 2024	**284,408**	**65,082**	**35,973**	**25,888**	**411,351**
Charge for year	**22,487**	**-**	**-**	**7,553**	**30,040**
Eliminated on disposal	**-**	**-**	**-**	**(500)**	**(500)**
At 31 March 2025	**306,895**	**65,082**	**35,973**	**32,941**	**440,891**
NET BOOK VALUE					
At 31 March 2025	**1,001,119**	**-**	**-**	**13,977**	**1,015,096**
At 31 March 2024	1,023,606	-	-	16,942	1,040,548

All of the above assets are used for charitable purposes.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Trade debtors	**12,246**	32,122
Other debtors	**370**	119
Prepayments	**24,076**	26,680
Accrued income	**825**	8,199
	37,517	67,120

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Other loans (see note 18)	**70,572**	51,591
Grants payable	**-**	5,919
Trade creditors	**70,249**	75,760
Social security and other taxes	**30,355**	29,351
Other creditors	**3,858**	3,443
Accruals	**51,144**	37,011
Deferred income	**3,265**	12,915
	229,443	215,990

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Deferred Income

Deferred income comprises of membership fees for the International Film Festival Network (IFFN).

	31.3.25	31.3.24
	£	£
Balance as at 1 April	**12,915**	85,000
Released in the year	**(12,915)**	(76,271)
Deferrals in the year	**3,265**	4,186
Balance as at 31 March	**3,265**	12,915

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.25	31.3.24
	£	£
Other loans (see note 18)	**667,257**	747,315

18. LOANS

An analysis of the maturity of loans is given below:

	31.3.25	31.3.24
	£	£
Amounts falling due within one year on demand:		
Other loans	**70,572**	51,591
Amounts falling due between two and five years:		
Other loans	**105,494**	130,828
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans	**561,763**	616,487

There are two secured and two unsecured bank loans on the property at Unit 9 Bickels Yard, London, SE1 3HA. The loan from Charity Bank is charged at BoE base rate + 2.75% and the loans with Big Issue Invest are charged at 7% and 6%. The Charity Bank loan is repayable over 25 years and the Big Issue Invest loans over 7 years, 63 months and 57 months. The property has a carrying value of £1,001,119. The loans are secured with fixed and floating charges over the assets of the charity.

19. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.25	31.3.24
	£	£
Other loans	**715,064**	752,046

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	**31.3.25 Total funds £**	31.3.24 Total funds £
Fixed assets	**1,015,096**	**-**	**1,015,096**	1,040,548
Current assets	**528,383**	**93,710**	**622,093**	614,451
Current liabilities	**(229,443)**	**-**	**(229,443)**	(215,990)
Long term liabilities	**(667,257)**	**-**	**(667,257)**	(747,315)
	646,779	**93,710**	**740,489**	691,694

21. MOVEMENT IN FUNDS

	At 1.4.24 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
General fund	**208,107**	**107,965**	**(87,742)**	**228,330**
Fixed assets	**241,642**	**(30,040)**	**69,347**	**280,949**
Summit in Poland	**6,500**	**(6,500)**	**-**	**-**
Sustainability fund	**115,000**	**-**	**5,000**	**120,000**
Miles Ketley filmmakers' bursary fund	**4,476**	**(5,203)**	**727**	**-**
Disability Action Plan	**-**	**-**	**5,000**	**5,000**
FEDS impact study	**-**	**-**	**10,000**	**10,000**
IFFN training activity	**-**	**-**	**2,500**	**2,500**
	575,725	**66,222**	**4,832**	**646,779**
Restricted funds				
British Film Institute	**12,787**	**6**	**(1,968)**	**10,825**
BFI – Advice, information, support and training	**1,148**	**134**	**(508)**	**774**
Film Hub South East	**98,715**	**(18,196)**	**(2,456)**	**78,063**
DYFF online resource	**776**	**(63)**	**-**	**713**
Other training	**2,056**	**689**	**-**	**2,745**
BFI – Britain on Film	**487**	**(72)**	**-**	**415**
Major Programmes Horror	**-**	**(100)**	**100**	**-**
ICO Training Support Fund	**-**	**175**	**-**	**175**
	115,969	**(17,427)**	**(4,832)**	**93,710**
TOTAL FUNDS	**691,694**	**48,795**	**-**	**740,489**

21. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	**308,833**	**(200,868)**	**107,965**
Fixed assets	**-**	**(30,040)**	**(30,040)**
Summit in Poland	**-**	**(6,500)**	**(6,500)**
Miles Ketley filmmakers' bursary fund	**-**	**(5,203)**	**(5,203)**
	308,833	**(242,611)**	**66,222**
Restricted funds			
British Film Institute	**447,042**	**(447,036)**	**6**
BFI - Advice, information, support and training	**29,044**	**(28,910)**	**134**
Film Hub South East	**917,551**	**(935,747)**	**(18,196)**
DYFF online resource	**(63)**	**-**	**(63)**
Other training	**13,470**	**(12,781)**	**689**
BFI - Britain on Film	**-**	**(72)**	**(72)**
Major Programmes Horror	**(100)**	**-**	**(100)**
ICO Training Support Fund	**175**	**-**	**175**
	1,407,119	**(1,424,546)**	**(17,427)**
TOTAL FUNDS	**1,715,952**	**(1,667,157)**	**48,795**

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	167,382	120,512	(79,787)	208,107
Fixed assets	261,374	(74,852)	55,120	241,642
Summit in Poland	-	-	6,500	6,500
Sustainability fund	110,000	-	5,000	115,000
Miles Ketley filmmakers' bursary fund	9,515	(5,039)	-	4,476
	548,271	40,621	(13,167)	575,725
Restricted funds				
British Film Institute	11,152	(11,590)	13,225	12,787
BFI - Advice, information, support and training	21,977	(21,093)	264	1,148
Film Hub South East	45,598	57,025	(3,908)	98,715
DYFF online resource	-	776	-	776
ScreenSkills	75	(75)	-	-
Other training	2,243	(6,302)	6,115	2,056
BFI - The Camera is Ours	500	(462)	(38)	-
BFI - Britain on Film	627	(140)	-	487
Arts Council England - National Trails	2,930	(439)	(2,491)	-
	85,102	17,700	13,167	115,969
TOTAL FUNDS	633,373	58,321	-	691,694

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	234,679	(114,167)	120,512
Fixed assets	-	(74,852)	(74,852)
Miles Ketley filmmakers' bursary fund	-	(5,039)	(5,039)
	234,679	(194,058)	40,621
Restricted funds			
British Film Institute	449,975	(461,565)	(11,590)
BFI - Advice, information, support and training	29,927	(51,020)	(21,093)
Film Hub South East	894,764	(837,739)	57,025
DYFF online resource	797	(21)	776
ScreenSkills	-	(75)	(75)
Other training	81,671	(87,973)	(6,302)
BFI - The Camera is Ours	-	(462)	(462)
BFI - Britain on Film	100	(240)	(140)
Arts Council England - National Trails	6,127	(6,566)	(439)
	1,463,361	(1,445,661)	17,700
TOTAL FUNDS	1,698,040	(1,639,719)	58,321

21. MOVEMENT IN FUNDS - continued

Purposes of restricted funds

British Film Institute
Funding received from the BFI to be a strategic partner for the BFI Film Audience Network (FAN) to enable film exhibitors to boost film audiences around the UK for independent and specialised films.

British Film Institute - Advice, Information, Support and Training
Organisational funding received to provide telephone and online support including an update of our online resources and support to venues.

Film Hub South East
The ICO is responsible for administering funds from the National Lottery to support a stronger and more connected approach to growing audiences for British and international cinema throughout the region.

Developing Your Own Film Festival ("DYFF") Online Resource
Through this course, ICO seeks to address the lack of training opportunities for those organising and managing film festivals, which offer many films their first point of access to audiences around the world.

Other Training
Funding received primarily from the British Council for the International Film Festival Network which the ICO founded in December 2023. This is a membership-based community of film festivals with the purpose of fostering new partnerships between festivals, promoting best practice and strategic innovation in programming and reaching audiences, and encouraging the discovery and celebration of the art of film.

British Film Institute - Britain on Film
Organisational funding received from the BFI to enable the ICO to deliver archive film programmes that celebrated and explored the stories of the people and places of Britain.

Major Programmes Horror
Alongside a major season at BFI Southbank from October 2022 to December 2022 ICO ran a nationwide tour as part of the BFI in Dreams are Monsters funded by Film Hub Midlands on behalf of BFI Film Audience Network supported by Funds from the National Lottery.

ICO Training Support Fund
A fund into which individuals/groups can donate which will be used to provide bursaries for individuals who would otherwise be unable to access our training provisions.

ScreenSkills
Funding received to run an on line course - Data Driven Film Exhibition.

British Film Institute - The Camera is Ours
Organisational funding received from the BFI to put together a feature length film using film from Britain's women documentary makers.

Arts Council England
Funding received to commission three new films from British Artists for our National Trails tour.

21. MOVEMENT IN FUNDS - continued

Purposes of designated funds

Fixed assets
The net book value of fixed assets, after deducting loans outstanding.

Summit in Poland
An amount set aside to contribute towards the costs of hosting the 2024 International Festival Summit as part of our IFFN activities.

Miles Ketley Filmmakers' Bursary Fund
A fund set aside to pay bursaries to filmmakers to enable them to attend industry events to aid their development.

Sustainability Fund
A fund to pay redundancy costs in the event of the closure of the charity.

Disability Action Plan
Funds set aside to support the development of an organisation-wide Disability Action Plan.

FEDS impact study
The ICO will be carrying out an impact study of our pioneering Film Exhibition, Distribution & Sales (FEDS) trainee scheme. When complete, the report will be launched at a 2025-26 event in celebration of FEDS alumni, their achievements and the broader industry impacts of the scheme to date.

IFFN training activity
Funds generated by our flagship training course "Cultural Cinema Exhibition" to be used to deliver a training activity in Cannes for the International Film Festival Network.

22. RELATED PARTY DISCLOSURES

Dorothy Wilson, Chair, received £1,350 for consultancy services relating to the Revisiting Your Cinema Business Model course (2024: £nil).

Sudha Bhuchar, trustee, was paid £300 during the year for consultancy services in relation to recruitment (2024: £200).

Vision Box, co-directed/owned by Simon Ward, an ICO trustee, and his wife Corrina Ward, was awarded £1000 for the National Lottery Cinema Thank You event "Lights, Camera, Thanet" (2024: £500 for the Cinema Unbound Powell & Pressburger season).

Simon Ward, trustee, was paid £175 speaker fees for the FAN programming course (2024: £nil).

Yi Wang, trustee, received £553 (2024: £nil) for his services as a speaker at events held by the ICO.

Mel Clarke, the sister of Becky Clarke, Head of Operations, was paid £1,344 during the year for design work on various projects (2024: £nil).

The ICO receives funding from the British Film Institute ("BFI"). One of the governors of the BFI, Monica Chadha, is the wife of Ameet Parekh who was a trustee of the ICO during the year ending 31 March 2025. Monica was not involved in the decision making process for the funding of the ICO. As per the BFI's delegated areas of authority in respect of the Board of Governors, the levels of funding received by the ICO from the BFI are below the threshold requiring approval by their Board of Governors.

All related party transactions are approved and minuted at finance committees and Board meetings.

23. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.25	31.3.24
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	**48,795**	58,321
Adjustments for:		
Depreciation charges	**30,040**	74,303
Profit on disposal of fixed assets	**-**	(158)
Interest received	**(2,836)**	(2,973)
Interest paid	**34,792**	37,601
Decrease in debtors	**29,603**	81,034
Decrease in creditors	**(5,527)**	(99,019)
Net cash provided by operations	**134,867**	149,109

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.24	Cash flow	**At 31.3.25**
	£	£	**£**
Net cash			
Cash at bank and in hand	**547,331**	**37,245**	**584,576**
	547,331	**37,245**	**584,576**
Debt			
Debts falling due within 1 year	**(51,591)**	**(18,981)**	**(70,572)**
Debts falling due after 1 year	**(747,315)**	**80,058**	**(667,257)**
	(798,906)	**61,077**	**(737,829)**
Total	**(251,575)**	**98,322**	**(153,253)**

25. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. At 31 March 2025 there were 16 (2024: 13) guarantees in place.

IND04-CHA 2025 Final (002)

Final Audit Report 2025-09-26

Created:	2025-09-24
By:	DAVID WILLIAMS (davidw@lockewilliams.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAljMXp6AdN2neCxSR0ScCI1xeBL7bEKLa

"IND04-CHA 2025 Final (002)" History

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INDEPENDENT CINEMA OFFICE

England & Wales - Charity number 1109053

Accounts

Company number: 5369193
Charity number: 1109053

Independent Cinema Office

(Limited by Guarantee)

Report and Financial Statements

For the year ended 31 March 2024

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Reference and administrative details

Charity registration number: 1109053
Company registration number: 5369193

Registered office and operational address:
Independent Cinema Office
Unit 9 Bickels Yard
151-153 Bermondsey Street
London SE1 3HA

Trustees

The Directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as trustees.

Trustees who served during the year and up to the date of this report were as follows:

Ayo Akingbade
Sudha Bhuchar
Thea Burrows
Harry Kalfayan
Eleanor Lowe
Will Massa
Emily McDonald
Ameet Parekh
Simon Ward
Dorothy Wilson MBE FRSA (Chair)

Key management personnel:

Director/CEO – Catharine Des Forges
Head of Cinemas – David Sin
Head of Operations – Rebecca Clarke
Head of Partnerships & Development – Hatice Özdemirciler
Head of Finance – Hayley Collins

Bankers:

Barclays Bank Plc, Leicester LE87 2BB

Solicitors:

Bates, Wells & Braithwaite, 10 Queen Street Place, London EC4R 1BE

Auditors:

Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

Trustees' report

The trustees present their report and the audited financial statements for the year ended 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The reference and administrative information set out on page 2 form part of this report. The financial statements comply with Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

Purposes and aims

The objects of the charity are to promote all purposes recognised as charitable under the laws of England and Wales from time to time, in particular, without prejudice to the generality, the promotion, maintenance, improvement and advancement of education of the public by the encouragement of the knowledge and appreciation of the arts of film and video.

Aims

The ICO's mission is to stimulate an open, thriving and challenging film culture. We have six overarching goals:

- To increase admissions for independent cinemas
- To enable a diverse range of films to be seen by diverse audiences
- To make the exhibition industry more inclusive
- To provide formal training routes into exhibition careers
- To support new venues so that people can access independent films wherever they live
- To inform positive policy changes and increased funding for independent film exhibition.

Activities

The principal activity of the charity during the year was to act as the national support organisation for independent cinemas. Our key activities are film programming advice, training, advocacy for the sector, distribution and consultancy. We also manage Film Hub South East, part of the British Film Institute's (BFI) Film Audience Network (FAN). The trustees review the aims, objectives and activities of the charity each year.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit: running a charity (PB2) and fee charging. The ICO relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of its activities.

The charity has a series of aims which foreground public benefit as a key outcome of its activities. These include:

- Having inclusivity at the heart of our mission statement
- Ensuring that wherever you live in the UK, you have comparable access to the art of film as if you lived in the capital
- Expanding the geographical reach of world cinema (including artists' work, animation and archive film)
- Building capacity in organisations both professional and non-professional to ensure that they achieve the highest standards in audience development through training programmes and online resources available at no charge to users

- Offering bursaries on all our training courses for those with caring responsibilities or access needs
- Partnering with grassroots and community organisations, especially those in rural communities
- National advocacy for our sector
- Offering free advice and information to a huge range of organisations from schools to care homes as well as traditional cinemas
- Only working with partners and clients who share our goal to develop audiences for a wide range of cinema, thereby ensuring that the public has access to the widest range of films possible, both archive and contemporary.

Diversity

The ICO was established in 2003 to ensure that the widest range of stories could reach the widest possible range of audiences. We have put inclusion and diversity at the heart of what we do ever since. Our work seeks to diversify the sector and the audiences the exhibition workforce serves, ensuring everyone is welcome. We are also continuously looking at how to foster positive change within the ICO and share the privilege and power we hold.

In 2021, we created an Equality, Diversity and Inclusion (EDI) action plan to increase ambition and drive meaningful change across ICO activities, the ICO as an organisation and the wider sector. EDI criteria are embedded into all levels of our organisation, from recruitment and HR policies to staff appraisals. We want to ensure every staff member feels part of the development of this work and accountable for their assigned actions. Our EDI plan is a living document that continues to evolve with the ICO, the wider sector, and the world at large, with progress updates published on our website every six months. Our activities include:

- An EDI Working Group, which has continued to meet once every three months. This voluntary group is made up of three trustees and several staff members who discuss essential areas of EDI work.
- For our Screening Days, we continue to work with an external Advisory Group. We seek to ensure our Screening Days are accessible to all, offering no strings bursaries to pay for delegate travel, accommodation and pass fees. The events are also available online so that those with caring responsibilities, health conditions and mobility issues can watch films and take part in sessions online. We have commissioned new descriptive subtitles for the D/deaf and Hard of Hearing for as many films as possible in our online programme. We have committed to showing at least 30% of films from disabled filmmakers, filmmakers from Black, Asian and ethnically diverse backgrounds, or anyone at the intersection of these.
- We are committed to working with a broader range of people when selecting speakers, writers, designers and other freelancers. The introduction of an anonymous feedback form in October 2023 will help achieve this goal and improve the experience of our collaborators going forward.
- We have reviewed the language used on the ICO website to ensure it is inclusively and thoughtfully worded in line with our EDI objectives.

Achievements and performance

This report looks at the charity's achievements and the outcomes of its work in the reporting period.

Programming

Programming is at the heart of the Independent Cinema Office. We support cinemas all over the UK, whether they're in major cities or rural communities, to access a cultural film offering which will take their venue to the next level and serve all their local audiences.

In 2023-24 the ICO programming network saw some changes, with 6 client venues departing and 3 new venues joining the network, including one in Scotland to extend the ICO's geographic reach. Two of our existing client venues (Phoenix Leicester and Hyde Park Picturehouse Leeds) completed development projects, adding 3 further screens to the Network. We ended the year with 25 venues and one major regional film festival, and this remains one of the UK's biggest independent cinema networks. In an improved but still challenging economic environment, our programming team worked closely with venues to help them continue to rebuild their audiences and diversify their programmes to include a wider range of culturally important films.

This year, our network screened 880 films, achieving 844k total admissions and £5.9m gross box office, with ICO cinemas making vital contributions to the broader UK performance of key independent and world cinema titles.

Screening Days

Screening Days is the ICO's flagship event series and the UK's biggest cinema conference programme. The events give exhibitors across the UK the chance to see the best world cinema and British independent titles months in advance of release, so they can make informed decisions on how best to position these films for their audiences.

Owing to a cut in our funding in 2023-24, we now deliver four events annually (previously five), alternating between Archive Screening Days and Young Audiences Screening Days every other year. We maintain our Inclusion and Diversity event and our Spring and Autumn events.

We continued to work with our advisory group in 23/24 to help us understand how we can continue to deliver an event that meets the needs of our widest potential audience. We also continued to hold paid open calls for curated sessions for our specialised events, giving a national stage to groups and work that might otherwise stay on the margins. As well as increasing accessibility by offering online-only attendance, an affordable pricing model and bursary support to delegates, we made online films available with subtitles for the Deaf/hard of hearing and provided live captioning on capacity-building sessions held online.

We have also introduced a one-day audience development event preceding our Spring and Autumn event. These have become useful closed-door meetings between theatrical exhibitors, not only giving clear routes to new audiences, but also showcasing ICO's central place in this area. We have offered case studies of effective working, shared audience data from research agency Indigo and offered ICO-led workshops to help find new audiences and highlight emerging trends from our national perspective.

Total figures for the Screening Days programme this year:

- 1,105 delegates attended the events (online, in-person or a combination of both)
- 314 unique organisations represented

- 61 films screened – 52% of which were foreign language; 38% made by Black, Asian and ethnically diverse filmmakers or disabled filmmakers; 45% by female filmmakers.

Training

The ICO's training portfolio offers film exhibition professionals the opportunity to benefit from high-level knowledge to ensure our industry is successful, inclusive, and progressive. In 2023-24, ICO training responded to sector needs by supporting key professional development aims for individuals and charting a path towards a highly skilled, financially sustainable and inclusive future for exhibition organisations.

We held professional development and training opportunities both in-person and online, with courses offered in hybrid formats.

Supported by the British Council, we hosted the Future of Film Festivals Forum, a summit which was created to support the alumni of the Developing Your Film Festival (DYFF) training programme. Hosted in collaboration with the mBank New Horizons International Film Festival in Wroclaw, Poland, the event was a culmination of 11 successful and acclaimed editions of the DYFF training programme, which 100% of the 300 alumni would recommend to their peers. Delivered across two days, the Forum programme consisted of multiple seminar-style sessions supported by guests from leading international film festivals, including the Toronto International Film Festival and Tribeca Film Festival, as well as senior team members at the ICO.

The event was attended by 44 film festival professionals representing 41 international film festivals based in 24 countries.

Following on from the Future of Film Festivals Forum, the ICO established the International Film Festival Network (IFFN), a membership-based community of film festivals with a mission to secure a vibrant future for film festivals. Launched in September 2023, the network quickly grew to include 18 members from 14 countries. Development and networking sessions were hosted for members both online and at major international film festivals including the Berlin International Film Festival.

The fourth edition of our REACH: Strategic Audience Development training programme started in March 2023, running through until September 2024, giving 11 film exhibition professionals support to build on their expertise in growing and diversifying audiences. Participants were provided with one-to-one mentorship, skills development workshops and high-level networking opportunities.

Finally, we launched our latest Online Learning Course – 'Environmental Sustainability' – to help cinemas address the climate crisis head-on. Our Online Learning Platform attracted a total of 333 new course enrolments this year, a 16% increase on 2022-23. This brings the total enrolments since the platform's inception to 2,607.

Across all our online, in-person and hybrid training courses and programmes, we trained 401 individuals from 380 different organisations and 24 countries in 2023-24.

Advice and Information

The ICO provides impartial, expert advice on a vast array of topics to ensure that everyone can show films and be a part of our sector.

Via our free, email-based enquiries service, we share advice on licensing requirements, identifying the rights holders of films, starting new cinemas, getting films into distribution and

more. This service plays a significant role in increasing the number of community film screenings taking place in the UK each year and supporting new and existing venues.

We answered almost 900 email enquiries this year, 42% of which were from individuals or organisations hoping to start screening films in their communities for the very first time.

Complementing this service is the comprehensive suite of free guides and resources on our website. This includes our popular 'What licences do I need?' resource and our 'How to start a cinema' guide, as well as guides on programming, marketing, environmental and financial sustainability, and more.

The ICO blog is a key resource for independent exhibitors, sharing news and opportunities in a regular monthly round-up as well as publishing articles showcasing examples of best practices in cinema work and exploring industry debates. We published 28 blog posts this year: the most popular discussing the benefits of cinemas using content notices and reporting intelligence on new films seen at 2023 festivals.

Our blog also supports professional development in the sector more widely. We publish writers at various career stages who hail from a variety of backgrounds. To ensure we are providing a fair rate of pay, this year we researched the fees of similar outlets and as a result increased our rate to £0.19 per word.

Our jobs board plays a significant role in the independent exhibition sector, providing a free service for employers and job seekers alike. We require employers to state specific salaries and limit the voluntary roles we include, making the job application process clearer and fairer for job seekers, while helping exhibitors find the best talent. This year our jobs page accumulated almost 150,000 views with our daily jobs e-bulletin reaching 5,000+ subscribers.

In 2023-24:

- We answered 867 enquiries and advertised 430 jobs
- We published 28 posts on the ICO Blog, reaching over 17k readers
- ICO online guides were downloaded 2,878 times.

Film Hub Lead Organisation – South East

The ICO has managed Film Hub South East – one of the BFI Film Audience Network's eight regional film hubs – since 2018. Throughout 2023-24, we supported our members to show a broad range of independent international and British films to their audiences and find new pathways towards financial growth and sustainability. We also began a new role as the national lead on Cross FAN Member Support and Communications activities.

Our key strategic fund, the Film Exhibition Fund, is designed to support regional exhibitors' cultural film programming and audience development activities. This year, we approved 31 project proposals and made awards totalling £189,084 in 2023-24, with 23% of funds going to members who hadn't previously received FHSE support, and supported projects generating 48,076 admissions across the region.

In addition, we:

- Made new funding opportunities available, launching our Under £3k fund and offering multi-year funding for the first time to ease the administrative burden on both organisations making smaller applications and those applying for multi-year awards, enabling the latter to build greater ambition into their proposals
- Held a dedicated Film Hub South East Forum event comprising capacity-building training sessions and networking opportunities, attended by 80+ members

- Held a series of dedicated training events for FHSE members – welcoming 111 members to events held both in-person and online and supporting their attendance with bursaries totalling £2,951
- Maintained our Programming Group initiative giving key regional theatrical sites updates on sector developments, funding opportunities, and a menu of new films backed by bespoke marketing support, with quarterly meetings
- Helped 16 regional exhibitors participate in the UK-wide BFI FAN programming season 'Cinema Unbound: The Creative Worlds of Powell + Pressburger' celebrating the filmmaking duo's extraordinary contribution to British cinema
- Achieved 1,914 admissions in Peterborough, our BFI FAN Spotlight location, working in partnership with Gateway Film Festival to improve local access to independent film
- Provided crucial resources and support to the next generation of cinema audiences and industry professionals via our Young Film Network (YFN), a free-to-join network made up of 16 groups across the South East
- Continued to support regional filmmakers via BFI NETWORK South East by:
    - Awarding £156,000 to new Short Film Fund projects and £13,800 to Early Development Fund projects
    - Welcoming 1,693 people to a broad array of training and networking events held in-person and online
    - Supporting three young filmmakers aged 18-23 with a £1,000 grant plus mentorship from BFI NETWORK-supported directors and producers to develop their skills and create their first short film on a budget.

Distribution

While a great number of films are released into distribution UK each year, the opportunity to see a true diversity of work remains limited. The ICO intervenes in the marketplace to champion films of cultural significance and/or which have an important appeal to a specific underserved audience. In 2023-24, we adapted our approach to reimagine distribution at ICO – historically undertaken with BFI backing, which is now difficult to directly attract given the reduced size of the overall fund – so that we can share our organisational strength and expertise with organisations who have a strong track record with audiences.

ICO worked with curatorial groups Cinema Africa! and Maona Arts to deliver a national tour of South African underseen classic *Mapantsula* (1988) to cinemas. Our aim was to bolster the work they are doing in a wider context to deliver African diaspora audiences to independent cinemas, by sharing our skills and knowledge at national touring. We gave them insight and knowledge on our approach, with the curators activating local audiences. We achieved 30 bookings for the film (compared with an average of 10-12 for their solo releases). We plan to work with the collective again and are actively approaching other groups with strong audience connections to repeat this new model for distribution.

Consultancy

Through consultancy, independent cinema operators can attain best practice at all stages of the cinema operation process, from initial feasibility studies through to business planning and into issues of management, programming, audience development, fundraising, technical presentation and sustainability.

ICO consultancy is a fee-based service offering research and special reporting on the widest possible range of cinema-related matters. Each year, the ICO fields over 300 enquiries, and we have developed a repertoire of consultancy formats to respond to them in the most effective way – from advice sessions to the development of business or audience development plans to full options appraisals or feasibility studies. We are proud to have

boosted venues, festivals and community screens to new levels of achievement and to have played a part in establishing new venues for audiences nationwide.

In 2023-24, our consultancy work was mainly pre-feasibility work around the development of new cinemas, working with both community groups and interested individuals in Plymouth, Newton Abbott, Prestwick in Scotland and Tenterden in Kent.

Financial review

In the year ended 31 March 2024 ICO's income was derived from grant income and fees for programming, courses, screening days, advocacy, consultancy and film hire. The charity's main expense is staff costs. Other costs relate to expenses in running courses and grant-giving. Income was reduced by £238,647 in the year ended 31 March 2024 primarily due to a decrease in training events, a reduction in distribution activity, and less funding for consultancy work. This was partly offset by increased funding for Film Hub South East. The reduction in income meant that the charity strived to keep costs down with the ICO reporting a decrease in total costs of £421,500.

A review of the property in Bickels Yard indicated an impairment in its value of £44,446. A consequence of this was that the loan to value covenant for the Charity Bank was breached and a repayment of £9,617 will be made to rectify this.

Overall net income for the year was £58,321 (comprising a £27,454 surplus on unrestricted funds and a £30,867 surplus on restricted funds).

Principal funding sources

Our principal sources of funding are from the British Film Institute. One of the BFI's main objectives is to promote access to and appreciation of the widest possible range of British and world cinema so it is a natural partner of the ICO.

Grant making policy

The ICO mainly grants awards through the Film Exhibition Fund. These funds are restricted and come from the BFI. Film Hub South East operates the Film Exhibition Fund and supports Film Audience Network (FAN) members, which includes organisations of various shapes and sizes, from community cinemas to festivals to multi-arts centres, to maximise the number of audiences engaging with independent British and International film across the region.

The fund invites applications for awards from members that respond to the Film Hub South East's strategic objectives of cultural engagement, developing young audiences, providing inclusivity and showcasing screen heritage. Applicants are asked to submit an application form, a budget and an equality monitoring form. The guidelines and regulations for awards are set by the BFI and we cannot independently make awards outside this rubric. All grants are assessed by a minimum of 3 members of the ICO's Senior Management team.

We also award grants to filmmakers from the Miles Ketley Bursary Fund. These monies come from ICO's designated funds. They are assessed by a panel of Trustees and Miles' widow, Rebecca Ketley.

Reserves policy and going concern

The reserves policy is reviewed by the trustees on a regular basis. Currently, the reserves policy seeks to have three months running costs available to enable the charity to seek alternative or additional funding, if necessary. This equates to £220,522 (2023: £220,000). At 31 March 2024 free reserves were £208,107 The ICO have budgeted for a small surplus in 2024/25.

Total funds held at the 31 March 2024 were £691,694 of which £115,969 is restricted funds and

£575,725 unrestricted funds. Included in unrestricted funds are designated amounts of £367,618 The fixed assets fund represents the net book value of fixed assets after accounting for the loan outstanding. The sustainability fund is an amount set aside by the charity to ensure a managed closure of the charity in the event that funding ceases. The Miles Ketley filmmakers' bursary fund has been established to commemorate our trustee who died in 2019. Funds have been set aside to run an international film festival training event.

The ICO was awarded three-year funding from the BFI commencing April 2023. The trustees therefore believe that, combined with our available general funds, the charity is a going concern and will be able to pay its liabilities as they fall due.

Investment policy
The trustees may invest the charity's money not immediately required for its objects in any investments, securities or property. The current policy is to keep available funds in interest-bearing deposit accounts.

Fundraising
The Charity does not engage in public fundraising and does not use professional fundraisers or commercial participators. The Charity nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and the Charity received no complaints relating to its fundraising practice.

Code of Governance
The Independent Cinema Office aims to maintain good governance practices in line with the Charity Governance Code. All Trustees have a job description, and new trustees have a full induction programme and are offered the NCVO induction/refresher Trustee course.

We know the immense value of having a broad range of experiences and voices guiding our work. This is of particular importance when it comes to our trustees, who under the leadership of our Chair, work closely with our Senior Management Team to steer and monitor the ICO's strategic development. They ensure we remain focused on improving our work and broadening its reach to UK audiences.

We also engage several advisory groups to help us interrogate and reflect on specific areas of ICO work and ensure we better represent the communities we serve. We encourage these advisory group members to develop their relationships with us by applying to become trustees when their terms have finished.

We prioritise the importance of trustees and staff working together and learning from each other to deliver truly valuable, high-quality work. Trustees and staff often undertake organisation-wide training together and we ensure that staff can independently contact trustees, so they have an additional channel to raise issues and challenge harassment or discrimination.

Staff members regularly present at ICO board meetings on distinct areas of our current work, helping trustees make informed assessments about what ambition looks like for us as an organisation and agree on stretch targets to further improve and develop our practice.

Similarly, anonymous evaluation is an embedded part of our cultural programmes. Evaluation data is shared with trustees in quarterly board reports, to which all ICO teams contribute detailed updates on their work.

Our integration of trustees and staff ensures that we foster the sharing of ideas and maximise our combined expertise and diverse lived experiences, benefiting the reach of our organisation, the venues we support and the audiences we serve.

Principal risks and uncertainties
The high-level risks and management strategy are as follows:

Risks		Risk Management		
Nature of risk	**Gross risk**	**Strategy**	**Strength**	**Net risk**
Funding not renewed – the charity may close	High	Funding renewed for three years until 2026. Consider opportunities in new funding bids. Explore new relationships and opportunities. Invest in marketing consultancy services and sponsorship development.	Strong	High
Property loan – facility may be withdrawn	High	Quarterly management accounts, cash flow, regular review of bank covenants.	Strong	High

Plans for the future

The economic outlook for cinemas and film festivals remains challenging – there are still a number of organisations who are finding things difficult and our role is to support the sector and advocate on their behalf for the impactful intervention and structural support. We will continue with our advocacy work and undertake a national survey of organisations, presenting the outcome to national press and government.

We will continue with our support services for the sector including advice, information and programming as well as the continuation of our audience development evaluation project across venues.

We will deliver a fully hybrid portfolio of Screening Days events for exhibitors across the UK, both showcasing new releases and building capacity in professionals and arts organisations.

We will be the lead organisation for the BFI's FAN (Film Audience Network) for Member Support and Communications and will continue to convene our national advisory group to help us in our work.

We will deliver a national conference in Belfast for the Film Audience Network over 2 days in September 2024.

We will deliver a new major national short course on Disability for the sector with the aim that the participants gain the tools to develop their own Disability Action Plans for their organisations. In addition, we will continue with our programmes on business development and audience development and online seminars to engage the wider membership who are unable to make the time commitment to longer training courses.

We will deliver a new iteration of our flagship Cultural Cinema Exhibition course in January 2025.

We will hold the first International Film Festival Network summit in Poland in partnership with the New Horizons Film Festival in Poland and continue to hold events and deliver support for the Network.

We will continue to support filmmakers and exhibitors in the South East region of the UK as part of our work running Film Hub South East. In addition, we will continue to support and develop our FHSE Young Film Network with ongoing management of our dedicated website and member resources. We will begin our new 'Shadow a Filmmaker' programme enabling young people to gain valuable experience on our NETWORK short film productions.

We will be developing our succession plan and recruitment drive to replace our Chair in 2025.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 18 February 2005 and registered as a charity on 14 April 2005. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

All trustees give their time voluntarily and receive no benefits from the charity in their capacity as trustees. Any expenses reclaimed from the charity are set out in note 12 to the accounts. As set out in the Articles of Association the trustees are appointed by resolution of the trustees. Recruitment for new trustees is openly advertised with full job descriptions and interviews carried out prior to taking up office. New trustees are sent an extensive information pack which details the responsibility of trustees and their legal obligations. There are three subcommittees, Finance, Personnel & HR and EDI which make recommendations to the wider board.

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated indirectly into the regular board meetings. All new Trustees are invited to attend the NCVO's introductory course for Trustees.

The ICO is managed by the board of Directors/Trustees. Day-to-day management is delegated to the Director and the senior management team as follows:

Director/CEO – Catharine Des Forges
Head of Cinemas – David Sin
Head of Operations – Rebecca Clarke
Head of Partnerships & Development – Hatice Özdemirciler
Head of Finance – Angela Blanchard (resigned 31 May 2024)
Head of Finance – Hayley Collins (appointed 01 May 2024)

We have developed a formal framework with criteria for setting pay/remuneration for key management personnel which has included the establishment of a Personnel & HR subcommittee which makes recommendations to the wider board of trustees.

Trustees' responsibilities statement

The trustees (who are also directors of Independent Cinema Office for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of

the charitable company for the year. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP 2019
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware at the time of approving our trustees' report:

- There is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the charitable company's auditor is unaware; and
- The trustees, having made enquiries of fellow directors and the charitable company's auditor, have taken all steps that they ought to have individually taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small company exemptions

This report is prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

Auditors

Kreston Reeves LLP was appointed in the year and has expressed its willingness to continue in office.

This report was approved by the Board of Trustees on 26 November 2024 and signed on its behalf by

Dorothy Wilson MBE FRSA
Chair

Independent Auditor's Report to the Members of Independent Cinema Office

Opinion

We have audited the financial statements of Independent Cinema Office (the 'Charity') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, Analysis of Changes in Net Debt and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2024 and of the charity's incoming resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our

report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations require us to report you, if in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and sector, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, health and safety, anti-bribery, GDPR legislation and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) 2019, the Charities Act 2011, the Companies Act 2006, and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates specifically in recognising the accrued legacies.

Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period
  to identify any previously undisclosed transactions with related parties outside the normal course
  of business; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related
  party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for
  financial statement preparation; and
- Challenging assumptions and judgements made by management in its significant accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Kreston Reeves LLP
Statutory Auditor
Chartered Accountants
Chichester

Date: 5 December 2024

Kreston Reeves LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

Independent Cinema Office

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

	Note	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Income and endowments from:							
Donations	2	249	–	**249**	181	–	181
Charitable activities							
Programming	3	201,649	419,551	**621,200**	225,718	398,061	623,779
Advice, information, support & training	3	4,859	112,395	**117,254**	35,999	402,213	438,212
Film Hub South East	3	–	894,764	**894,764**	–	560,000	560,000
Distribution	3	4,723	6,527	**11,250**	41,751	144,360	186,111
Advocacy	3	–	30,124	**30,124**	-	13,176	13,176
Consultancy	3	9,980	–	**9,980**	18,278	87,628	105,906
Other trading activities	4	6,272	–	**6,272**	7,242	–	7,242
Investments – bank interest	5	2,973	–	**2,973**	453	–	453
Other income	6	3,974	–	**3,974**	1,400	–	1,400
Exchange gain		–	–	**–**	227	–	227
Total income		234,679	1,463,361	**1,698,040**	331,249	1,605,438	1,936,687
Expenditure on:							
Charitable activities							
Programming	7	68,516	428,210	**496,726**	54,211	443,842	498,053
Advice, information, support & training	7	17,023	139,090	**156,113**	73,300	488,805	562,105
Film Hub South East	7	92,164	837,739	**929,903**	11,930	633,637	645,567
Advocacy	7	5,020	27,897	**32,917**	1,293	18,898	20,191
Distribution	7	4,302	12,725	**17,027**	51,081	178,905	229,986
Consultancy	7	7,033	–	**7,033**	9,898	88,177	98,075
Other trading activities	7	–	–	**–**	7,242	–	7,242
Total expenditure		194,058	1,445,661	**1,639,719**	208,955	1,852,264	2,061,219
Net income / (expenditure) for the year	9	**40,621**	**17,700**	**58,321**	122,294	(246,826)	(124,532)
Transfers between funds	21	(13,167)	13,167	**–**	(19,454)	19,454	–
Net movement in funds		27,454	30,867	**58,321**	102,840	(227,372)	(124,532)
Reconciliation of funds:							
Total funds brought forward		548,271	85,102	**633,373**	445,431	312,474	757,905
Total funds carried forward	21	575,725	115,969	**691,694**	548,271	85,102	633,373

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

The notes on pages 21 to 32 form an integral part of these financial statements.

Balance sheet

Company no. 5369193

As at 31 March 2024

	Note	£	2024 £	£	2023 £
Fixed assets:					
Tangible assets	15		**1,040,548**		1,109,173
Current assets:					
Debtors	16	**67,120**		148,154	
Cash at bank and in hand		**547,331**		487,263	
		614,451		635,417	
Liabilities:					
Creditors: amounts falling due within one year	17	**(215,990)**		(312,310)	
Net current assets			**398,461**		323,107
Total assets less current liabilities			**1,439,009**		1,432,280
Creditors: Amounts falling due after more than one year	19		**(747,315)**		(798,907)
Total net assets	20a		**691,694**		633,373
The funds of the charity:	21a				
Restricted income funds in surplus			**115,969**		85,102
Unrestricted income funds:					
Designated funds		**367,618**		380,889	
General funds		**208,107**		167,382	
Total unrestricted funds			**575,725**		548,271
Total charity funds			**691,694**		633,373

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

For the year ending 31 March 2024 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. However an audit is required under the Charities Act 2011.The Trustees acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

Approved by the trustees on 26 November 2024 and signed on their behalf by

Dorothy Wilson MBE FRSA
Chair

The notes on pages 21 to 32 form an integral part of these financial statements.

Independent Cinema Office

Statement of cash flows

For the year ended 31 March 2024

	2024		2023	
	£	£	£	£
Cash flows from operating activities				
Net cash provided by operating activities		**149,255**		(173,473)
Cash flows from investing activities:				
Dividends, interest and rents from investments	**2,973**		453	
Purchase of fixed assets	**(6,227)**		(13,981)	
Disposal of fixed assets	**707**		–	
Net cash provided by/(used in) investing activities		**(2,547)**		(13,528)
Cash flows from financing activities:				
Repayments of borrowing		**(86,494)**		(139,252)
Change in cash and cash equivalents in the year		60,214		(326,253)
Cash and cash equivalents at the beginning of the year		**487,263**		813,289
Change in cash and cash equivalents due to exchange rate movements		**(146)**		227
Cash and cash equivalents at the end of the year		**547,331**		487,263

Reconciliation of net income to net cash flow from operating activities

	2024	2023
	£	£
Net income for the reporting period	**58,321**	(124,532)
Gain on disposal of fixed assets	**(158)**	–
Depreciation charges	**29,857**	27,607
Impairment of property	**44,446**	
Interest from investments	**(2,973)**	(453)
Interest on bank loans	**37,601**	40,616
Foreign exchange (gain)/losses	**146**	(227)
(Increase) / decrease in debtors	**81,034**	(52,707)
Increase / (decrease) in creditors	**(99,019)**	(63,777)
Net cash provided by operating activities	**149,255**	(173,473)

Analysis of changes in net debt

	At 01 April 2023	Cash flows	Foreign exchange movements	Other changes	At 31 March 2024
	£	£	£	£	£
Cash at bank and in hand	487,263	60,214	(146)	–	**547,331**
Loans falling due within one year	(48,892)	48,892	–	(51,591)	**(51,591)**
Loans falling due after more than one year	(798,907)	1	–	51,591	**(747,315)**
Total	(360,536)	109,107	(146)	–	**(251,575)**

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in Sterling, which is the functional currency of the charity, and rounded to the nearest £1.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

c) Going concern

Independent Cinema Office has been awarded three-year funding from the BFI commencing April 2023. At the balance sheet date the charity has sufficient reserves, enough of which are unrestricted and are able to absorb short-term in year deficits, if required. The financial forecasts prepared show that the charity will be able to pay its liabilities as they fall due. On this basis the trustees have prepared these financial accounts on a going concern basis.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value to the charity which is the amount the charity would have been willing to pay to obtain services or facilities equivalent economic benefit on the open market; a corresponding amount is then receognised in expenditure in the period of receipt.

f) Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor and within the objects of the charity. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1 Accounting policies (continued)

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on the direct staff costs of each activity, of the amount attributable to each activity.

• Programming	39.0%
• Training	6.6%
• Film Hub South East	50.6%
• Advocacy	2.4%
• Distribution	0.8%
• Consultancy	0.7%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the date of the transaction. All gains and losses on exchange are put through the income and expenditure account.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £250. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Long leasehold property	2% straight line basis
• Leasehold refurbishment	10% straight line basis
• Fixtures, fittings & equipment	25% straight line basis
• Database and website	25% straight line basis

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1 Accounting policies (continued)

q) Pensions

The charity contributes to the personal pension schemes of some of its employees and from 1 November 2016 to SMARTPension, the ICO auto-enrolment scheme. The schemes and their assets are held by independent managers. The pension charge represents contributions due from the charity.

r) Estimates and judgements

Estimates and judgements have been used in the preparation of these financial statements, mainly in connection with the valuation of fixed assets and the allocation of support costs to charitable activities. The allocation of support costs is set out in accounting policy i). The long leasehold property at Bickels Yard and its related refurbishment costs have been impaired and the carry forward amount is based on fair value depreciated over its remaining useful life.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

2 Donations

	Unrestricted £	Restricted £	**2024 Total £**	2023 Total £
Other donations	249	–	**249**	181
Total	249	–	**249**	181

3 Income from charitable activities

Programming	Unrestricted £	Restricted £	**2024 Total £**	2023 Total £
BFI	–	383,603	**383,603**	398,061
Venue income	195,353	–	**195,353**	190,340
Sponsorship income	6,083	5,075	**11,158**	7,428
Screening days income	–	26,968	**26,968**	27,823
Contribution in kind	–	3,813	**3,813**	–
Other	213	92	**305**	127
Sub-total	201,649	419,551	**621,200**	623,779
Training				
ScreenSkills	828	–	**828**	3,970
Creative Europe Media	–	–	**–**	60,200
BFI	–	29,606	**29,606**	226,402
British Council	–	75,000	**75,000**	10,177
Third party contributions	–	–	**–**	56,250
Course fees	4,031	1,118	**5,149**	58,317
Contribution in kind	–	5,400	**5,400**	13,600
Sponsorship	–	–	**–**	8,333
Membership	–	1,271	**1,271**	–
Other income	–	–	**–**	963
Sub-total	4,859	112,395	**117,254**	438,212
Film Hub South East				
BFI	–	841,894	**841,894**	560,000
Watershed Arts Trust Ltd	–	33,670	**33,670**	–
Course fees	–	19,200	**19,200**	–
	–	894,764	**894,764**	**560,000**

3 Income from charitable activities (continued)

	Unrestricted £	Restricted £	2024 Total £	2023 Total £
Distribution				
BFI	–	–	–	79,510
Arts Council England	–	4,997	**4,997**	19,990
Distribution fee	1,875	–	**1,875**	20,353
Film hire and print transport	1,123	1,430	**2,553**	21,398
Third party contributions	–	–	–	30,860
Contribution in kind	–	–	–	14,000
Other income	1,725	100	**1,825**	–
Sub-total	4,723	6,527	**11,250**	186,111
Advocacy				
BFI	–	30,124	**30,124**	13,176
Consultancy				
Fees	9,780	–	**9,780**	18,020
Other income	200	–	**200**	87,886
Sub-total	9,980	–	**9,980**	105,906
Total income from charitable activities	**221,211**	**1,463,361**	**1,684,572**	**1,927,184**

The proportion of income from charitable activities derived from outside the UK amounted to 0.1% (2023: 6.3%).

4 Other trading activities

	Unrestricted £	Restricted £	2024 Total £	2023 Total £
Desk space and board room hire	6,272	–	**6,272**	7,242

5 Income from investments

	Unrestricted £	Restricted £	2024 Total £	2,023 Total £
Bank interest	2,973	–	**2,973**	453

6 Other income

	Unrestricted £	Restricted £	2024 Total £	2023 Total £
Contribution in kind	–	–	–	1,400
Gain on disposal of fixed assets	158	–	**158**	–
Income received from legal action	3,191	–	**3,191**	–
Advertising income	150	–	**150**	–
Other income	475	–	**475**	–
	3,974	–	**3,974**	1,400

7 Analysis of expenditure

	Programming £	Training £	Film Hub South East £	Advocacy £	Distribution £	Consultancy £	Other trading activities £	**2024 Total £**	2023 Total £
Staff costs (Note 12)	312,410	54,334	407,391	18,947	6,289	5,330		**804,701**	935,104
Fees – Course leader/Speaker/Film maker/Project manager	24,175	14,227	76,381	7,680	5,492	–		**127,955**	247,311
Focus group/evaluation	900	–	5,964	371	–	–		**7,235**	6,382
Film hire	600	–	90	–	1,247	–		**1,937**	30,448
Filming & editing	–	2,217	–	–	150	–		**2,367**	2,655
Catering/hospitality/entertaining	22,686	3,237	7,567	26	9	7		**33,532**	44,047
Marketing and publicity	1,018	3,159	3,745	443	37	12		**8,414**	24,421
Couriers/transport	315	32	140	3	646	1		**1,137**	5,952
Production programming costs	9,774	1,500	2,288	–	500	–		**14,062**	41,902
Certification/accreditation	675	5,812	97	2	576	1		**7,163**	6,777
Venue hire	25,839	602	10,203	–	–	–		**36,644**	59,282
Bursaries	528	12,747	11,413	–	–	–		**24,688**	38,161
Hotel, travel & subsistence	19,385	35,421	12,756	197	163	144		**68,066**	94,601
Grants (Note 14)	–	–	271,929	–	–	–		**271,929**	303,280
IT/Web costs	13,011	4,206	14,702	448	185	126		**32,678**	36,462
Office costs	11,000	1,862	20,537	1,019	139	153		**34,710**	45,703
Premises costs	10,230	1,727	13,288	620	206	175		**26,246**	19,528
Depreciation and impairment costs	28,972	4,631	37,784	1,595	678	643		**74,303**	27,607
Audit	5,457	921	7,088	331	110	93		**14,000**	17,639
Annual report	–	–	–	–	–	–		**–**	2,336
Legal & professional	2,170	5,866	2,818	132	44	37		**11,067**	5,711
Bad debts	(11,194)	102	192	10	153	3		**(10,734)**	10,933
Bank charges & interest	15,755	3,000	19,608	910	342	256		**39,871**	43,343
Irrecoverable VAT	2,963	500	3,848	180	60	51		**7,602**	11,172
Trustees' training	–	–	–	–	–	–		**–**	461
Exchange loss	57	10	74	3	1	1		**146**	–
	496,726	156,113	929,903	32,917	17,027	7,033	–	**1,639,719**	2,061,219
Total expenditure 2023	498,054	562,106	645,567	20,191	229,986	98,075	7,242	2,061,219	

Of the total expenditure, £149,612 was unrestricted (2023: £208,955) and £1,445,661 was restricted (2023: £1,852,264).

8. Support costs

These costs are allocated on a direct salary costs basis and consist of:

	2024	2023
	£	£
Staff costs	137,909	118,976
Couriers / transport	139	(163)
Catering/ hospitality/entertaining	1,102	4,200
Certification/accreditation	85	458
Marketing and publicity	1,805	1,407
Hotel travel & subsistence	8,319	7,715
IT/Web costs	18,937	13,512
Office costs	17,728	20,544
Premises costs	26,246	12,286
Depreciation	29,857	27,607
Impairment of property	44,446	-
Legal and professional	4,466	2,560
Bank charges and interest	38,496	41,507
Irrecoverable VAT	7,600	11,172
Bad debts	418	-
Exchange loss	146	-
Governance	15,100	22,072
	352,799	283,853

Governance costs consist of:

	2024	2023
	£	£
Audit fees	14,000	13,500
Annual report	-	2,335
Legal fees	1,100	3,150
Trustees' training	-	2,625
Trustees' expenses	-	462
	15,100	22,072

9 Net income / (expenditure) for the year

This is stated after charging / (crediting):

		2024	2023
		£	£
Depreciation of tangible fixed assets		29,857	27,607
Impairment of property and refurbishment costs		44,446	-
Bank interest payable		37,601	40,616
Auditors' remuneration (excluding VAT):			
Statutory audit	current year	14,000	12,500
	prior year underaccrual	-	1,000
Other audit		-	4,140
Foreign exchange (surplus)/loss		146	(227)

10 Related party transactions

Mel Clarke, the sister of Becky Clarke, Head of Operations, was paid £nil during the year for design work on various projects (2023: £1800).

During the year, Vision Box, co-directed/owned by Simon Ward, an ICO trustee, and his wife Corrina Ward, was awarded £500 in connection with the Cinema Unbound Powell & Pressburger season (funded by Film Hub South West); at 31 March 2024, £nil was outstanding. In 2024, Vision Box was awarded £nil through the Film Exhibition Fund (2023: £10,000). Simon Ward was also paid £nil for speaker and interview fees (2023:£200). In November 2023 Sudha Bhuchar, trustee, was paid £200 for assistance with trustee recruitment (2023: £nil).

The ICO receives funding from the British Film Institute ("BFI"). One of the governors of the BFI, Monica Chadha, is the wife of Ameet Parekh a trustee of the ICO. Monica was not involved in the decision making process for the funding of the ICO. As per the BFI's delegated areas of authority in respect of the Board of Governors, the levels of funding received by the ICO from the BFI are below the threshold requiring approval by their Board of Governors.

11 Corporation taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is exempt from tax on income and gains falling within section 478 of the Corporation Tax Act 2010 or section 252 of the Taxation of Chargeable Gains Act 1982 to the extent that these are applied to its charitable objects.

12 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	**686,820**	790,671
Social security costs	**64,546**	75,032
Employer's contribution to defined contribution pension schemes	**30,787**	35,329
Freelance staff	**11,255**	14,825
Staff recruitment	**1,434**	805
Staff training	**1,325**	9,933
Human resources fees	**5,597**	5,539
Occupational Health Insurance	**2,483**	2,631
Other staff costs	**454**	340
	804,701	935,105

One employee received employee benefits (excluding employer pension costs) during the year in the band £60,000 – £70,000 (2023:1).

The total employee benefits including employer national insurance and pension contributions of the key management personnel were £263,633 (2023: £257,640).

No expenses were paid to the Trustees during the year (2023: £462 for subsistence and accommodation for attending the Board away day and screening days).

The trustees neither received nor waived any remuneration during the year (2023: £nil). For other transactions relating to trustees, please refer to Note 10.

13 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2024 No.	2023 No.
Programming	**4.5**	5.5
Training	**1.2**	9.3
Film Hub South East	**8.8**	5.5
Advocacy	**0.2**	0.2
Distribution	**0.1**	2.2
Consultancy	**0.2**	0.3
Support	**5.1**	3.5
	20.1	26.5

14 Grants

	2024	2023
	£	£
Paid from restricted funds:		
Payments to Institutions	271,929	303,280

Payments to Institutions analysed as follows:

Film Hub South East	2024 £
Film Exhibition Fund – Young Audiences	
Balik Arts	1,500
Lion Mountain Entertainment	1,250
Riverside Restaurant and Theatre	2,750
Watersprite Film Festival	5,000
	10,500

Film Exhibition Fund	2024 £
Anglo Asiatic Arts & Heritage Alliance	7,500
Brighton Rocks International Film Festival (BRIFF)	4,000
Cambridge Film Festival	23,000
Chichester Cinema at New Park	16,500
CineCity Film Festival	17,000
Creative Arts East	30,000
Fabrica	5,000
Folkestone Documentary Festival	7,500
Kent Film Foundation	5,000
Latest Group	4,000
Lion Mountain Entertainment	3,750
Maona	2,000
Ramsgate International Film & TV Festival	5,000
ReelN Ltd	6,400
Riverside Restaurant & Theatre	3,430
Sunrise Studios (part of Access Community Trust)	7,500
The Theatre Chipping Norton	4,348
Watersprite Film Festival	6,500
Women Over Fifty Film Festival CIC	3,000
	161,428

Small Pots Fund	2024 £
The Horton Arts Centre	3,000
ADEC (Arts Development in East Cambridgeshire) T/A Babylon ARTS	3,000
Aldeburgh Trust	1,100
Chichester Cinema at New Park	1,796
Deal Film Festival	260
Electric Palace, Hastings	2,000
South Hill Park Arts Centre	3,000
The Suffolk Short Film Festival CIC (Suffolk Shorts)	1,500
Through A Different Lens	1,500
	17,156

FHSE Programming Group	2024 £
Babylon Arts	200
Chichester Cinema New Park	400
Electric Palace, Hastings	600
King Street Cinema	600
South Hill Park	600
Towner, Eastbourne	600
Ultimate Picture Palace	600
	3,600

Spotlight	2024 £
CineSister CIC	38,000
	38,000

	2024
Film Academy Plus	**£**
Electric Palace, Hastings	4,500
Fabrica	4,500
	9,000

	2024
Cinema Unbound – Powel & Pressburger	**£**
Aldeburgh Cinema Trust	375
Cambridge Film Trust	2,000
Chichester Film Festival	500
CineCity Film Festival	1,500
Cinema City Norwich	500
Depot Cinema, Lewes	2,500
Electric Palace Cinema, Hastings	5,000
Fabrica	7,370
Golden Arrow	4,350
King Street Cinema, Ipswich	500
King's Lynn Film Festival	250
Norwich Film Festival	125
The Regal Picturehouse	500
The Ultimate Picture Palace, Oxford	5,900
Vision Box - Palace Cinema	500
Worthing Theatres and Museum (Connaught Cinema)	375
	32,245
Total Film Hub South East	**271,929**

15 Tangible fixed assets

	Long leasehold property	Leasehold refurb – ishment	Database and website	Fixtures, fittings & equipment	**Total**
		£	£	£	**£**
Cost					
At the start of the year	1,308,014	65,082	35,973	41,762	**1,450,831**
Additions in the year	–	–	–	6,227	**6,227**
Disposals in year	–	–	–	(5,159)	**(5,159)**
At the end of the year	1,308,014	65,082	35,973	42,830	**1,451,899**
Depreciation					
At the start of the year	216,488	65,082	35,973	24,115	**341,658**
Charge for the year	23,474	–	–	6,383	**29,857**
Disposals in year	–	–	–	(4,610)	**(4,610)**
Impairment	44,446	–	–	–	**44,446**
At the end of the year	284,408	65,082	35,973	25,888	**411,351**
Net book value					
At the end of the year	**1,023,606**	**–**	**–**	**16,942**	**1,040,548**
At the start of the year	1,091,526	–	–	17,647	1,109,173

All of the above assets are used for charitable purposes.

16 Debtors

	2024	2023
	£	£
Trade debtors	**32,122**	42,168
Other debtors	**119**	–
Prepayments	**26,680**	65,002
Accrued income	**8,199**	40,984
	67,120	148,154

17 Creditors: amounts falling due within one year

	2024 £	2023 £
Grants payable	**5,919**	54,473
Secured bank loans	**51,591**	48,892
Trade creditors	**75,760**	46,004
Accruals	**37,011**	42,607
Other creditors	**214**	532
Taxation and social security	**29,351**	31,622
Pension contributions	**3,229**	3,180
Deferred income (note 18)	**12,915**	85,000
	215,990	312,310

18 Deferred income

Deferred income comprises of grant and income for events taking place in 2023/24 and consultancy fees received in advance of the work being carried out.

	2024 £	2023 £
Balance at the beginning of the year	**85,000**	123,342
Amount released to income in the year	**(76,271)**	(67,092)
Amount deferred in the year	**4,186**	28,750
Balance at the end of the year	**12,915**	85,000

19. Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Secured bank loans - falling due in less than 5 years	**130,828**	155,172
Secured bank loans - falling due after 5 years	**616,487**	643,735
	747,315	798,907

There are three secured and one unsecured bank loans on the property at Unit 9 Bickels Yard, London, SE1 3HA. The loan from Charity Bank is charged at 4.4% and the loans with Big Issue Invest are charged at 7% and 6%. The Charity Bank loan is repayable over 25 years and the Big Issue Invest loans over 7 years, 63 months and 57 months. The property has a carrying value of £1,023,606. The loans are secured with fixed and floating charges over the assets of the charity. Following a review of its value, a decision was made to impair the property. This has resulted in a breach of the Charity Bank loan to value covenant. Consequently, a repayment of £9,617 will be made to Charity Bank.

20a Analysis of net assets between funds (Current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	1,040,548	-	**1,040,548**
Net current assets	208,107	74,385	115,969	**398,461**
Creditors due after more than one year	-	(747,315)	-	**(747,315)**
Net assets at the end of the year	**208,107**	**367,618**	**115,969**	**691,694**

20b Analysis of net assets between funds (Prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	1,109,173	-	**1,109,173**
Net current assets	167,382	70,623	85,102	**323,107**
Creditors due after more than one year	-	(798,907)	-	**(798,907)**
Net assets at the end of the year	**167,382**	**380,889**	**85,102**	**633,373**

21a Movements in funds (Current year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
British Film Institute	11,152	449,975	(461,565)	13,225	**12,787**
BFI - Advice, information, support and training	21,977	29,927	(51,020)	264	**1,148**
Film Hub South East	45,598	894,764	(837,739)	(3,908)	**98,715**
DYFF online resource	-	797	(21)	-	**776**
ScreenSkills	75	-	(75)	-	**-**
Other training	2,243	81,671	(87,973)	6,115	**2,056**
Tours -					
BFI - The Camera is Ours	500	-	(462)	(38)	**-**
BFI - Britain on Film	627	100	(240)	-	**487**
Arts Council England - National Trails	2,930	6,127	(6,566)	(2,491)	**-**
Total restricted funds	85,102	1,463,361	(1,445,661)	13,167	**115,969**
Unrestricted funds:					
Designated funds:					
Fixed assets	261,374	-	(74,852)	55,120	**241,642**
Sustainability fund	110,000	-	-	5,000	**115,000**
International training event	-	-	-	6,500	**6,500**
Miles Ketley filmmakers' bursary fund	9,515	-	(5,039)	-	**4,476**
Total designated funds	380,889	-	(79,891)	66,620	**367,618**
General funds	167,382	234,679	(114,167)	(79,787)	**208,107**
Total unrestricted funds	548,271	234,679	(194,058)	(13,167)	**575,725**
Total funds	633,373	1,698,040	(1,639,719)	-	**691,694**

The narrative to explain the purpose of each fund is given at the foot of the next note.

21b Movements in funds (Prior year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
British Film Institute	48,974	477,082	(537,051)	22,147	**11,152**
BFI - Advice, information, support and training	93,313	247,362	(319,529)	831	**21,977**
Film Hub South East	124,343	560,000	(633,637)	(5,108)	**45,598**
Developing Your Own Film Festival 2022	1,121	85,784	(91,885)	4,980	**-**
ScreenSkills	-	4,120	(4,045)	-	**75**
Other training	11,257	64,947	(73,347)	(614)	**2,243**
Tours -					
Film Hub Midlands - Horror	-	32,860	(32,494)	(366)	**-**
BFI - The Camera is Ours	8,695	15,665	(21,205)	(2,655)	**500**
BFI - Britain on Film	939	-	(312)	-	**627**
Arts Council England - National Trails	23,522	29,990	(50,582)	-	**2,930**
National Lottery Cinema Weekend	310	87,628	(88,177)	239	**-**
Total restricted funds	312,474	1,605,438	(1,852,264)	19,454	**85,102**
Unrestricted funds:					
Designated funds:					
Fixed assets	176,364	-	(27,607)	112,617	**261,374**
Loan repayment	51,711	-	-	(51,711)	**-**
Sustainability fund	105,000	-	-	5,000	**110,000**
Miles Ketley filmmakers' bursary fund	15,000	-	(5,485)	-	**9,515**
Total designated funds	348,075	-	(33,092)	65,906	**380,889**
General funds	97,356	331,249	(175,863)	(85,360)	**167,382**
Total unrestricted funds	445,431	331,249	(208,955)	(19,454)	**548,271**
Total funds	757,905	1,936,687	(2,061,219)	-	**633,373**

Purposes of restricted funds

British Film Institute
Funding received from the BFI to be a strategic partner for the BFI Film Audience Network (FAN) to enable film exhibitors to boost film audiences around the UK for independent and specialised films. Transfer of funds relates mainly to funds received from ICO funds as contribution towards programming services offset against funds transferred to the fixed assets fund and other BFI activities.

British Film Institute - Advice, information, support and training
Organisational funding received to provide telephone and online support including an update of our online resources, support to venues and additional funding for our FEDS training schemes and Young People Programme.

Film Hub South East

The ICO is responsible for administering funds from the National Lottery to support a stronger and more connected approach to growing audiences for British and International cinema throughout the region. During 2021/22 and 2022/23 we distributed funds through the Film Exhibition Fund. The transfer out relates mainly to the transfer of funds to the fixed assets fund following the purchase of computer equipment partly offset by the reversal of a bad debt provision.

Developing your own Film Festival ("DYFF") Online Resource
Through this course, ICO seeks to address the lack of training opportunities for those organising and managing film festivals, which offer many films their first point of access to audiences around the world.

ScreenSkills
Funding received to run an on line course - Data Driven Film Exhibition.

Other training
Funding received primarily from the British Council for the Future of Film Festival which took place during the year. We also continued to run our International Film Festival Network which the ICO founded in December 2023. This is a membership-based community of film festivals with the purpose of fostering new partnerships between festivals, promoting best practice and strategic innovation in programming and reaching audiences, and encouraging the discovery and celebration of the art of film. The transfer out predominantly relates to VAT consultancy costs.

Film Hub Midlands - Horror
Alongside a major season at BFI Southbank from October 2022 to December 2022 ICO ran a nationwide tour as part of the BFI In Dreams are Monsters funded by Film Hub Midlands on behalf of BFI Film Audience Network supported by funds from the National Lottery.

The Camera is Ours
Organisational funding received from the BFI to put together a feature length film using film from Britain's women documentary makers.

Britain on Film
Organisational funding received from the BFI to enable the ICO to deliver eight archive film programmes.

Arts Council England
Funding received to commission three new films from British Artists for our National Trails tour.

National Lottery Cinema Day / Weekend
Funding received from Camelot to repay venues the ticket value of tickets given away on National Lottery Cinema Day in December 2022 for a screening of Love Actually and on National Lottery Cinema Weekend in June 2021.

Purposes of designated funds

Fixed assets

Funds representing the net book value of fixed assets, after deducting loans outstanding, that are consequently not readily available in cash.

Loan repayment

Due to a decrease in the value of the property in March 2022 and its subsequent impairment in last year's financial statements, £51,711 was repaid to Charity Bank in July 2022 to ensure that the Charity remained within its loan covenants.

Sustainability fund

An amount set aside to pay redundancy costs in the event of the closure of the charity.

Miles Ketley filmmakers' bursary fund

An amount set aside to pay bursaries to filmmakers to enable them to attend industry events to aid their development.

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. At 31 March 2024 there were 13 (2023: 13) guarantees in place.

23 Contractual commitments

Contractual commitments for the acquision of tangible fixed assets contracted but not provided in the financial statements amounted to £nil (2023:£2,508).

INDEPENDENT CINEMA OFFICE

England & Wales - Charity number 1109053

Accounts

Company number: 5369193
Charity number: 1109053

Independent Cinema Office

(Limited by Guarantee)

Report and Financial Statements

For the year ended 31 March 2023

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Reference and administrative details

Charity registration number: 1109053
Company registration number: 5369193

Registered office and operational address:
Independent Cinema Office
Unit 9 Bickels Yard
151-153 Bermondsey Street
London SE1 3HA

Trustees

The Directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as trustees.

Trustees who served during the year and up to the date of this report were as follows:

Ayo Akingbade
Sudha Bhuchar
Thea Burrows
Julian Connerty (resigned 26 May 2022)
Harry Kalfayan
Susan Lovell (resigned 18 August 2022)
Eleanor Lowe
Will Massa
Emily McDonald
Ameet Parekh
George Sawtell (resigned 26 May 2022)
Simon Ward
Dorothy Wilson MBE FRSA (Chair)

Key management personnel:

Director/CEO – Catharine Des Forges
Head of Cinemas – David Sin
Head of Operations – Becky Clarke
Head of Partnerships & Development – Hatice Özdemirciler
Head of Finance – Angela Blanchard

Bankers:

Barclays Bank Plc, Leicester LE87 2BB

Solicitors:

Bates, Wells & Braithwaite, Cheapside House, 138 Cheapside, London EC2V 6BB

Auditors:

Cooper Parry Group Limited
Statutory Auditors
Cubo Birmingham
Two Chamberlain Square
Birmingham
B3 3AX

Trustees' report

The trustees present their report and the audited financial statements for the year ended 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The reference and administrative information set out on page 2 form part of this report. The financial statements comply with Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

Purposes and aims

The objects of the charity are to promote all purposes recognised as charitable under the laws of England and Wales from time to time, in particular, without prejudice to the generality, the promotion, maintenance, improvement and advancement of education of the public by the encouragement of the knowledge and appreciation of the arts of film and video.

Aims

The ICO's mission is to stimulate an open, thriving and challenging film culture. We have six overarching goals:

- To increase admissions for independent cinemas
- To enable a diverse range of films to be seen by diverse audiences
- To make the exhibition industry more inclusive
- To provide formal training routes into exhibition careers
- To support new venues so that people can access independent films wherever they live
- To inform positive policy changes and increased funding for independent film exhibition.

Activities

The principal activity of the charity during the year was to act as the national support organisation for independent cinemas. Our key activities are film programming advice, training, advocacy for the sector, distribution and consultancy. We also manage Film Hub South East, part of British Film Institute's (BFI) Film Audience Network (FAN). The trustees review the aims, objectives and activities of the charity each year.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit: running a charity (PB2) and fee charging. The ICO relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of its activities.

The charity has a series of aims which foreground public benefit as a key outcome of its activities. These include:

- Having inclusivity at the heart of our mission statement
- Ensuring that wherever you live in the UK, you have comparable access to the art of film as if you lived in the capital
- Expanding the geographical reach of world cinema (including artists' work, animation and archive film)
- Building capacity in organisations both professional and non-professional to ensure that they achieve the highest standards in audience development through training programmes and online resources available at no charge to users
- Offering bursaries for those with caring responsibilities or access needs on all our training courses

- Partnering with grassroots and community organisations, especially those in rural communities
- National advocacy for our sector
- Offering free advice and information to a huge range of organisations from schools to care homes as well as traditional cinemas
- Only working with partners and clients who share our goal to develop audiences for a wide range of cinema, thereby ensuring that the public has access to the widest range of films possible, both archive and contemporary.

Diversity

The ICO was established in 2003 to ensure that a wide range of stories reached a wider range of audiences and we have put diversity at the heart of what we do ever since. However, the murder of George Floyd in the USA in May 2020 and the worldwide Black Lives Matter protests sparked crucial internal conversations about our work, our influence and how we use our power.

Subsequently, we worked with staff and external critical friends to develop an Equality, Diversity and Inclusion action plan (EDI plan), published on our website in March 2021: Equality, Diversity & Inclusion Action Plan – Independent Cinema Office

In 2022-23, we have progressed action points from the plan, publishing six-monthly updates on our website. Our activities included:

- A pilot of our ICO Programming Charter, which aims to increase the number of films shown by Black, Asian and ethnically diverse filmmakers in ICO client sites, growing audience engagement with these titles via bespoke funding and marketing support
- For Screening Days, continuing to work with an external Advisory Group; holding paid open calls for external curator contributions to specialised events; meeting or exceeding our commitment to screen 30% minimum films made by Black, Asian and ethnically diverse filmmakers or disabled filmmakers at all events; and commissioning subtitles for Deaf/hard of hearing audiences for films screened online
- Launching our Miles Ketley Memorial Fund, in memory of our former trustee, and awarded a total of £5,000 to eight early career filmmakers in its first round, prioritising Black, Asian and ethnically diverse and disabled filmmakers as well as British debut filmmakers
- Commissioning three Black, Asian and ethnically diverse filmmakers to create works relating to their experience of the UK countryside for our Right of Way film tour examining issues of access and inclusion in rural Britain
- Commissioning accessible 'Easy Read' versions of our most popular web guides and resources, including those most used by the public as entry points into film exhibition
- In November 2022, holding a series of in-depth meetings reviewing our existing EDI action plan and its commitments, subsequently setting up an EDI Working Group of three trustees and several staff members to move this work forward.

In 2023-24, the EDI Working Group is looking at how to expand the plan with a more intersectional approach and implement specific EDI goals into broader team objectives.

Achievements and performance

This report looks at the charity's achievements and the outcomes of its work in the reporting period.

Programming

Programming is at the heart of the Independent Cinema Office. We support cinemas all over the UK, whether they're in major cities or rural communities, to access a cultural film offering which will take their venue to the next level and serve all their local audiences.

In 2022-23, the ICO programming network held at 30 clients – 29 cinemas and one major regional film festival – remaining one of the UK's biggest independent cinema networks. In an improved but still challenging economic environment, our programming team worked closely with venues to help them continue to rebuild their audiences and diversify their programmes to include a wider range of culturally important films.

This year, our network screened 947 films, achieving 797k total admissions and £5.3m gross box office, with ICO cinemas making vital contributions to the broader UK performance of key independent and world cinema titles.

Screening Days

Screening Days is the ICO's flagship event series and the UK's biggest cinema conference programme. The events give exhibitors across the UK the chance to see the best world cinema and British independent titles months in advance of release, so they can make informed decisions on how best to position these films for their audiences.

In 2022-23, we continued offering the events in a hybrid format, giving delegates the chance to watch films and attend sessions in-venue or access them from home, with over 90% of the programme available online.

As well as increasing accessibility by offering online-only attendance, an affordable pricing model and bursary support to delegates, we made online films available with subtitles for the Deaf/hard of hearing and provided live captioning on capacity-building sessions held online.

We continued to work with an external Screening Days Advisory Group, appointing two critical friends for a year's period to steer the programmes and strategy of our specialised events (Young Audiences, Inclusion & Diversity, Archive Screening Days). We also continued to hold paid open calls for curated sessions for these events, giving a national stage to groups and work that might otherwise stay on the margins.

Total figures for the Screening Days programme this year:

- 1,154 delegates attended the events (online, in-person or a combination of both)
- 363 unique organisations represented
- 82 films screened – 51% of which were foreign language; 46% made by Black, Asian and ethnically diverse filmmakers or disabled filmmakers; 45% by female filmmakers.

Training

The ICO's training portfolio offers film exhibition professionals the opportunity to benefit from high-level knowledge to ensure our industry is successful, inclusive and progressive. In 2022-23, ICO training responded to sector needs by supporting key professional development aims for individuals and charting a path towards a highly skilled, financially sustainable and inclusive future for exhibition organisations.

We held professional development and training opportunities both online and in-person, with several courses offered in hybrid formats.

Supported by the BFI Audience Fund, our **FEDS (Film Exhibition, Distribution & Sales) Traineeships** scheme recruits new entrants to paid roles in film exhibition to help make the industry workforce more reflective of UK society. Our 2022 traineeships were undertaken at Belfast Film Festival, BFI (London), Broadway (Nottingham), Depot (Lewes), Flatpack Festival (Birmingham) and Hippodrome Silent Film Festival (Falkirk). Trainees were paid the Living Wage and received industry training sessions and professional career coaching as well as on-the-job training. In response to feedback from our FEDS Co-Creation Committee, made up of former FEDS, the programme included an increased focus on trainee wellbeing.

To support talent in our wider **FEDS Alumni Network**, we provided £15,000+ in bursaries to 13 alumni this year, giving them access to career development opportunities including coaching and international film festival attendance. Alongside funds, we held training sessions responding to specific alumni needs, such as how to manage freelance careers in the sector.

The sixth edition of our **Elevate: Introduction to Leadership** programme ran from July to December 2022, giving 10 female film exhibition professionals support to build confidence in their skills and identify pathways to career progression. Participants were provided with one-to-one coaching, skills development workshops and high-level networking opportunities.

Our **Data-Driven Film Exhibition** course helped film exhibition professionals learn how to use data sources to adjust to the changes wrought by the pandemic. After a three-day online training programme, we held a Sector Forum to open up conversations more broadly, joined by arts consultancies Indigo Ltd and The Audience Agency.

In August 2022, our **Film Festivals Sponsorship Roundtable** saw 16 UK film festivals come together to begin designing effective sponsorship campaigns for their festivals, drawing on the expertise of Toronto International Film Festival's former VP, Partnerships and backed by case studies of successful real-world results.

This roundtable was followed by a wider **Sponsorship Success for Film Festivals** training programme. Open to international applicants, it was specifically targeted at senior film festival professionals in a position to drive significant change within their organisations and was attended by representatives of 16 film festivals from 12 different countries.

Finally, we launched our latest **Online Learning Course** – 'Screening Films in Your Community' – to aid newcomers to independent film exhibition. Our Online Learning Platform attracted a total of 288 new course enrolments this year, bringing the total since its inception to 1,854.

Across all our online, in-person and hybrid training courses and programmes, we trained 316 individuals from 274 different organisations and 19 countries in 2022-23.

Advice and Information

We seek to democratise access to information about the film industry and how to succeed in it, providing advice, support, blog posts and web guides for people who have never shown a film as well as long-established independent venues and workers throughout the sector.

This year, we saw a renewed number of enquiries from people seeking to put on in-person screenings for the first time, as well as exhibitors seeking advice on potential funding opportunities amidst the cost-of-living crisis and wider economic challenges.

The ICO blog continued to grow in reach and now sees over 2,300 subscribers receive updates several times a month. Seeking out examples of innovation and best practice from across the sector, the blog publishes posts from both senior and emerging film exhibition professionals, giving newcomers the chance to gain industry recognition. 2022-23 highlights included reports from FEDS alumni trips to the Trinidad and Tobago Film Festival and Outfest

Fusion in L.A.; case studies of Cine Brazil in London, the Hong Kong Film Festival UK, Irish Film London, Thamesmead Travelling Cinema, the Barbican, the Film in Hospital project; and front of house workers writing about their crucial audience-facing work for cinemas and festivals.

We wrote and published an in-depth, downloadable 'Guide to Film Tours', a comprehensive look at the process of creating and distributing film tours to independent cinemas, now available on our website alongside existing guides on topics including programming, marketing, audience development, accessibility, environmental sustainability and more.

The ICO's jobs board is the biggest source for recruitment in our part of the sector. We have advertised thousands of jobs over the past 16 years, have over 5,000 subscribers to our daily jobs bulletin and receive 100,000 hits per year on our jobs pages. In 2022-23, we refined the criteria established in 2021-22 which ensures only fair jobs are advertised to our networks.

In 2022-23:

- We answered 731 enquiries and advertised 647 jobs
- The ICO blog published 42 posts and received 20k+ page views
- ICO online guides were downloaded 2,466 times.

Film Hub Lead Organisation – South East

The ICO has managed Film Hub South East – one of the BFI Film Audience Network's eight regional film hubs – since 2018. Throughout 2022-23, we supported our members both financially and strategically, helping them navigate continuing uncertainty in the sector and consider new pathways for growth.

- **Film Exhibition Fund** – We continued our key strategic fund, the Film Exhibition Fund, designed to support regional exhibitors' cultural film programming and audience development activities, approving 31 proposals totalling £210,399 in 2022-23. Projects focused on bringing audiences back to the cinema, centring on seasons of British and international film, film festivals, audience-facing young film programmer activity, and Pride events.

In addition, as Film Hub South East, we:

- Provided dedicated support for member exhibitors via training and events – attracting 188 attendees representing over 80 different regional organisations to a programme of online and in-person training courses and events
- Grew our Hub membership by 14% (since April 2022) to 341 total members
- Held development consultancies for key regional organisations, helping them develop new business plans, improve their governance and identify next steps
- Continued to develop our Young Film Programmers' (YFP) Network – now comprising 170 young film programmers in 45 groups at venues across the region – offering members access to training and networking events, regional/national exhibition opportunities and mentoring support, engaging with 2,500+ young people in 2022-23
- Expanded our Programming Group, which gives key regional theatrical sites updates on sector developments, funding opportunities, plus a menu of new films for programming and marketing support, at meetings held both online and in-person
- Continued to support regional filmmakers via BFI NETWORK South East by:
    - Helping 9 teams secure Short Film Fund and 7 teams Early Development Fund awards of over £120k total
    - Hosting and facilitating an array of training and networking events, including online Cohort Training for funded filmmakers; monthly virtual filmmaker roundtables; and screening events showcasing NETWORK films
    - Produced key resources to showcase regional talent, including commissioning a zine profiling the diverse stories being told by South East filmmakers and a 50-page digital Talent Guide highlighting the recipients of NETWORK funding in the previous year, all circulated to key industry players.

Distribution

While a great number of films are released into distribution UK each year, the opportunity to see a true diversity of work remains limited. The ICO intervenes in the marketplace to champion films of cultural significance and/or which have an important appeal to a specific underserved audience. In 2022-23, we worked on a variety of standalone and partnership projects to bring exciting new and reissued work to UK audiences.

Following an archive research and restoration project by the BFI National Archive focused on landmark works of the British documentary movement made by women, the ICO curated a selected theatrical programme of these films entitled ***The Camera is Ours***. Touring to over 30 venues, we were really gratified by the response from audiences celebrating the contribution of women to British filmmaking.

We worked with the BFI again on ***In Dreams Are Monsters***, curating a national film tour from their wider blockbuster BFI Southbank season of repertory horror, facilitating bookings and encouraging venues to access available funds, marketing and audience development support.

We partnered with Studiocanal to re-issue Jacques Becker's classic crime drama ***Casque d'Or***, touring the film to over 20 venues after a launch at Leeds International Film Festival.

We worked with Women Make Movies to make ***Killing Time*** and ***Fannie's Film***, two superb short films by little-known director Fronza Woods documenting African American lives, available to screen in UK cinemas. We also partnered with the Lithuanian Cultural Institute and curator Herb Shellenberger to tour ***Jonas Mekas 100!***, a retrospective of a filmmaker often hailed as the godfather of avant garde cinema, but whose works are hard to see on UK screens.

We commissioned three Black, Asian and ethnically diverse filmmakers to create works relating to their experience of the UK countryside for our ***Right of Way*** film tour examining issues of access and inclusion in rural Britain. The new commissions were combined with a selection of archive shorts and toured to rural and urban venues across the UK, generating important conversations at screening events and in the national press.

Via our collaborative virtual platform, ***The Cinema of Ideas***, we worked with external curators to offer a variety of special talks and screening events exploring contemporary film culture and screen heritage. Our full TCOI programme this year comprised 17 live/recorded events and 21 films, generating 1.6k+ bookings. We also commissioned a short film, ***Projectionism***, designed to remind audiences of the power of the cinema space as the pandemic receded, which we previewed on the platform and made available for free in-cinema bookings.

Consultancy

Through consultancy, independent cinema operators can attain best practice at all stages of the cinema operation process, from initial feasibility studies through to business planning and into issues of management, programming, audience development, fundraising, technical presentation and sustainability.

ICO consultancy is a fee-based service offering research and special reporting on the widest possible range of cinema related matters. Each year, the ICO fields over 300 enquiries, and we have developed a repertoire of consultancy formats to respond to them in the most effective way – from advice sessions to the development of business or audience development plans, to full options appraisals or feasibility studies. We are proud to have boosted venues, festivals and community screens to new levels of achievement and to have played a part in establishing new venues for audiences nationwide.

In 2022-23, our consultancy work was mainly themed around changes in distribution which present an existential threat to community cinemas, in particular the shift from screening films from disc to digital formats. We delivered consultancies to two organisations seeking to respond in different ways to this challenge; one, the UK's long-established rural touring cinema scheme and the other, a community film society which following our recommendations, has now become a theatrical cinema.

Financial review

In the year ended 31 March 2023 ICO's income derived from grant income and fees for programming, courses, screening days, advocacy, consultancy and film hire. The charity's main expense is staff costs. Other costs relate to expenses in running courses and grant giving.

Income increased by £267,000 in the year ended 31 March 2023.

Overall net expenditure for the year was £124,532 of which there was a deficit on restricted funds of £227,372 and a surplus on unrestricted funds of £102,840.

Principal funding sources

Our principal sources of funding are from the British Film Institute. One of the BFI's main objectives is to promote access to and appreciation of the widest possible range of British and world cinema so it is a natural partner of the ICO.

Grant making policy

The ICO mainly grants awards through the Film Exhibition Fund. These funds are restricted and come from the BFI. Film Hub South East operates the Film Exhibition Fund and supports Film Audience Network (FAN) members, which includes organisations of various shapes and sizes, from community cinemas to festivals to multi-arts centres, to maximise the number of audiences engaging with independent British and International film across the region.

The fund invites applications for awards from members that respond to the Film Hub South East's strategic objectives of cultural engagement, developing young audiences, providing inclusivity and showcasing screen heritage. Applicants are asked to submit an application form, a budget and an equality monitoring form. The guidelines and regulations for awards are set by the BFI and we cannot independently make awards outside this rubric.

Reserves policy and going concern

The reserves policy is reviewed by the trustees on a regular basis. Currently the reserves policy seeks to have, at the minimum, three months running costs available to enable the charity to seek alternative or additional funding, if necessary. This equates to £220,000 (2022: £250,000). At 31 March 2023 free reserves were £167,382. The ICO have budgeted for a small surplus in 2023/24.

Total funds held at the 31 March 2023 were £633,373 of which £85,102 is restricted funds and £548,271 unrestricted funds. Included in unrestricted funds are designated amounts of £380,889. The fixed assets fund represents the net book value of fixed assets after accounting for the loan outstanding. The sustainability fund is an amount set aside by the charity to ensure a managed closure of the charity in the event that funding ceases. The Miles Ketley filmmakers' bursary fund has been established to commemorate our trustee who died in 2019. Funds have been set aside to provide bursaries to filmmakers to allow them to attend industry events to aid their development.

The ICO has been awarded three-year funding from the BFI commencing April 2023. The trustees therefore believe that, combined with our available general funds, the charity is a going concern and will be able to pay its liabilities as they fall due.

Investment policy
The trustees may invest the charity's money not immediately required for its objects in any investments, securities or property. The current policy is to keep available funds in interest-bearing deposit accounts.

Fundraising
The Charity does not engage in public fundraising and does not use professional fundraisers or commercial participators. The Charity nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and the Charity received no complaints relating to its fundraising practice.

Code of Governance
The Independent Cinema Office aims to maintain good governance practices in line with the Charity Governance Code. All Trustees have a job description, and new trustees have a full induction programme, and are offered the NCVO induction/refresher Trustee course.

We know the immense value of having a broad range of experiences and voices guiding our work. This is of particular importance when it comes to our trustees, who under the leadership of our Chair, work closely with our Senior Management Team to steer and monitor the ICO's strategic development. They ensure we remain focused on improving our work and broadening its reach to UK audiences.

We also engage several advisory groups to help us interrogate and reflect on specific areas of ICO work and ensure we better represent the communities we serve. We encourage these advisory group members to develop their relationships with us by applying to become trustees when their terms have finished.

We prioritise the importance of trustees and staff working together and learning from each other to deliver truly valuable, high-quality work. Trustees and staff often undertake organisation-wide training together and we ensure that staff can independently contact trustees, so they have an additional channel to raise issues and challenge harassment or discrimination.

Staff members regularly present at ICO board meetings on distinct areas of our current work, helping trustees make informed assessments about what ambition looks like for us as an organisation and agree on stretch targets to further improve and develop our practice.

Similarly, anonymous evaluation is an embedded part of our cultural programmes. Evaluation data is shared with trustees in quarterly board reports, to which all ICO teams contribute detailed updates on their work.

Our integration of trustees and staff ensures that we foster the sharing of ideas and maximise of our combined expertise and diverse lived experiences, benefiting the reach of our organisation, the venues we support and the audiences we serve.

Principal risks and uncertainties
The high-level risks and management strategy are as follows:

Risks		Risk Management		
Nature of risk	**Gross risk**	**Strategy**	**Strength**	**Net risk**
Funding not renewed – the charity may close	High	Funding renewed for three years until 2026. Consider opportunities in new funding bids. Explore new relationships and opportunities. Invest in marketing consultancy services and sponsorship development.	Strong	High
Property loan – facility may be withdrawn	High	Quarterly management accounts, cash flow, regular review of bank covenants.	Strong	High

Plans for the future

In 2022-23, although there has been a lot of change in the industry and we see a great deal of flux, some things are regrettably unchanged. There is still a lack of diversity in who gets to make films and the kinds of film generally bought for distribution and exhibition. There are notable exceptions, but the fact that they are notable tells its own story.

Post-COVID, a third of cinema audiences have not returned to regular cinema going. This is compounded by the UK's cost of living crisis, with the public more discriminating than ever about their leisure and entertainment spend. The decline in returning audiences has also resulted in more conservative content, with distributors becoming increasingly risk averse.

The growth and popularity of online streaming platforms has seen them become a significant competitive force in the entertainment industry, with most producing their own original content. This has led to a change in market operations, with the reduction of the theatrical window, the period in which cinemas exclusively screen new film releases.

Our role is to support the independent exhibition sector through this challenging period and to build a sustainable business model for our charity.

We will continue with our support services for the sector including advice, information and programming with the addition of a new pilot project developing new audiences for a number of venues supported by an evaluation framework working in partnership with Indigo, a specialist consultancy.

We will deliver a fully hybrid portfolio of Screening Days events for exhibitors across the UK, both showcasing new releases and building capacity in professionals and arts organisations.

We will be the lead organisation for the BFI's FAN (Film Audience Network) for Member Support and Communications and will be convening a national advisory group to help us in our work.

We delivered a major conference for international film festivals in Poland focussing on the future of the sector with the support of the British Council.

We will continue to support filmmakers and exhibitors in the South East region of the UK as part of our work running Film Hub South East as part of BFI FAN. In addition, we will continue to support and develop our FHSE Young Film Network with the establishment of a dedicated website and member resources.

We will be undertaking a major national survey and report on the financial health of independent exhibitors in order to inform, advocate and influence national government policy in this area.

Three of our longstanding Trustees including our Chair will be due to step down in 2025 so this year we will be developing a succession plan and embarking on a new recruitment drive in order to add to our Trustees and diversity our board yet further.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 18 February 2005 and registered as a charity on 14 April 2005. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

During the year the trustees updated the Articles of Association to allow for payment to trustees, who are freelancers or self-employed, for loss of earnings as a result of attending trustee meetings and carrying out their duties as trustees. This is subject to approval by the Charity Commission. The process was undertaken in line with our EDI plan to diversify the Board of Trustees. In the process the trustees took the opportunity to update the articles in line with the most recent Charities law changes.

All trustees give their time voluntarily and receive no benefits from the charity, in their capacity as trustees. Any expenses reclaimed from the charity are set out in note 12 to the accounts. As set out in the Articles of Association the trustees are appointed by resolution of the trustees. Recruitment for new trustees is openly advertised with full job descriptions and interviews carried out prior to taking up office. New trustees are sent an extensive information pack which details the responsibility of trustees and their legal obligations. There are three subcommittees, Finance, Personnel & HR and EDI which make recommendations to the wider board. This year saw the Chair of our Finance committee leave the board, with a new appointment made and new Trustees joining the committee.

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated indirectly into the regular board meetings. All new Trustees are invited to attend the NCVO's introductory course for Trustees.

The ICO is managed by the board of Directors/Trustees. Day-to-day management is delegated to the Director and the senior management team as follows:

Director/CEO – Catharine Des Forges
Head of Cinema – David Sin
Head of Operations – Becky Clarke
Head of Training and Professional Development – Hatice Özdemirciler
Head of Finance – Angela Blanchard

We have developed a formal framework with criteria for setting pay/remuneration for key management personnel which has included the establishment of a Personnel & HR subcommittee which makes recommendations to the wider board of trustees.

Organisations we currently work with who co-operate with our charitable objectives include BFI, Cinema for All, a number of our key client cinemas, ScreenSkills, the National Film and Television Archive and Into Film.

Trustees' responsibilities statement

The trustees (who are also directors of Independent Cinema Office for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP 2019
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware at the time of approving our trustees' report:

- There is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the charitable company's auditor is unaware; and
- The trustees, having made enquiries of fellow directors and the charitable company's auditor, have taken all steps that they ought to have individually taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small company exemptions

This report is prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

Auditors

Cooper Parry Group Limited was reappointed in the year and has expressed its willingness to continue in office.

This report was approved by the Board of Trustees on 28 November 2023 and signed on its behalf by

Dorothy Wilson MBE FRSA
Chair

Independent Auditor's Report to the Members of Independent Cinema Office

Opinion

We have audited the financial statements of Independent Cinema Office ("the charitable company") for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, and of the incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the report of the trustees, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent Auditor's Report to the Members of Independent Cinema Office (continued)
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which includes the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report (which includes the directors' report) has been prepared in accordance with legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which includes the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Independent Cinema Office (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focussed on key laws and regulations the charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the charitable company's control environment and how the charitable company has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Independent Auditor's Report to the Members of Independent Cinema Office (continued)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 Part 16 of the Companies Act. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Glen Bott FCA

Senior Statutory Auditor for and on behalf of:

Cooper Parry Group Limited

Statutory Auditor
Cubo Birmingham
Two Chamberlain Square
Birmingham
B3 3AX

Date: 28 November 2023

Independent Cinema Office

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income and endowments from:							
Donations	2	181	–	**181**	14,554	–	14,554
Charitable activities							
Programming	3	225,718	398,061	**623,779**	173,970	342,127	516,097
Advice, information, support & training	3	35,999	402,213	**438,212**	25,074	359,557	384,631
Film Hub South East	3	–	560,000	**560,000**	–	535,000	535,000
Distribution	3	41,751	144,360	**186,111**	10,295	114,246	124,541
Advocacy	3	–	13,176	**13,176**	-	30,310	30,310
Consultancy	3	18,278	87,628	**105,906**	20,605	37,165	57,770
Other trading activities	4	7,242	–	**7,242**	6,536	–	6,536
Investments – bank interest	5	453	–	**453**	97	–	97
Other income	6	1,400	–	**1,400**	363	–	363
Exchange gain		227	–	**227**	–	–	–
Total income		331,249	1,605,438	**1,936,687**	251,494	1,418,405	1,669,899
Expenditure on:							
Charitable activities							
Programming	7	54,211	443,842	**498,053**	75,772	383,782	459,554
Advice, information, support & training	7	73,300	488,805	**562,105**	109,822	415,898	525,720
Film Hub South East	7	11,930	633,637	**645,567**	74,178	473,446	547,624
Advocacy	7	1,293	18,898	**20,191**	8,792	28,800	37,592
Distribution	7	51,081	178,905	**229,986**	34,398	81,916	116,314
Consultancy	7	9,898	88,177	**98,075**	12,007	37,015	49,022
Other trading activities	7	7,242	–	**7,242**	6,536	–	6,536
Total expenditure		208,955	1,852,264	**2,061,219**	321,505	1,420,857	1,742,362
Net income / (expenditure) for the year	9	122,294	(246,826)	**(124,532)**	(70,011)	(2,452)	(72,463)
Transfers between funds	21	(19,454)	19,454	**–**	(55,536)	55,536	–
Net movement in funds		102,840	(227,372)	**(124,532)**	(125,547)	53,084	(72,463)
Reconciliation of funds:							
Total funds brought forward		445,431	312,474	**757,905**	570,978	259,390	830,368
Total funds carried forward	21	548,271	85,102	**633,373**	445,431	312,474	757,905

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

The notes on pages 21 to 32 form an integral part of these financial statements.

Independent Cinema Office

Balance sheet

Company no. 5369193

As at 31 March 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	15		**1,109,173**		1,122,799
Current assets:					
Debtors	16	**148,154**		95,447	
Cash at bank and in hand		**487,263**		813,289	
		635,417		908,736	
Liabilities:					
Creditors: amounts falling due within one year	17	**(312,310)**		(425,832)	
Net current assets			**323,107**		482,904
Total assets less current liabilities			**1,432,280**		1,605,703
Creditors: Amounts falling due after more than one year	19		**(798,907)**		(847,798)
Total net assets	20a		**633,373**		757,905
The funds of the charity:	21a				
Restricted income funds in surplus			**85,102**		312,474
Unrestricted income funds:					
Designated funds		**380,889**		348,075	
General funds		**167,382**		97,356	
Total unrestricted funds			**548,271**		445,431
Total charity funds			**633,373**		757,905

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

Approved by the trustees on 28 November 2023 and signed on their behalf by

Dorothy Wilson MBE FRSA
Chair

The notes on pages 21 to 32 form an integral part of these financial statements.

Independent Cinema Office

Statement of cash flows

For the year ended 31 March 2023

	2023		2022	
	£	£	£	£
Cash flows from operating activities				
Net cash provided by operating activities		**(173,473)**		219,589
Cash flows from investing activities:				
Dividends, interest and rents from investments	**453**		97	
Purchase of fixed assets	**(13,981)**		–	
Net cash provided by/(used in) investing activities		**(13,528)**		97
Cash flows from financing activities:				
Repayments of borrowing		**(139,252)**		(82,386)
Change in cash and cash equivalents in the year		**(326,253)**		137,300
Cash and cash equivalents at the beginning of the year		**813,289**		677,015
Change in cash and cash equivalents due to exchange rate movements		**227**		(1,026)
Cash and cash equivalents at the end of the year		**487,263**		813,289

Reconciliation of net income to net cash flow from operating activities

	2023	2022
	£	£
Net income for the reporting period	**(124,532)**	(72,463)
Depreciation charges	**27,607**	42,382
Impairment of property	**–**	179,751
Interest from investments	**(453)**	(97)
Interest on bank loans	**40,616**	32,942
Foreign exchange (gain)/losses	**(227)**	1,026
Increase in debtors	**(52,707)**	(9,964)
(Increase) / decrease in creditors	**(63,777)**	46,012
Net cash provided by operating activities	**(173,473)**	219,589

Analysis of changes in net debt

	At 1 April 2022	**Cash flows**	**Foreign exchange movements**	**Other changes**	**At 31 March 2023**
	£	£	£	£	**£**
Cash at bank and in hand	813,289	(326,253)	227	**–**	**487,263**
Loans falling due within one year	(98,637)	98,637	**–**	(48,892)	**(48,892)**
Loans falling due after more than one year	(847,798)	(1)	**–**	48,892	**(798,907)**
Total	(133,146)	(227,617)	227	–	**(360,536)**

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2022) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in Sterling, which is the functional currency of the charity, and rounded to the nearest £1.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

c) Going concern

Independent Cinema Office has been awarded three-year funding from the BFI commencing April 2023. At the balance sheet date the charity has sufficient reserves, enough of which are unrestricted and are able to absorb short-term in year deficits, if required. The financial forecasts prepared show that the charity will be able to pay its liabilities as they fall due. On this basis the trustees have prepared these financial accounts on a going concern basis.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value to the charity which is the amount the charity would have been willing to pay to obtain services or facilities equivalent economic benefit on the open market; a corresponding amount is then receognised in expenditure in the period of receipt.

f) Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor and within the objects of the charity. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1 Accounting policies (continued)

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on the direct staff costs of each activity, of the amount attributable to each activity.

• Programming	30.5%
• Training	30.8%
• Film Hub South East	27.5%
• Advocacy	1.1%
• Distribution	9.2%
• Consultancy	0.9%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the date of the transaction. All gains and losses on exchange are put through the income and expenditure account.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £250. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Long leasehold property	2% straight line basis
• Leasehold refurbishment	10% straight line basis
• Fixtures, fittings & equipment	25% straight line basis
• Database and website	25% straight line basis

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1 Accounting policies (continued)

q) Pensions

The charity contributes to the personal pension schemes of some of its employees and from 1 November 2016 to SMARTPension, the ICO auto-enrolment scheme. The schemes and their assets are held by independent managers. The pension charge represents contributions due from the charity.

r) Estimates and judgements

Estimates and judgements have been used in the preparation of these financial statements, mainly in connection with the valuation of fixed assets and the allocation of support costs to charitable activities. The allocation of support costs is set out in accounting policy i). The long leasehold property at Bickels Yard and its related refurbishment costs have been impaired and the carry forward amount is based on fair value depreciated over its remaining useful life.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

2 Donations

	Unrestricted £	Restricted £	**2023 Total £**	2022 Total £
Furlough	–	–	**–**	14,554
Other donations	181	–	**181**	–
Total	181	–	**181**	14,554

3 Income from charitable activities

Programming	Unrestricted £	Restricted £	**2023 Total £**	2022 Total £
BFI	–	398,061	**398,061**	342,127
Venue income	190,340	–	**190,340**	147,709
Sponsorship income	7,428	–	**7,428**	2,500
Screening days income	27,823	–	**27,823**	23,761
Other	127	–	**127**	–
Sub-total	225,718	398,061	**623,779**	516,097
Training				
ScreenSkills	–	3,970	**3,970**	7,647
Creative Europe Media	–	60,200	**60,200**	4,933
BFI	–	226,402	**226,402**	230,827
British Council	–	10,177	**10,177**	5,000
Third party contributions	–	56,250	**56,250**	40,000
Course fees	27,666	30,651	**58,317**	38,804
Contribution in kind	–	13,600	**13,600**	16,340
Sponsorship	8,333	–	**8,333**	–
Other income	–	963	**963**	41,080
Sub-total	35,999	402,213	**438,212**	384,631
Film Hub South East				
BFI	–	560,000	**560,000**	535,000

3 Income from charitable activities (continued)

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Distribution				
BFI	–	79,510	**79,510**	83,909
Arts Council England	–	19,990	**19,990**	27,987
Distribution fee	20,353	–	**20,353**	4,326
Film hire and print transport	21,398	–	**21,398**	5,969
Third party contributions	–	30,860	**30,860**	–
Contribution in kind	–	14,000	**14,000**	–
Other income	–	–	**–**	2,350
Sub-total	41,751	144,360	**186,111**	124,541
Advocacy				
BFI	–	13,176	**13,176**	30,310
Consultancy				
Fees	18,020	–	**18,020**	20,605
Other income	258	87,628	**87,886**	37,165
Sub-total	18,278	87,628	**105,906**	57,770
Total income from charitable activities	**321,746**	**1,605,438**	**1,927,184**	**1,648,349**

The proportion of income from charitable activities derived from outside the UK amounted to 6.3% (2022- 0.3%).

4 Other trading activities

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Desk space and board room hire	7,242	**–**	**7,242**	6,536

5 Income from investments

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Bank interest	453	–	**453**	97

6 Other income

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Contribution in kind	1,400	–	**1,400**	363

7 Analysis of expenditure

	Programming £	Training £	Film Hub South East £	Advocacy £	Distribution £	Consultancy £	Other trading activities £	**2023 Total £**	2022 Total £
Staff costs (Note 12)	285,860	288,170	256,942	10,311	85,700	8,122	–	**935,105**	843,214
Fees – Course leader/Speaker/Film maker/Project manager	23,383	75,601	81,800	5,291	61,213	23	–	**247,311**	181,325
Focus group/evaluation	750	932	4,700	–	–	–	–	**6,382**	12,407
Film hire	1,544	–	2,180	–	26,724	–	–	**30,448**	15,800
Filming & editing	1,500	515	–	–	640	–	–	**2,655**	3,554
Catering/hospitality/entertaining	30,040	5,586	6,700	46	1,639	36	–	**44,047**	23,744
Marketing and publicity	6,150	1,620	10,543	416	5,680	12	–	**24,421**	6,254
Couriers/transport	329	(50)	321	(2)	5,355	(1)	–	**5,952**	2,893
Production programming costs	15,209	3,662	4,482	–	18,549	–	–	**41,902**	32,563
Certification/accreditation	2,101	2,026	739	5	1,902	4	–	**6,777**	6,684
Venue hire	32,057	19,219	8,006	–	–	–	–	**59,282**	39,466
Bursaries	939	32,506	4,716	–	–	–	–	**38,161**	7,641
Hotel, travel & subsistence	19,428	66,361	5,727	85	2,589	411	–	**94,601**	25,960
Grants (Note 14)	–	–	215,103	–	–	88,177	–	**303,280**	183,197
IT/Web costs	21,067	7,266	5,965	149	1,898	117	–	**36,462**	21,662
Office costs	10,840	18,752	6,091	2,627	7,215	178	–	**45,703**	32,648
Premises costs	3,756	3,786	3,376	135	1,126	107	7,242	**19,528**	12,487
Depreciation	8,439	8,508	7,586	304	2,530	240	–	**27,607**	222,133
Audit	4,127	8,300	3,709	149	1,237	117	–	**17,639**	9,250
Annual report	714	720	642	26	214	20	–	**2,336**	1,500
Legal & professional	1,746	1,760	1,569	63	523	50	–	**5,711**	6,678
Bad debts	10,933	–	–	–	–	–	–	**10,933**	841
Bank charges & interest	13,585	13,280	11,473	458	4,186	361	–	**43,343**	35,248
Irrecoverable VAT	3,415	3,443	3,070	123	1,024	97	–	**11,172**	11,479
Trustees' training	141	142	127	5	42	4	–	**461**	2,708
Exchange loss	–	–	–	–	–	–	–	**–**	1,026
	498,053	562,105	645,567	20,191	229,986	98,075	7,242	**2,061,219**	1,742,362
Total expenditure 2022	459,554	525,720	547,624	37,592	116,314	49,022	6,536	1,742,362	

Of the total expenditure, £208,955 was unrestricted (2022: £321,505) and £1,852,264 was restricted (2022: £1,420,857).

8. Support costs

These costs are allocated on a direct salary costs basis and consist of:

	2023	2022
	£	£
Staff costs	118,976	138,721
Couriers / transport	(163)	168
Catering/ hospitality/entertaining	4,200	1,275
Certification/accreditation	458	312
Marketing and publicity	1,407	1,260
Hotel travel & subsistence	7,715	2,528
IT/Web costs	13,512	10,798
Office costs	20,544	20,801
Premises costs	12,286	5,951
Depreciation	27,607	42,382
Impairment of property	-	179,751
Legal and professional	2,560	4,578
Bank charges and interest	41,507	33,444
Irrecoverable VAT	11,172	11,479
Exchange loss	-	1,026
Governance	22,072	13,458
	283,853	467,932

Governance costs consist of:

	2023	2022
	£	£
Audit fees	13,500	9,250
Annual report	2,335	1,500
Legal fees	3,150	-
Trustees' training	2,625	2,708
Trustees' expenses	462	-
	22,072	13,458

9 Net income / (expenditure) for the year

This is stated after charging / (crediting):

		2023	2022
		£	£
Depreciation of tangible fixed assets		27,607	42,382
Impairment of property and refurbishment costs		-	179,751
Bank interest payable		40,616	32,942
Auditors' remuneration (excluding VAT):			
Statutory audit	current year	12,500	9,250
	prior year underaccrual	1,000	-
Other audit		4,140	-
Foreign exchange (surplus)/loss		(227)	1,026

10 Related party transactions

Mel Clarke, the sister of Becky Clarke, Head of Operations, was paid £1,800 (2022: £3,150) during the year for design work on various projects. At 31 March 2023 £nil (2022: £1,650) was outstanding and due to be paid. Vision Box was awarded £10,000 through the Film Exhibition Fund. Simon Ward, trustee, is co-director/owner with his wife Corrina Ward. At 31 March 2023 £5,000 was outstanding and due to be paid. Simon Ward, trustee, was also paid £200 for speaker and interview fees (2022:£475). At 31 March 2023 £nil was outstanding and due to be paid (2022: £150). In addition Vision Box was paid £nil for reimbursement of ticket sales during National Lottery Cinema Weekend (2022: £72) and £nil for a training & professional development bursary to attend This Way Up conference in December 2021(2022:£54). In the previous year only, Suman Bhuchar, the sister of Sudha Bhuchar, trustee, was awarded a bursary of £117 to pay for train tickets to attend ID Screening Days in October 2021.

11 Corporation taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is exempt from tax on income and gains falling within section 478 of the Corporation Tax Act 2010 or section 252 of the Taxation of Chargeable Gains Act 1982 to the extent that these are applied to its charitable objects.

12 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	790,671	700,887
Social security costs	75,032	65,401
Employer's contribution to defined contribution pension schemes	35,329	35,461
Freelance staff	14,825	18,270
Staff recruitment	805	1,841
Staff training	9,933	13,971
Human resources fees	5,539	5,495
Occupational Health Insurance	2,631	1,707
Other staff costs	340	180
	935,105	843,213

One employee received employee benefits (excluding employer pension costs) during the year in the band £60,000 - £70,000 (2022:1).

The total employee benefits including employer national insurance and pension contributions of the key management personnel were £257,640 (2022: £253,060).

Expenses were paid to three trustees (2022: None) during the year for travel, subsistence and accommodation for attending the Board away day and screening days £462 (2022: £nil).

The trustees neither received nor waived any remuneration during the year (2022: £nil). For other transactions relating to trustees, please refer to Note 10.

13 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2023 No.	2022 No.
Programming	5.5	4.7
Training	9.3	7.7
Film Hub South East	5.5	5.8
Advocacy	0.2	0.4
Distribution	2.2	0.9
Consultancy	0.3	0.2
Support	3.5	3.3
	26.5	23.0

14 Grants

	2023	2022
Paid from restricted funds:	£	£
Payments to Institutions	303,280	183,197

Payments to Institutions analysed as follows:

	2023 £
Film Hub South East	
Film Exhibition Fund - Young Film Programmers	
Balik Arts	3,200
Fabrica	1,980
Maona Cinema	2,000
Open House Film Club	351
The Place Bedford	10,424
The Riverside	2,775
	20,730

14 Grants (continued)	2023 £
Film Exhibition Fund	
Anglo Asiatic Arts and Heritage Alliance (AAAHA)	3,071
Babylon Arts	2,000
Balik Arts	3,300
Brighton Rocks International Film Festival	5,000
Bute Street Festival	9,500
Cambridge Film Festival	25,000
Chichester Cinema at New Park	19,880
CINECITY	17,000
The Corn Exchange (Newbury) Trust	3,613
Creative Arts East	30,000
Fabrica	6,825
Ipswich Film Theatre	1,750
King Street Cinema	2,500
Latest Group CIC	5,000
Norden Farm Centre Trust Ltd	(182)
Norwich Film Festival	6,850
Reel Connections	3,000
The Riverside	1,800
Saffron Screen	3,007
The Suffolk Shorts Film Festival CIC (Suffolk Shorts)	2,000
Sunrise Studios (Access Community Trust)	6,000
Violet Pictures	7,500
Vision Box Cinema (at the Palace Cinema Broadstairs)	10,000
Watersprite Film Festival	12,706
Women Over Fifty Film Festival	4,000
Worthing Theatres & Museum	1,053
	192,173

Programming groups	2023 £
The Capitol Horsham	(300)

	2023 £
Film Access	
Chapter Cardiff Ltd	2,500
Total Film Hub South East	215,103

The total figure above also takes into account actual amounts paid in the year which had been withdrawn in the prior year but reinstated and consequently the total differs from the total awards in the year of £210,399.

Consultancy - National Lottery - Love Actually screenings	2023 £
Grants awarded to 58 different institutions totalling	88,177

15 Tangible fixed assets

	Long leasehold property	Leasehold refurb - ishment	Database and website	Fixtures, fittings & equipment	**Total**
	£	£	£	£	**£**
Cost or valuation					
At the start of the year	1,308,014	65,082	35,973	29,880	**1,438,949**
Additions in the year	-	-	-	13,981	**13,981**
Disposals in year	-	-	-	(2,099)	**(2,099)**
At the end of the year	1,308,014	65,082	35,973	41,762	**1,450,831**
Depreciation					
At the start of the year	193,014	65,082	35,973	22,081	**316,150**
Charge for the year	23,474	-	-	4,133	**27,607**
Disposals in year	-	-	-	(2,099)	**(2,099)**
At the end of the year	216,488	65,082	35,973	24,115	**341,658**
Net book value					
At the end of the year	**1,091,526**	**-**	**-**	**17,647**	**1,109,173**
At the start of the year	1,115,000	-	-	7,799	1,122,799

All of the above assets are used for charitable purposes.

16 Debtors

	2023	2022
	£	£
Trade debtors	**42,168**	52,987
Other debtors	**-**	281
Prepayments	**65,002**	15,101
Accrued income	**40,984**	27,078
	148,154	95,447

17 Creditors: amounts falling due within one year

	2023	2022
	£	£
Grants payable	**54,473**	60,440
Secured bank loans	**48,892**	98,637
Trade creditors	**46,004**	61,732
Accruals	**42,607**	45,519
Other creditors	**532**	-
Taxation and social security	**31,622**	30,921
Pension contributions	**3,180**	5,241
Deferred income	**85,000**	123,342
	312,310	425,832

18 Deferred income

	2023	2022
Deferred income comprises of grant and income for events taking place in 2023/24 and consultancy fees received in advance of the work being carried out.	**£**	£
Balance at the beginning of the year	**123,342**	74,157
Amount released to income in the year	**(67,092)**	(22,242)
Amount deferred in the year	**28,750**	71,427
Balance at the end of the year	**85,000**	123,342

19. Creditors: Amounts falling due after more than one year

	2023	2022
	£	£
Secured bank loans - falling due in less than 5 years	**155,172**	177,935
Secured bank loans - falling due after 5 years	**643,735**	669,863
	798,907	847,798

19. Creditors: Amounts falling due after more than one year (continued)

There are three secured and one unsecured bank loans on the property at Unit 9 Bickels Yard, London, SE1 3HA. The loan from Charity Bank is charged at 4.4% and the loans with Big Issue Invest are charged at 7% and 6%. The Charity Bank loan is repayable over 25 years and the Big Issue Invest loans over 7 years, 63 months and 57 months. The property has a carrying value of £1,091,526. The loans are secured with fixed and floating charges over the assets of the charity.

20a Analysis of net assets between funds (Current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	1,109,173	–	**1,109,173**
Net current assets	167,382	70,623	85,102	**323,107**
Creditors due after more than one year	–	(798,907)	–	**(798,907)**
Net assets at the end of the year	**167,382**	**380,889**	**85,102**	**633,373**

20b Analysis of net assets between funds (Prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	1,122,799	–	**1,122,799**
Net current assets	97,356	73,074	312,474	**482,904**
Creditors due after more than one year	–	(847,798)	–	**(847,798)**
Net assets at the end of the year	**97,356**	**348,075**	**312,474**	**757,905**

21a Movements in funds (Current year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
British Film Institute	48,974	477,082	(537,051)	22,147	**11,152**
BFI - Advice, information, support and training	93,313	247,362	(319,529)	831	**21,977**
Film Hub South East	124,343	560,000	(633,637)	(5,108)	**45,598**
Devloping Your Own Film Festival 2022	1,121	85,784	(91,885)	4,980	**–**
ScreenSkills	–	4,120	(4,045)	–	**75**
Other training	11,257	64,947	(73,347)	(614)	**2,243**
Tours -					
Film Hub Midlands - Horror	–	32,860	(32,494)	(366)	**–**
BFI - The Camera is Ours	8,695	15,665	(21,205)	(2,655)	**500**
BFI - Britain on Film	939	–	(312)	–	**627**
Arts Council England - National Trails	23,522	29,990	(50,582)	–	**2,930**
National Lottery Cinema Day	310	87,628	(88,177)	239	**–**
Total restricted funds	312,474	1,605,438	(1,852,264)	19,454	**85,102**
Unrestricted funds:					
Designated funds:					
Fixed assets	176,364	–	(27,607)	112,617	**261,374**
Loan repayment	51,711	–	–	(51,711)	**–**
Sustainability fund	105,000	–	–	5,000	**110,000**
Miles Ketley filmmakers' bursary fund	15,000	–	(5,485)	–	**9,515**
Total designated funds	348,075	–	(33,092)	65,906	**380,889**
General funds	97,356	331,249	(175,863)	(85,360)	**167,382**
Total unrestricted funds	445,431	331,249	(208,955)	(19,454)	**548,271**
Total funds	757,905	1,936,687	(2,061,219)	–	**633,373**

The narrative to explain the purpose of each fund is given at the foot of the next note.

21b Movements in funds (Prior year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
British Film Institute	46,948	458,696	(498,701)	42,031	**48,974**
BFI - Advice, information, support and training	127,413	276,678	(314,280)	3,502	**93,313**
Film Hub South East	59,380	535,000	(470,037)	-	**124,343**
MUBI bursary fund	1,000	-	(992)	(8)	**-**
Developing Your Own Film Festival 2020	7,285	(53)	(7,285)	53	**-**
Devloping Your Own Film Festival 2022	-	4,985	(4,985)	1,121	**1,121**
ScreenSkills	-	9,222	(9,222)	-	**-**
Other training	19,058	68,725	(76,668)	142	**11,257**
Tours -					
BFI - The Camera is Ours	-	-	-	8,695	**8,695**
BFI - Britain on Film	1,263	-	(324)	-	**939**
Arts Council England - Second Sight	(3,000)	3,000	-	-	**-**
Arts Council England - National Trails	-	24,987	(1,465)	-	**23,522**
National Lottery Cinema Weekend	43	37,165	(36,898)	-	**310**
Total restricted funds	259,390	1,418,405	(1,420,857)	55,536	**312,474**
Unrestricted funds:					
Designated funds:					
Fixed assets	349,053	-	(222,133)	49,444	**176,364**
Loan repayment	-	-	-	51,711	**51,711**
Sustainability fund	95,000	-	-	10,000	**105,000**
Miles Ketley filmmakers' bursary fund	-	-	-	15,000	**15,000**
Total designated funds	444,053	-	(222,133)	126,155	**348,075**
General funds	126,925	251,494	(99,372)	(181,691)	**97,356**
Total unrestricted funds	570,978	251,494	(321,505)	(55,536)	**445,431**
Total funds	830,368	1,669,899	(1,742,362)	-	**757,905**

Purposes of restricted funds

British Film Institute
Funding received from the BFI to be a strategic partner for the BFI Film Audience Network (FAN) to enable film exhibitors to boost film audiences around the UK for independent and specialised films. Transfer of funds relates mainly to funds received from ICO funds as contribution towards programming services offset against funds transferred to the fixed assets fund and other BFI activities.

British Film Institute - Advice, information, support and training
Organisational funding received to provide telephone and online support including an update of our online resources, support to venues and additional funding for our FEDS training schemes and Young People Programme.

Film Hub South East
The ICO is responsible for administering funds from the National Lottery to support a stronger and more connected approach to growing audiences for British and International cinema throughout the region. During 2021/22 and 2022/23 we distributed funds through the Film Exhibition Fund. The transfer out relates mainly to the transfer of funds to the fixed assets fund following the purchase of computer equipment.

MUBI bursary fund
Funding received from MUBI to be used for screening day bursaries.

Developing Your Own Film Festival
Funding received from the European MEDIA programme and the British Council to support the costs of running the Developing Your Film Festival course which took place in August 2022 in Edinburgh. An on line version was held in March 2021. The transfer in of funds relates to a contribution by ICO towards course costs.

ScreenSkills
Funding received to run an on line course - Data Driven Film Exhibition.

Purposes of restricted funds (continued)

Other training
Funding received from FAN. During 2022/23 we completed a the Women's Leadership course, continued the FAN Festivals training which commenced in 2020/21 and ran an Elevate course.

Film Hub Midlands - Horror
Alongside a major season at BFI Southbank from October 2022 to December 2022 ICO ran a nationwide tour as part of the BFI In Dreams are Monsters funded by Film Hub Midlands on behalf of BFI Film Audience Network supported by funds from the National Lottery.

The Camera is Ours
Organisational funding received from the BFI to put together a feature length film using film from Britain's women documentary makers. The transfer out relates mainly to the transfer of funds to other BFI activities.

Britain on Film
Organisational funding received from the BFI to enable the ICO to deliver eight archive film programmes.

Arts Council England
Funding received to commission three new films from British Artists for our National Trails tour.

National Lottery Cinema Day / Weekend
Funding received from Camelot to repay venues the ticket value of tickets given away on National Lottery Cinema Day in December 2022 fo a screening of Love Actually and on National Lottery Cinema Weekend in June 2021.

Purposes of designated funds

Fixed assets
Funds representing the net book value of fixed assets, after deducting loans outstanding, that are consequently not readily available in cash.

Loan repayment
Due to a decrease in the value of the property in March 2022and its subsequent impairment in last year's financial statements, £51,711 was repaid to Charity Bank in July 2022 to ensure that the Charity remained within its loan covenants. An amount was set aside to account for this.

Sustainability fund
An amount set aside to pay redundancy costs in the event of the closure of the charity.

Miles Ketley filmmakers' bursary fund
An amount set aside to pay bursaries to filmmakers to enable them to attend industry events to aid their development.

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. At 31 March 2023 there were 13 (2022: 13) guarantees in place.

23 Contractual commitments

Contractual commitments for the acquision of tangible fixed assets contracted but not provided in the financial statements amounted to £2,508 (2022:£Nil).

INDEPENDENT CINEMA OFFICE

England & Wales - Charity number 1109053

Accounts

DocuSign Envelope ID: C9BA0274-D057-4808-9643-85BCA5969891

Company number: 5369193
Charity number: 1109053

Independent Cinema Office

(Limited by Guarantee)

Report and Financial Statements

For the year ended 31 March 2022

DocuSign Envelope ID: C9BA0274-D057-4808-9643-85BCA5969891

Independent Cinema Office

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Independent Cinema Office

Reference and administrative details

Charity registration number: 1109053
Company registration number: 5369193

Registered office and operational address:
Independent Cinema Office
Unit 9 Bickels Yard
151-153 Bermondsey Street
London SE1 3HA

Trustees

The Directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as trustees.

Trustees who served during the year and up to the date of this report were as follows:

Ayo Akingbade (appointed 24 February 2022)
Sudha Bhuchar
Thea Burrows
Julian Connerty (re-appointed 23 November 2021, resigned 26 May 2022)
Harry Kalfayan (appointed 24 February 2022)
Susan Lovell (resigned 18 August 2022)
Eleanor Lowe (appointed 1 March 2022)
Will Massa (appointed 1 March 2022)
Emily McDonald (appointed 27 February 2022)
Ameet Parekh (appointed 28 February 2022)
George Sawtell (re-appointed 23 November 2021, resigned 26 May 2022)
Simon Ward
Dorothy Wilson MBE FRSA (Chair)

Key management personnel:

Director/CEO – Catharine Des Forges
Head of Cinemas – David Sin
Head of Operations – Becky Clarke
Head of Partnerships & Development – Hatice Özdemirciler
Head of Finance – Angela Blanchard

Bankers:

Barclays Bank Plc, Leicester LE87 2BB

Solicitors:

Bates, Wells & Braithwaite, Cheapside House, 138 Cheapside, London EC2V 6BB

Auditors:

Cooper Parry Group Limited
Statutory Auditors
Cubo Birmingham Office 401
4th Floor
Two Chamberlain Square
Birmingham
B3 3AX

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Trustees' report

The trustees present their report and the audited financial statements for the year ended 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The reference and administrative information set out on page 2 form part of this report. The financial statements comply with Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

Purposes and aims

The objects of the charity are to promote all purposes recognised as charitable under the laws of England and Wales from time to time, in particular, without prejudice to the generality, the promotion, maintenance, improvement and advancement of education of the public by the encouragement of the knowledge and appreciation of the arts of film and video.

Aims

The ICO's mission is to stimulate an open, thriving and challenging film culture. We have six overarching goals:

- To increase admissions for independent cinemas
- To enable a diverse range of films to be seen by diverse audiences
- To make the exhibition industry more inclusive
- To provide formal training routes into exhibition careers
- To support new venues so that people can access independent films wherever they live
- To inform positive policy changes and increased funding for independent film exhibition.

Activities

The principal activity of the charity during the year was to act as the national support organisation for independent cinemas. Our key activities are film programming advice, training, distribution and consultancy. We also manage Film Hub South East, part of British Film Institute's (BFI) Film Audience Network (FAN). The trustees review the aims, objectives and activities of the charity each year.

Public Benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit: running a charity (PB2) and fee charging. The ICO relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of its activities.

The charity has a series of aims which foreground public benefit as a key outcome of its activities. These include:

- Having inclusivity at the heart of our mission statement
- Ensuring that wherever you live in the UK, you have the same access to the art of film as if you lived in the capital
- Expanding the geographical reach of world cinema (including artists' work, animation and archive film)
- Building capacity in organisations both professional and non-professional to ensure that they achieve the highest standards in audience development through training programmes and online resources available at no charge to all users
- Offering bursaries for those with caring responsibilities or access needs on all of our training courses

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- Partnering with grassroots and community organisations especially those in rural communities
- National advocacy for our sector
- Offering free advice and information to a huge range of organisations from schools to care homes as well as traditional cinemas
- Only working with partners and clients who share our goal to develop audiences for a wide range of cinema thereby ensuring that the public has access to the widest range of films possible, both archive and contemporary.

Diversity

The ICO was established in 2003 to ensure that a wide range of stories reached a wider range of audiences and we have put diversity at the heart of what we do ever since. However, the murder of George Floyd in the USA in May 2020 and the worldwide Black Lives Matter protests sparked crucial internal conversations about our work, our influence and how we use our power.

Subsequently, we worked with staff and external critical friends to develop an Equality, Diversity and Inclusion action plan (EDI plan), published on our website in March 2021: Equality, Diversity & Inclusion Action Plan – Independent Cinema Office

In 2021-22, we worked to fulfil action points from the plan, publishing six-monthly updates on our website. Our achievements to date include:

- The recruitment and appointment of six new trustees, creating a more representative board
- An overhaul of ICO recruitment processes to increase fairness and transparency and attract a wider range of candidates
- The ongoing review of our Film Exhibition, Distribution & Sales Traineeship Scheme (FEDS) with our Co-Creation Committee, made of up alumni of the scheme, to ensure it is as equitable and inclusive as possible
- Changes to our Screening Days events, including the creation of an external Advisory Group, paid open calls for external curators for specialised events, and the commitment to screen 30% minimum films made by filmmakers of colour or disabled filmmakers
- Initial work on an ICO Programming Charter, which aims to increase the number of films shown by filmmakers of colour in ICO client venues and grow audience engagement for these titles
- Changes to our website's jobs policy to ensure the jobs we post on behalf of other organisations are fair and transparent.

Equality, diversity and inclusion is on the agenda for ICO staff meetings, and we have regular all-staff discussions on specific issues as they arise. In 2022-23 we will continue our work on existing action points and complete a review of the original plan to identify new objectives to progress our EDI work further.

Achievements and performance

This report looks at the charity's achievements and the outcomes of its work in the reporting period.

Programming

Programming is at the heart of the Independent Cinema Office. We support cinemas all over the UK, whether they're in major cities or rural communities, to access a cultural film offering which will take their venue to the next level.

In 2021-22, the ICO programming network grew to 30 clients – 29 cinemas and one major regional film festival – becoming one of the UK's biggest independent cinema networks. Our

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programming team worked closely with venues to help them plan for reopening from May 2021, re-establish their audiences and renew their confidence in diversifying their programmes to include a wider range of culturally important films.

In one of the most challenging years for UK film exhibition to date, our network screened 674 films and achieved 680k+ total admissions and £4.4m gross box office, with ICO cinemas making vital contributions to the performance of key independent releases and overall, to an increasingly promising landscape for the sector. In the final quarter of the year, our cinemas had made a notable recovery, operating at about 80% of pre-pandemic admissions levels.

Our new venues this year were Warwick Arts Centre, Cinemarsh in New Romsey and Reading Biscuit Factory.

Screening Days

Screening Days is the ICO's flagship event series and the UK's biggest cinema conference programme. The events give exhibitors across the UK the chance to see the best world cinema and British independent titles months in advance of release, so they can make informed decisions on how these films can meet their audiences.

Following a year of solely virtual events and in response to the changing landscape of the pandemic, we began offering hybrid Screening Days in 2021-22, giving delegates the chance to watch films and attend sessions in-venue or access them at home, with over 90% of the programme available online. Our hybrid offer has been extremely successful, with four out of this year's five Screening Days our most well-attended events ever.

As well as easing physical access by offering online-only attendance, a more affordable pricing model and bursaries to potential delegates, we made online films available with subtitles for Deaf/hard of hearing audiences and provided live captions on all capacity-building sessions.

To bring in external voices, we created a Screening Days Advisory Group, appointing three critical friends for a year's period to steer the programmes and strategy of our specialised events (Young Audiences, Inclusion & Diversity, Archive Screening Days). We also introduced paid open calls for curated sessions for these events, giving a national stage to groups and work that might otherwise have stayed on the margins.

Total figures for the Screening Days programme this year:

- A record 1,182 delegates (718 unique) attended online, in-person or a combination of both
- 375 unique organisations represented
- 68 films screened from 51 countries
- 30-60% of films shown at events made by filmmakers of colour or disabled filmmakers (bringing in films from outside UK distribution where needed).

Training

The ICO's training portfolio offers film exhibition professionals the opportunity to benefit from high-level knowledge to ensure our sector is successful, inclusive and progressive. In 2021-22, as the industry reopened after the pandemic, ICO training helped chart a path towards a highly skilled, financially sustainable and inclusive future for cinema.

We continued to provide professional development and training opportunities online while holding some in-person activities again for the first time since 2020, with our longer-term training opportunities like FEDS and Women's Leadership delivered in hybrid formats.

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We reviewed our inclusivity aims for training and professional development courses in detail and for the first time offered instalment payment plans for course fees for people who required this flexibility.

Supported by the BFI Audience Fund, our **FEDS (Film Exhibition, Distribution & Sales) Traineeships** scheme recruits new entrants to paid roles in film exhibition to help make the industry workforce more reflective of UK society. Our 2020 traineeships, postponed due to COVID-19, ran from June 2021-March 2022 at the Barbican, HOME, the ICO, Phoenix Cinema and Arts Centre and Tyneside Cinema. Trainees were paid the Living Wage and received industry training sessions and professional career coaching as well as on-the-job training. In early 2022 we began recruiting new trainees to undertake placements at Belfast Film Festival, BFI, Broadway Nottingham, Depot Lewes, Hippodrome Silent Film Festival and Flatpack Festival.

The 2021-22 edition of our well-established **Women's Leadership** course ran from November 2021-April 2022. Funded by the BFI Film Audience Network, it supported 10 ambitious women from across the UK's film exhibition sector with one-to-one coaching, skills development workshops and high-level networking opportunities.

We created two new **Online Learning Courses** – 'How to Start Screening Films' and 'Front of House Workers Guide' – to fill two different but equally distinct gaps in our current online training offer. Overall, our Online Learning Platform attracted 180 new students this year, with the total number of course enrolments rising to 1,560.

Following our collaboration with arts consultancy Indigo Ltd on the Cultural Restart Audience & Visitor Tracker, we partnered with them to share its findings and Indigo's newly developed **Reopening: Five Reassurances** model – supporting cinemas in rebuilding audience confidence post-pandemic using the latest audience research data – via a free online seminar in July 2021.

Supported by ScreenSkills, we delivered a new training course, **Data-Driven Film Exhibition**, that built on the success of our popular Data-Driven Marketing course with a wider look at how exhibitors can use data to build sustainable strategies for their activity in areas including programming, marketing, access and inclusion.

From October to November 2021, the second round of our popular **Core Skills for Cinemas** webinar series provided practical accessible learning on the topics: 'Starting and developing a membership scheme', 'Why email marketing is important' and 'Programming artists' moving image work.'

Finally, we partnered with the National Centre for Voluntary Organisations (NCVO) to create a five-part, free-to-attend workshop series, **Governance Next**, exploring key governance topics and giving grassroots organisations guidance on how to best set up as legal entities and structure their boards. In addition, we offered nine organisations from across the UK bespoke NCVO coaching sessions to review their specific governance challenges.

Advice and Information

We seek to democratise access to information about the film industry and how to succeed in it, providing advice, support, blog posts and web guides for people who have never shown a film as well as long-established independent venues and workers throughout the sector.

This year, ahead of reopening in May 2021, exhibitors of all kinds sought advice on COVID-19 protocols and how best to communicate a twin message of welcome and safety to in-venue audiences to ensure people felt both able and inspired to return. Conversely, many other enquiries related to starting (or continuing) a hybrid screening offer for audiences who preferred to continue watching from home amidst ongoing pandemic circumstances.

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Following on from 2020-21, we continued to focus our blog strategy on change and renewal, questioning industry practices and looking at new ways of supporting film exhibition workers, highlighting antiracism work in the arts, and encouraging greater accessibility, diversity and inclusivity across the sector.

We wrote and published in-depth downloadable guides on programming, cinema audio and fundraising, now available on our website alongside our array of existing guides.

Another important area of work this year was reconceiving our jobs posting policy. The ICO's jobs board is the biggest source for recruitment in our part of the sector. We have hosted thousands of job ads over the past 15 years, have over 5,000 subscribers to our daily jobs newsletter and receive 100,000 hits per year on our jobs pages.

Inspired by the leadership of Fair Museum Jobs in this area, we redesigned the criteria to post a job on our website. Our new policy is designed to ensure that the jobs we post are fairer and, more widely, to show how more thoughtful recruitment practices can be a form of audience communication for arts organisations, enabling them to forge new connections. As well as our internal policy, we shared broader practical guidance on our website.

In 2021-2022:

- We answered 1,090 enquiries and advertised 721 jobs
- ICO 'Advice & Support' webpages received +194k page views
- ICO online guides were downloaded 2,222 times

Film Hub Lead Organisation – South East

The ICO has managed Film Hub South East – one of the BFI Film Audience Network's eight regional film hubs – since 2018. Throughout 2021-22, we supported our members both financially and strategically, helping them navigate the process of reopening and the continuing volatility of the film exhibition landscape.

- **Film Exhibition Fund** – We developed one key strategic fund, the Film Exhibition Fund, to help exhibitors to remain sustainable in this period and resume their cultural film programming and audience development activities. We funded 25 projects at 23 organisations, totalling £135,830, before recalls, in support to develop programmes of independent British and international film and engage a broad and diverse audience.

- We also offered a review service for Hub member applications to the **BFI Culture Recovery Fund,** which over three rounds saw 28 venues from the South East submit successful applications, resulting in over £4m in funding for the region.

In addition, we:

- Continued to grow our Young Film Programmers' (YFP) Network – now comprising 37 groups at venues across the region – offering members access to online monthly BFI Film Academy Labs, training and networking workshops, industry-led courses for aspiring young filmmakers, and many other regional/national exhibition opportunities plus the chance to apply for financial support
- Held an online training session, 'Challenging Barriers and Championing Access for Disabled Cinema Audiences' to encourage regional exhibitors to reopen their venues with accessibility in mind
- Provided four venues with a bespoke consultancy following this event to encourage real change for venues and audiences throughout our region
- Held a series of further online training and discussion events based on feedback from member surveys, including 'Audience Development Through Social Media', 'Innovative Programming' and the opportunity to share best practices and successful strategies
- Released archive short *Wartime in the South East* for venues to screen during this year's

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Poppy Appeal, supporting venues with proven audience engagement strategies to achieve 2,077 admissions across a range of organisations including cinemas, day centres, museums, community groups and village halls
- Opened our Programming Group up to more cinemas, giving key regional theatrical sites updates on sector developments, funding opportunities and new films for programming at meetings held both online and in-person
- Via BFI NETWORK South East, delivered funding to over 59 regional filmmakers and expert advice and support to many more, plus an extensive range of training and networking events and our highly successful new podcast, Short Hand
- Grew our Film Hub South East membership by 36% since April 2021 (231 members total).

Distribution

While the number of films in distribution reaches a new high on an annual basis, the opportunity to see a true diversity of work is limited in the UK. The ICO's distribution projects are a response to this, with a focus on films that make a cultural contribution to cinema and expand the possibilities for UK audiences.

In 2021-22, our distribution activities were limited by COVID-19 until cinemas began reopening in May 2021, but in June 2021 we reissued Ousmane Sembène's ***Mandabi*** nationwide in partnership with STUDIOCANAL UK.

Often described as the 'father of African cinema', Sembène was not merely one of the first black filmmakers to make films on the continent but also radically recentred who cinema was about and for. But despite this renown, his films have been hard to play in the UK and only previously available in poor digital copies. Subsequently, we were delighted to work with STUDIOCANAL UK to release a 4K restoration of *Mandabi* into UK screens for the first time; one of the under ten African titles released in the UK in the past five years.

To support cinemas emerging from the pandemic, we made *Mandabi* available for online and in-cinema screenings and offered exhibitors a free recorded online discussion led by Africa in Motion Festival Director Liz Chege (interviewing world expert on African cinema Dr Aboubakar Sanogo and microfinance entrepreneur Ivan Mbowa) to use as a post-screening Q&A. Alongisde this, we launched a major publicity campaign with features in *Sight & Sound*, BBC's 'Inside Cinema', *Little White Lies* and many more publications.

Consultancy

Through consultancy, independent cinema operators can attain best practice at all stages of the cinema operation process, from feasibility study through to business planning and into cinema management, programming, audience development, fundraising, technical presentation and sustainability.

ICO consultancy is a fee-based service offering research and special reporting on the widest possible range of cinema related matters. Each year, the ICO fields over 300 enquiries, and we have developed a repertoire of consultancy formats to respond to them in the most effective way – from advice sessions to the development of business or audience development plans, to full options appraisals or feasibility studies. We are proud to have boosted venues, festivals and community screens to new levels of achievement and to have played a part in establishing new venues for audiences nationwide.

In 2021-22, we delivered a feasibility study for a major new independent cinema for London; provided business development guidance for a touring film festival; advised a regional independent cinema on their young audience offer; and helped another regional independent cinema reach out to local Indian audiences.

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Financial review

In the year ended 31 March 2022 ICO's income derived from grant income and fees for programming, courses, screening days, consultancy and film hire. In addition, we continued to make use of the government's COVID support through the claiming of furlough. The charity's main expense is staff costs. Other costs relate to expenses in running courses and grant giving.

Income increased by £140,000 in the year ended 31 March 2022. Many of the online activities in the previous year became hybrid versions with, for example, screening days held in venues and online.

A valuation of the property in Bickels Yard indicated that there had been an impairment during the year. The value of the property was reduced by £127,614 and the refurbishment costs were consequently also impaired by £52,137. Expenditure was therefore £179,751 more than budgeted which resulted in a deficit for the year. The loan to value covenant for the Charity Bank loan was therefore breached and a repayment of £51,711 was made in July 2022 to rectify this.

Overall net expenditure for the year was £72,463 of which there was a surplus on restricted funds of £53,084 and a deficit on unrestricted funds of £125,547.

Principal funding sources

Our principal sources of funding are from the British Film Institute. One of the BFI's main objectives is to promote access to and appreciation of the widest possible range of British and world cinema so it is a natural partner of the ICO.

Grant making policy

The ICO mainly grants awards through the Film Exhibition Fund. These funds are restricted and come from the BFI. Film Hub South East operates the Film Exhibition Fund and supports Film Audience Network (FAN) members, which includes organisations of various shapes and sizes, from community cinemas to festivals to multi-arts centres, to maximise the number of audiences engaging with independent British and International film across the region.

The fund invites applications for awards from members that respond to the Film Hub South East's strategic objectives of cultural engagement, developing young audiences, providing inclusivity and showcasing screen heritage. Applicants are asked to submit an application form, a budget and an equality monitoring form. The guidelines and regulations for awards are set by the BFI and we cannot independently make awards outside this rubric.

Reserves policy and going concern

The reserves policy is reviewed by the trustees on a regular basis. Currently the reserves policy seeks to have, at the minimum, three months running costs available to enable the charity to seek alternative or additional funding, if necessary. This equates to £250,000 (2021: £240,000). At 31 March 2022 free reserves were £97,356. The ICO have a budgeted for a small surplus in 2022/23.

Total funds held at the 31 March 2022 were £757,905 of which £312,474 is restricted funds and £445,431 unrestricted funds. Included in unrestricted funds are designated amounts of £348,075. The fixed assets fund represents the net book value of fixed assets after accounting for the loan outstanding. A fund has been established to set aside funds for the additional loan repayment in July 2022 of £51,711. The sustainability fund is an amount set aside by the charity to ensure a managed closure of the charity in the event that funding ceases. The Miles Ketley filmmakers' bursary fund has been established to commemorate our trustee who died in 2019. Funds have been set aside to provide bursaries to filmmakers to allow them to attend industry events to aid their development. It will be launched at Autumn Screening Days in 2022.

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The ICO is currently in the last year of funding with the BFI and we are awaiting the publication of the BFI's 10-year National Lottery funding strategy and details of the subsequent application process due in Autumn of 2022. We have prepared budgets for 23/24 on the basis of various scenarios, including being unsuccessful with our applications, which the trustees have considered and believe that the charity will be able to continue to operate for the foreseeable future. Please see accounting policy 1 c) for further details. In September 2022 we were informed by the BFI that we are the preferred bidder to run Film Hub South East.

Investment policy
The trustees may invest the charity's money not immediately required for its objects in any investments, securities or property. The current policy is to keep available funds in interest-bearing deposit accounts.

Fundraising
The Charity does not engage in public fundraising and does not use professional fundraisers or commercial participators. The Charity nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and the Charity received no complaints relating to its fundraising practice.

Code of Governance
The Independent Cinema Office aims to maintain good governance practices in line with the Charity Governance Code and undertook a governance workshop with the National Council for Voluntary Organisations in April 2021. A workplan was produced to improve performance in some areas. Many of these have been undertaken at time of writing. We have a new job description and terms of reference for Trustees which coincided with the change in our recruitment policies and all of our new Trustees (and some of the current ones) have undertaken the NCVO Trustee introduction/refresher course.

Principal risks and uncertainties
The high-level risks and management strategy are as follows:

Risks		Risk Management		
Nature of risk	**Gross risk**	**Strategy**	**Strength**	**Net risk**
Funding not renewed – the charity may close	High	Staff on fixed-term contracts gives a degree of flexibility. Consider opportunities in new funding bids. Explore new relationships and opportunities. Invest in marketing consultancy services. Ensure applications for funding are dealt with in a timely manner.	Strong	High
Property loan – facility may be withdrawn	High	Quarterly management accounts, cash flow, regular review of bank covenants.	Strong	Low

Plans for the future

We have seen some recovery in our sector and all of the sites we work with remain in operation and are currently going concerns. The recovery is patchy though and it still remains to be seen whether independent cinemas and film festivals can navigate their way through post-COVID times and address new audience modes of behaviour and consumption.

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The uncertainty around the BFI's new plan and funding schemes will affect the sector in the same way it will affect the ICO with many cinemas budgeting for 23-24 whilst not being sure of the future.

We continue to advocate strongly for the sector and are planning a Skills workforce survey to be published in the summer of 2022, the first of its kind in more than a decade. We hope that the data from this will continue to make the case for investment in the Exhibition sector and underline the fact that this is an economy of vertigal integration where the explosion in Film production in the UK still needs to find a receptive and engaged audience.

We intend to build on the lessons learned from COVID and are planning to deliver all our editions of Screening Days in a hybrid version to ensure the greatest access for all exhibition professionals. We will launch our continuing professional development fund for FEDS alumni to enable them to support their careers and build capacity and enable them to apply successfully for more senior roles.

We delivered the last version of DYFF supported by Creative Europe in Edinburgh in August. The Cinema of Ideas will continue for another year with a greater emphasis on delivering a programme for exhibition professionals with its conversations with international curators.

We will launch *Right of Way* in the autumn which is our archive/artists new commissions programme due to tour in the South-East of England and across the UK in the autumn. We have commissioned three British artists to make new work interrogating equitable access in the UK countryside to accompany our new archive National Trails programme. We are working with a number of significant partners on this and worked with an advisory group of activists, artists and curators on the open call and subsequent selection of the final artists.

We plan to produce new online guides which will add to our increasing portfolio of online learning opportunities and advice and information resources for the sector.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 18 February 2005 and registered as a charity on 14 April 2005. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 12 to the accounts. As set out in the Articles of Association the trustees are appointed by resolution of the trustees. Recruitment for new trustees is openly advertised with full job descriptions and interviews carried out prior to taking up office. New trustees are sent an extensive information pack which details the responsibility of trustees and their legal obligations. There are two subcommittees, Finance and Personnel & HR which make recommendations to the wider board. 2022-23 will see the development of a new sub-committee which will address EDI as part of our ongoing EDI commitments and to support the ICO's Head of Development and Partnerships in her work. Trustees are also expected to attend Board Away days where more strategic discussions concerning the organisation can take place and will be fully involved in the development of the ICO's new business plan due to be produced towards the end of 2022.

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated indirectly into the regular board meetings. All new Trustees are invited to attend the NCVO's introductory course for Trustees.

The ICO is managed by the board of Directors/Trustees. Day-to-day management is delegated to the Director and the senior management team as follows:

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Director/CEO – Catharine Des Forges
Head of Cinema – David Sin
Head of Operations – Becky Clarke
Head of Training and Professional Development – Hatice Özdemirciler
Head of Finance – Angela Blanchard

We have developed a formal framework with criteria for setting pay/remuneration for key management personnel which has included the establishment of a Personnel & HR subcommittee which makes recommendations to the wider board of trustees.
Organisations we currently work with who co-operate with our charitable objectives include BFI, Cinema for All, a number of our key client cinemas, ScreenSkills, the National Film and Television Archive and Into Film.

Trustees' responsibilities statement

The trustees (who are also directors of Independent Cinema Office for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP 2019
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware at the time of approving our trustees' report:

- There is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the charitable company's auditor is unaware; and
- The trustees, having made enquiries of fellow directors and the charitable company's auditor, have taken all steps that they ought to have individually taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small company exemptions

This report is prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

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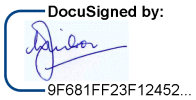
Auditors

Cooper Parry Group Limited was reappointed in the year and has expressed its willingness to continue in office.

This report was approved by the Board of Trustees on 22 November 2022 and signed on its behalf by

Dorothy Wilson MBE FRSA
Chair



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Independent Auditor's Report to the Members of Independent Cinema Office

Opinion

We have audited the financial statements of Independent Cinema Office ("the charitable company") for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, and of the incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the report of the trustees, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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Independent Auditor's Report to the Members of Independent Cinema Office (continued)
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has been prepared in accordance with legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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Independent Auditor's Report to the Members of Independent Cinema Office (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focussed on key laws and regulations the charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the charitable company's control environment and how the charitable company has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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Independent Auditor's Report to the Members of Independent Cinema Office (continued)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 Part 16 of the Companies Act 2006 and to the charitable company's trustees as a body in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Glen Bott FCA

Senior Statutory Auditor for and on behalf of:

Cooper Parry Group Limited

Chartered Accountants and Statutory Auditor
Cubo Birmingham Office 401
4th Floor
Two Chamberlain Square
Birmingham
B3 3AX

Date: 16 December 2022

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Independent Cinema Office

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	lote	Unrestricted £	Restricted £	**2022 Total £**	Unrestricted £	Restricted £	2021 Total £
Income and endowments from:							
Donations	2	14,554	–	**14,554**	139,433	10,000	149,433
Charitable activities							–
Programming	3	173,970	342,127	**516,097**	32,391	335,268	367,659
Advice, information, support & training	3	25,074	359,557	**384,631**	5,195	347,754	352,949
Film Hub South East	3	–	535,000	**535,000**	–	542,687	542,687
Distribution	3	10,295	114,246	**124,541**	93	1,832	1,925
Advocacy	3	–	30,310	**30,310**	-	43,369	43,369
Consultancy	3	20,605	37,165	**57,770**	3,055	69,028	72,083
Other trading activities	4	6,536	–	**6,536**	–	–	–
Investments – bank interest	5	97	–	**97**	239	–	239
Other income	6	363	–	**363**	–	–	–
Total income		251,494	1,418,405	**1,669,899**	180,406	1,349,938	1,530,344
Expenditure on:							
Charitable activities							
Programming	7	75,772	383,782	**459,554**	17,990	271,466	289,456
Advice, information, support & training	7	109,822	415,898	**525,720**	50,117	311,459	361,576
Film Hub South East	7	74,178	473,446	**547,624**	53,944	584,314	638,258
Advocacy	7	8,792	28,800	**37,592**	10,383	41,754	52,137
Distribution	7	34,398	81,916	**116,314**	3,361	26,064	29,425
Consultancy	7	12,007	37,015	**49,022**	6,703	64,081	70,784
Other trading activities	7	6,536	–	**6,536**	–	–	–
Total expenditure		321,505	1,420,857	**1,742,362**	142,498	1,299,138	1,441,636
Net (expenditure) / income for the year	9	(70,011)	(2,452)	**(72,463)**	37,908	50,800	88,708
Transfers between funds	21	(55,536)	55,536	**–**	953	(953)	–
Net movement in funds		(125,547)	53,084	**(72,463)**	38,861	49,847	88,708
Reconciliation of funds:							
Total funds brought forward		570,978	259,390	**830,368**	532,117	209,543	741,660
Total funds carried forward	21	445,431	312,474	**757,905**	570,978	259,390	830,368

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

The notes on pages 21 to 32 form an integral part of these financial statements.

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Independent Cinema Office

Balance sheet

Company no. 5369193

As at 31 March 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	15		**1,122,799**		1,344,932
Current assets:					
Debtors	16	**95,447**		85,483	
Cash at bank and in hand		**813,289**		677,015	
		908,736		762,498	
Liabilities:					
Creditors: amounts falling due within one year	17	**(425,832)**		(331,066)	
Net current assets			**482,904**		431,432
Total assets less current liabilities			**1,605,703**		1,776,364
Creditors: Amounts falling due after more than one year	19		**(847,798)**		(945,996)
Total net assets	20a		**757,905**		830,368
The funds of the charity:	21a				
Restricted income funds in surplus			**312,474**		262,390
Restricted income funds in deficit			**–**		(3,000)
			312,474		259,390
Unrestricted income funds:					
Designated funds		**348,075**		444,053	
General funds		**97,356**		126,925	
Total unrestricted funds			**445,431**		570,978
Total charity funds			**757,905**		830,368

The trustees have prepared these accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

Approved by the trustees on 22 November 2022 and signed on their behalf by

DocuSigned by:
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Dorothy Wilson MBE FRSA
Chair

The notes on pages 21 to 32 form an integral part of these financial statements.

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Independent Cinema Office

Statement of cash flows

For the year ended 31 March 2022

	2022 £	£	2021 £	£
Cash flows from operating activities				
Net cash provided by operating activities		**219,589**		189,717
Cash flows from investing activities:				
Dividends, interest and rents from investments	**97**		239	
Purchase of fixed assets	**–**		(19,594)	
Net cash provided by/(used in) investing activities		**97**		(19,355)
Cash flows from financing activities:				
Repayments of borrowing	**(82,386)**		(169,555)	
Cash inflow from new borrowing	**–**		90,000	
Net cash used in financing activities		**(82,386)**		(79,555)
Change in cash and cash equivalents in the year		**137,300**		90,807
Cash and cash equivalents at the beginning of the year		**677,015**		591,603
Change in cash and cash equivalents due to exchange rate movements		**(1,026)**		(5,395)
Cash and cash equivalents at the end of the year		**813,289**		677,015

Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period	**(72,463)**	88,708
Depreciation charges	**42,382**	44,807
Impairment of property	**179,751**	–
Loss on disposal of fixed assets	**–**	450
Interest from investments	**(97)**	(239)
Interest on bank loans	**32,942**	35,822
Foreign exchange losses	**1,026**	5,395
(Increase) / decrease in debtors	**(9,964)**	178,101
Increase / (decrease) in creditors	**46,012**	(163,327)
Net cash provided by operating activities	**219,589**	189,717

Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	Foreign exchange movements £	Other changes £	At 31 March 2022 £
Cash at bank and in hand	677,015	137,300	(1,026)	–	**813,289**
Loans falling due within one year	(49,883)	49,444	–	(98,198)	**(98,637)**
Loans falling due after more than one year	(945,996)	–	–	98,198	**(847,798)**
Total	(318,864)	186,744	(1,026)	–	**(133,146)**

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1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2022) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in Sterling, which is the functional currency of the charity, and rounded to the nearest £1.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

c) Going concern

Independent Cinema Office is in its last year of funding with the BFI and will apply for further funding in the autumn following the publication of their 10-year National Lottery funding strategy and details of the subsequent application process. Various budgets have been prepared depending upon the outcome of these funding applications, and they do indicate that the charity will be able to continue to operate for a period of at least 12 months from the date of signing these accounts. At the balance sheet date the charity held significant cash balances. The charity has significant reserves, enough of which are unrestricted and are sufficient to absorb short-term in year deficits, if required. The financial forecasts prepared show that the charity will be able to pay its liabilities as they fall due. On this basis the trustees have prepared these financial accounts on a going concern basis.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value to the charity which is the amount the charity would have been willing to pay to obtain services or facilities equivalent economic benefit on the open market; a corresponding amount is then receognised in expenditure in the period of receipt.

f) Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor and within the objects of the charity. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

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1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on the direct staff costs of each activity, of the amount attributable to each activity.

Programming	29.8%
Training	30.1%
Film Hub South East	29.7%
Advocacy	2.9%
Distribution	6.5%
Consultancy	1.0%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the date of the transaction. All gains and losses on exchange are put through the income and expenditure account.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £250. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Long leasehold property	2% straight line basis
Leasehold refurbishment	10% straight line basis
Fixtures, fittings & equipment	25% straight line basis
Database and website	25% straight line basis

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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1 Accounting policies (continued)

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

q) Pensions

The charity contributes to the personal pension schemes of some of its employees and from 1 November 2016 to SMARTPension, the ICO auto-enrolment scheme. The schemes and their assets are held by independent managers. The pension charge represents contributions due from the charity.

r) Estimates and judgements

Estimates and judgements have been used in the preparation of these financial statements, mainly in connection with the valuation of fixed assets and the allocation of support costs to charitable activities. The allocation of support costs is set out in accounting policy i). The long leasehold property at Bickels Yard and its related refurbishment costs have been impaired and the carry forward amount is based on a fair value valuation.

2 Donations

	Unrestricted £	Restricted £	**2022 Total £**	2021 Total £
Furlough	14,554	–	**14,554**	139,329
Big Issue Invest	–	–	**–**	10,000
Other donations	–	–	**–**	104
Total	14,554	–	**14,554**	149,433

3 Income from charitable activities

Programming	Unrestricted £	Restricted £	**2022 Total £**	2021 Total £
BFI	–	342,127	**342,127**	335,268
Venue income	147,709	–	**147,709**	18,891
Sponsorship income	2,500	–	**2,500**	500
Screening days income	23,761	–	**23,761**	13,000
Sub-total	173,970	342,127	**516,097**	367,659
Training				
ScreenSkills	–	7,647	**7,647**	51,610
Creative Europe Media	–	4,933	**4,933**	35,558
BFI	–	230,827	**230,827**	175,285
British Council	–	5,000	**5,000**	5,062
Third party contributions	–	40,000	**40,000**	40,000
Course fees	25,074	13,730	**38,804**	28,554
Contribution in kind	–	16,340	**16,340**	–
Other income	–	41,080	**41,080**	16,880
Sub-total	25,074	359,557	**384,631**	352,949
Film Hub South East				
BFI	–	535,000	**535,000**	536,362
MUBI	–	–	**–**	6,250
Other income	–	–	**–**	75
	–	535,000	**535,000**	542,687

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3 Income from charitable activities (continued)

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Distribution				
BFI	–	83,909	**83,909**	9
Arts Council England	–	27,987	**27,987**	–
Film hire and print transport	10,295	–	**10,295**	1,916
Other income	–	2,350	**2,350**	–
Sub-total	10,295	114,246	**124,541**	1,925
Advocacy				
BFI	–	30,310	**30,310**	43,369
Sub-total	–	30,310	**30,310**	43,369
Consultancy				
BFI	–	–	**–**	69,028
Fees	20,605	–	**20,605**	3,055
Other income	–	37,165	**37,165**	–
Sub-total	20,605	37,165	**57,770**	72,083
Total income from charitable activities	**229,944**	**1,418,405**	**1,648,349**	**1,380,672**

The proportion of income from charitable activities derived from outside the UK amounted to 0.3% (2021-3%).

4 Other trading activities

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Desk space	6,536	–	**6,536**	–

5 Income from investments

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Bank interest	97	–	**97**	239

6 Other income

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Other	363	–	**363**	–

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7 Analysis of expenditure

	Programming £	Training £	Film Hub South East £	Advocacy £	Distribution £	Consultancy £	Other trading activities £	**2022 Total £**	2021 Total £
Staff costs (Note 12)	251,599	253,596	250,002	24,195	55,210	8,612	–	**843,214**	737,989
Fees - Course leader/Speaker/Film maker/Project manager	25,166	103,479	34,741	3,600	14,189	150	–	**181,325**	103,489
Focus group/evaluation	150	4,000	8,257	–	–	–	–	**12,407**	–
Film hire	2,003	–	3,212	–	10,585	–	–	**15,800**	744
Filming & editing	–	3,554	–	–	–	–	–	**3,554**	1,260
Catering/hospitality/entertaining	21,230	1,702	678	37	84	13	–	**23,744**	938
Marketing and publicity	426	2,077	573	386	2,779	13	–	**6,254**	7,097
Couriers/transport	366	120	109	5	2,291	2	–	**2,893**	2,292
Production programming costs	12,528	12,403	3,339	–	4,293	–	–	**32,563**	23,691
Certification/accreditation	2,420	3,754	478	9	20	3	–	**6,684**	2,404
Venue hire	29,854	5,232	4,374	–	6	–	–	**39,466**	270
Bursaries	1,152	3,300	3,189	–	–	–	–	**7,641**	6,698
Hotel, travel & subsistence	9,424	13,861	2,216	73	360	26	–	**25,960**	1,202
Grants (Note 14)	–	11,122	135,177	–	–	36,898	–	**183,197**	318,101
IT/Web costs	4,935	6,375	8,315	310	1,617	110	–	**21,662**	30,770
Office costs	10,616	9,984	6,266	597	4,973	212	–	**32,648**	26,520
Premises costs	1,776	1,790	1,764	171	389	61	6,536	**12,487**	20,087
Depreciation	66,280	66,807	65,860	6,374	14,543	2,269	–	**222,133**	44,808
Audit	2,760	2,782	2,743	265	606	94	–	**9,250**	11,050
Annual report	448	451	445	43	98	15	–	**1,500**	–
Legal & professional	1,366	3,477	1,357	131	300	47	–	**6,678**	49,672
Bad debts	–	800	20	–	21	–	–	**841**	1,717
Bank charges & interest	10,516	10,479	9,999	960	2,952	342	–	**35,248**	36,097
Irrecoverable VAT	3,425	3,452	3,403	329	753	117	–	**11,479**	9,345
Trustees' training	808	814	803	78	177	28	–	**2,708**	–
Exchange loss	306	309	304	29	68	10	–	**1,026**	5,395
	459,554	525,720	547,624	37,592	116,314	49,022	6,536	**1,742,362**	1,441,636
Total expenditure 2021	289,456	361,576	638,258	52,137	29,425	70,784	–	1,441,636	

Of the total expenditure, £321,505 was unrestricted (2021: £142,498) and £1,420,857 was restricted (2021: £1,299,138).

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8. Support costs

These costs are allocated on a direct salary costs basis and consist of:

	2022	2021
	£	£
Staff costs	138,721	133,942
Couriers / transport	168	417
Catering/ hospitality/entertaining	1,275	270
Certification/accreditation	312	-
Marketing and publicity	1,260	705
Hotel travel & subsistence	2,528	530
IT/Web costs	10,798	10,773
Office costs	20,801	16,036
Premises costs	5,951	19,627
Depreciation	42,382	44,807
Impairment of property	179,751	-
Legal and professional	4,578	48,987
Bank charges and interest	33,444	35,404
Irrecoverable VAT	11,479	9,344
Exchange loss	1,026	5,395
Governance	13,458	7,450
	467,932	333,687

Governance costs consist of:

	2022	2021
	£	£
Audit fees	9,250	7,450
Annual report	1,500	-
Trustees' training	2,708	-
	13,458	7,450

9 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	42,382	44,807
Impairment of property and refurbishment costs	179,751	-
Loss on disposal of fixed asset	-	450
Bank interest payable	32,942	35,274
Auditors' remuneration (excluding VAT):		
Statutory audit	9,250	7,450
Other audit	-	3,000
Foreign exchange loss	1,026	5,395

10 Related party transactions

Mel Clarke, the sister of Becky Clarke, Head of Operations, was paid £3,150 (2021: £4,100) during the year for design work on various projects. At 31 March 2022 £1,650 (2021: £800) was outstanding and due to be paid. Simon Ward, trustee, was paid £475 for speaker and interview fees (2021:nil). At 31 March 2022 £150 was outstanding and due to be paid. In addition Vision Box was paid £72 for reimbursement of ticket sales during National Lottery Cinema Weekend (2021: Nil) and £54 for a training & professional development bursary to attend This Way Up conference in December 2021. During year ended 31 March 2021 £15,806 was also awarded to Vision Box through the Resilience Award Fund and Film Exhibition Fund. Simon Ward, Trustee, is co-director/owner with his wife Corinna Ward. Suman Bhuchar, the sister of Sudha Bhuchar, trustee, was awarded a bursary of £117 to pay for train tickets to attend ID Screening Days.

11 Corporation taxation

The charitable company is exempt from tax on income and gains falling within section 478 of the Corporation Tax Act 2010 or section 252 of the Taxation of Chargeable Gains Act 1982 to the extent that these are applied to its charitable objects.

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12 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	700,887	635,940
Social security costs	65,401	59,861
Employer's contribution to defined contribution pension schemes	35,461	31,254
Freelance staff	18,270	360
Staff recruitment	1,841	-
Staff training	13,971	3,549
Human resources fees	5,495	7,025
Occupational Health Insurance	1,707	-
Other staff costs	180	-
	843,213	737,989

One employee received employee benefits (excluding employer pension costs) during the year in the band £60,000 - £70,000 (2021:Nil).

The total employee benefits including employer national insurance and pension contributions of the key management personnel were £253,060 (2021: £241,964).

The charity trustees were not paid and did not receive any other benefits from employment with the charity in the year (2021: £nil).

No expenses were paid to trustees during the year (2021: £nil).

13 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2022 No.	2021 No.
Programming	4.7	4.1
Training	7.7	4.8
Film Hub South East	5.8	6.3
Advocacy	0.4	0.5
Distribution	0.9	0.4
Consultancy	0.2	0.3
Support	3.3	3.8
	23.0	20.2

14 Grants

	2022 £	2021 £
Paid from restricted funds:		
Payments to Institutions	183,197	318,101

Payments to Institutions analysed as follows:

	2022 £
Training	
Balik Arts	1,645
Bedford Players Trust	1,917
Bute Street	960
Electric Palace, Harwich	1,630
Fabrica	1,400
Ipswich	1,350
Riverside	614
Sunrise Studios	1,606
	11,122

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14 Grants (continued)

	2022 £
Film Hub South East	
Young Film Programmers	
The Riverside	700

	2022 £
Diversity	
Bute Street Film Festival	1,750

	2022 £
Film Exhibition Fund	
Anglo Asiatic Arts and Heritage Alliance (AAAHA)	2,000
Babylon Arts	7,000
Balik Arts	2,500
Bute Street Festival	9,250
Cambridge Film Festival	22,000
Chichester Cinema at New Park	2,340
Chichester Film Festival	12,500
CINECITY	10,000
Cine-Sister: Gateway Film Festival	1,250
Creative Arts East	14,920
Depot Cinema	1,600
Film Hub Wales - D&I	2,500
Gulbenkian	2,250
Ipswich Film Theatre	(1,750)
Margate Film Festival	3,000
Norden Farm Centre Trust Ltd	5,620
Norwich Film Festival	4,085
The Place, Bedford	5,000
The Riverside	750
Ropetackle Arts Centre	1,865
South Hill Park Arts Centre	3,000
The Theatre Chipping Norton	2,400
videoclub: Film Explorers Festival	2,500
Violet Pictures	6,000
Watersprite Film Festival	8,000
Women Over Fifty Film Festival	3,500
Worthing Theatres & Museum	(1,053)
	133,027

	2022 £
Open Access Fund	
Project 49	(300)
Total Film Hub South East	135,177

	2022 £
Consultancy - National Lottery Cinema Weekend	
Grants awarded to 69 different institutions totalling	36,898

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15 Tangible fixed assets

	Long leasehold property	Leasehold refurb - ishment	Database and website	Fixtures, fittings & equipment	**Total**
		£	£	£	**£**
Cost or valuation					
At the start of the year	1,308,014	65,082	35,973	30,780	**1,439,849**
Disposals in year	-	-	-	(900)	**(900)**
At the end of the year	1,308,014	65,082	35,973	29,880	**1,438,949**
Depreciation					
At the start of the year	39,240	6,437	30,199	19,041	**94,917**
Charge for the year	26,160	6,508	5,774	3,940	**42,382**
Disposals in year	-	-	-	(900)	**(900)**
Impairment	127,614	52,137	-	-	**179,751**
At the end of the year	193,014	65,082	35,973	22,081	**316,150**
Net book value					
At the end of the year	**1,115,000**	**-**	**-**	**7,799**	**1,122,799**
At the start of the year	1,268,774	58,645	5,774	11,739	1,344,932

All of the above assets are used for charitable purposes.

16 Debtors

	2022	2021
	£	£
Trade debtors	**52,987**	24,532
Other debtors	**281**	10,400
Prepayments	**15,101**	10,318
Accrued income	**27,078**	40,233
	95,447	85,483

17 Creditors: amounts falling due within one year

	2022	2021
	£	£
Grants payable	**60,440**	43,892
Secured bank loans	**98,637**	49,883
Trade creditors	**61,732**	49,875
Accruals	**45,519**	88,740
Other creditors	**-**	8,663
Taxation and social security	**30,921**	12,546
Pension contributions	**5,241**	3,310
Deferred income	**123,342**	74,157
	425,832	331,066

18 Deferred income

Deferred income comprises of grant and income for events taking place in 2022/23 and consultancy fees received in advance of the work being carried out.

	2022	2021
	£	£
Balance at the beginning of the year	**74,157**	317,575
Amount released to income in the year	**(22,242)**	(312,575)
Amount deferred in the year	**71,427**	69,157
Balance at the end of the year	**123,342**	74,157

19. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Secured bank loans - falling due in less than 5 years	**177,935**	218,615
Secured bank loans - falling due after 5 years	**669,863**	727,381
	847,798	945,996

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19. Creditors: Amounts falling due after more than one year (continued)

There are three secured and one unsecured bank loans on the property at Unit 9 Bickels Yard, London, SE1 3HA. The loan from Charity Bank is charged at 4.4% and the loans with Big Issue Invest are charged at 7% and 6%. The Charity Bank loan is repayable over 25 years and the Big Issue Invest loans over 7 years, 63 months and 57 months. The property has a carrying value of £1,115,000. The loans are secured with fixed and floating charges over the assets of the charity. At 31 March 2022 following the impairment of the property Charity Bank's loan to value covenant was in breach however this was remedied during July 2022 when a repayment of £51,711 was made. The carrying amount of loan in breach was £836,067 at 31 March 2022.

20a Analysis of net assets between funds (Current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	1,122,799	–	**1,122,799**
Net current assets	97,356	73,074	312,474	**482,904**
Creditors due after more than one year	–	(847,798)	–	**(847,798)**
Net assets at the end of the year	**97,356**	**348,075**	**312,474**	**757,905**

20b Analysis of net assets between funds (Prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	1,344,932	–	**1,344,932**
Net current assets	126,925	45,117	259,390	**431,432**
Creditors due after more than one year	–	(945,996)	–	**(945,996)**
Net assets at the end of the year	**126,925**	**444,053**	**259,390**	**830,368**

21a Movements in funds (Current year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
British Film Institute	46,948	458,696	(498,701)	42,031	**48,974**
BFI - Advice, information, support and training	127,413	276,678	(314,280)	3,502	**93,313**
Film Hub South East	59,380	535,000	(470,037)	–	**124,343**
MUBI bursary fund	1,000	–	(992)	(8)	**–**
Developing Your Own Film Festival 2020	7,285	(53)	(7,285)	53	**–**
Devloping Your Own Film Festival 2022	–	4,985	(4,985)	1,121	**1,121**
ScreenSkills	–	9,222	(9,222)	–	**–**
Other training	19,058	68,725	(76,668)	142	**11,257**
Tours -					
BFI - The Camera is Ours	–	–	–	8,695	**8,695**
BFI - Britain on Film	1,263	–	(324)	–	**939**
Arts Council England - Second Sight	(3,000)	3,000	–	–	**–**
Arts Council England - National Trails	–	24,987	(1,465)	–	**23,522**
National Lottery Cinema Weekend	43	37,165	(36,898)	–	**310**
Total restricted funds	259,390	1,418,405	(1,420,857)	55,536	**312,474**
Unrestricted funds:					
Designated funds:					
Fixed assets	349,053	–	(222,133)	49,444	**176,364**
Loan repayment	–	–	–	51,711	**51,711**
Sustainability fund	95,000	–	–	10,000	**105,000**
Miles Ketley filmmakers' bursary fund	–	–	–	15,000	**15,000**
Total designated funds	444,053	–	(222,133)	126,155	**348,075**
General funds	126,925	251,494	(99,372)	(181,691)	**97,356**
Total unrestricted funds	570,978	251,494	(321,505)	(55,536)	**445,431**
Total funds	830,368	1,669,899	(1,742,362)	–	**757,905**

The narrative to explain the purpose of each fund is given at the foot of the next note.

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21b Movements in funds (Prior year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
British Film Institute	–	458,897	(401,671)	(10,278)	**46,948**
BFI – Advice, information, support and training	96,176	164,053	(151,702)	18,886	**127,413**
Film Hub South East	86,717	542,687	(570,024)	–	**59,380**
MUBI bursary fund	1,000	–	–	–	**1,000**
Developing Your Own Film Festival 2020	–	55,579	(48,294)	–	**7,285**
Other training	4,315	116,890	(102,260)	113	**19,058**
Big Issue Access	–	10,000	–	(10,000)	**–**
Britain on Film	19,012	–	(17,749)	–	**1,263**
Other BFI funded tours	3,910	1,832	(6,068)	326	**–**
Arts Council England	(1,630)	–	(1,370)	–	**(3,000)**
National Lottery Cinema Day	43	–	–	–	**43**
Total restricted funds	209,543	1,349,938	(1,299,138)	(953)	**259,390**
Unrestricted funds:					
Designated funds:					
Fixed assets	330,983	–	–	18,070	**349,053**
Sustainability fund	89,300	–	–	5,700	**95,000**
Total designated funds	420,283	–	–	23,770	**444,053**
General funds	111,834	180,406	(142,498)	(22,817)	**126,925**
Total unrestricted funds	532,117	180,406	(142,498)	953	**570,978**
Total funds	741,660	1,530,344	(1,441,636)	–	**830,368**

Purposes of restricted funds

British Film Institute
Funding received from the BFI to be a strategic partner for the BFI Film Audience Network (FAN) to enable film exhibitors to boost film audiences around the UK for independent and specialised films.

British Film Institute – Advice, information, support and training
Organisational funding received to provide telephone and online support including an update of our online resources, support to venues and additional funding for our FEDS training scheme.

Film Hub South East
The ICO is responsible for administering funds from the National Lottery to support a stronger and more connected approach to growing audiences for British and International cinema throughout the region. During 2021/22 we distributed funds through the Film Exhibition Fund.

MUBI bursary fund
Funding received from MUBI to be used for screening day bursaries.

Developing Your Own Film Festival
Funding received from the European MEDIA programme and the British Council to support the costs of running the Developing Your Film Festival course which will take place in August 2022 in Edinburgh. An on line version was held in March 2021.

ScreenSkills
Funding received to run an on line course – Data Driven Film Exhibition. In the prior year online versions of FEDS Elevate and DDM courses were provided.

Other training
Funding received from FAN. During 2021/22 we ran a the Women's Leadership course and also continued the FAN Festivals training which commenced in 2020/21.

Big Issue Access
A donation was received from Big Issue Access Ltd to part repay a loan with Big Issue Invest.

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Purposes of restricted funds (continued)

Britain on Film
Organisational funding received from the BFI to enable the ICO to deliver eight archive film programmes.

Other BFI funded tours
Second Sight which celebrated the UK's Black Workshop Movement continued into 2020/21.

Arts Council England
Funding received to commission three new films from British Artists for our National Trails tour.

National Lottery Cinema Weekend / Day
Funding received from Camelot to repay venues the ticket value of tickets given away on National Lottery Cinema Weekend in June 2021.

Purposes of designated funds

Fixed assets
Funds representing the net book value of fixed assets, after deducting loans outstanding, that are consequently not readily available in cash.

Loan repayment
Due to a decrease in the value of the property and its subsequent impairment in these financial statements, £51,711 was repaid to Charity Bank in July 2022 to ensure that the Charity remained within the loan covenants. An amount has been set aside to account for this.

Sustainability fund
An amount set aside to pay redundancy costs in the event of the closure of the charity.

Miles Ketley filmmakers' bursary fund
An amount set aside to pay bursaries to filmmakers to enable them to attend industry events to aid their development.

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. At 31 March 2022 there were 13 (2021: 7) guarantees in place.

INDEPENDENT CINEMA OFFICE

England & Wales - Charity number 1109053

Accounts

Company number: 5369193
Charity number: 1109053

Independent Cinema Office

(Limited by Guarantee)

Report and Financial Statements

For the year ended 31 March 2021

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Independent Cinema Office

Reference and administrative details

Charity registration number: 1109053
Company registration number: 5369193

Registered office and operational address:
Independent Cinema Office
Unit 9 Bickels Yard,
151-153 Bermondsey Street
London SE1 3HA

Trustees

The Directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as trustees.

Trustees who served during the year and up to the date of this report were as follows:

Sudha Bhuchar
Thea Burrows (appointed 11 June 2020)
Julian Connerty
Miles Ketley (Deceased 18 October 2020)
Susan Lovell
George Sawtell
Simon Ward
Dorothy Wilson MBE FRSA (Chair)

Key management personnel:

Director/CEO – Catharine Des Forges
Head of Cinemas – David Sin
Head of Operations – Becky Clarke
Head of Partnerships & Development – Hatice Özdemirciler
Head of Finance – Angela Blanchard

Bankers:

Barclays Bank Plc, Leicester LE87 2BB

Solicitors:

Bates, Wells & Braithwaite, Cheapside House, 138 Cheapside, London EC2V 6BB

Auditors:

Cooper Parry Group Limited
Statutory Auditors
Park View
One Central Boulevard
Blythe Valley Business Park
Solihull
B90 8BG

Trustees' report

The trustees present their report and the audited financial statements for the year ended 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The reference and administrative information set out on page 2 form part of this report. The financial statements comply with Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

Purposes and aims

The objects of the charity are to promote all purposes recognised as charitable under the laws of England and Wales from time to time, in particular, without prejudice to the generality, the promotion, maintenance, improvement and advancement of education of the public by the encouragement of the knowledge and appreciation of the arts of film and video.

Aims

The ICO's mission is to stimulate an open, thriving and challenging film culture. We have six overarching goals:

- To increase admissions for independent cinemas
- To enable a diverse range of films to be seen by diverse audiences
- To make the exhibition industry more inclusive
- To provide formal training routes into exhibition careers
- To support new venues so that people can access independent films wherever they live
- To inform positive policy changes and increased funding for independent film exhibition.

Activities

The principal activity of the charity during the year was to act as the national support organisation for independent cinemas. Our key activities are film programming advice, training, distribution and consultancy. We also manage Film Hub South East, part of British Film Institute's (BFI) Film Audience Network (FAN), The trustees review the aims, objectives and activities of the charity each year.

Public Benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit: running a charity (PB2) and fee charging. The ICO relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of its activities.

The charity has a series of aims which foreground public benefit as a key outcome of its activities. These include:

- Having inclusivity at the heart of our mission statement
- Ensuring that wherever you live in the UK, you have the same access to the art of film as if you lived in the capital
- Expanding the geographical reach of world cinema (including artists' work, animation and archive film)
- Building capacity in organisations both professional and non-professional to ensure that they achieve the highest standards in audience development through training programmes and online resources available at no charge to all users
- Offering bursaries for those with caring responsibilities or access needs on all of our training courses

- Partnering with grassroots and community organisations especially those in rural communities
- National advocacy for our sector
- Offering free advice and information to a huge range of organisations from schools to care homes as well as traditional cinemas
- Only working with partners and clients who share our goal to develop audiences for a wide range of cinema thereby ensuring that the public has access to the widest range of films possible, both archive and contemporary.

Diversity

The ICO was established in 2003 to ensure that a wide range of stories reached a wider range of audiences and we have put diversity at the heart of what we do ever since. However, the murder of George Floyd in the USA in May 2020 and the subsequent worldwide Black Lives Matter protests sparked crucial internal conversations about our work, our influence and how we use our power.

As an organisation with a predominantly white staff and Board of Trustees, we recognise our own position of privilege, our shortcomings and that we don't have all the answers. We have been asking ourselves urgent questions about our organisational culture, how to scrutinise our assumptions and how structural racism operates. Working with critical friends external to our organisation but experienced in organisational change and anti-racist work in the arts, we have developed an Equality, Diversity and Inclusion action plan (EDI plan), the first phase of which was published on our website in March 2021. Black Lives Matter – ICO Equality, Diversity and Inclusion action plan - Independent Cinema Office

We have committed to publishing updates on our progress twice a year and encourage feedback, ensuring the plan will continue to evolve. Currently our EDI plan specifically focuses on addressing racism; however, we take an intersectional view of matters relating to equality and inclusion and understand an individual's multifaceted social and political identities (race, class, gender, disability, sexuality, religion and others) overlap to influence their experiences of racism.

We established a number of actions to arrive at this point;

- We invited all staff and Board members to contribute to an anonymous document sharing thoughts, feelings, reactions and ideas in response to the Black Lives Matter movement
- We asked for volunteers to form an internal Anti-Racism Working Group, which held 12 detailed, twohour discussion sessions in August and September 2020
- The group reviewed all the ideas in the anonymous document and began to develop an action plan specific to the work of the ICO
- This draft action plan was discussed and agreed at a staff meeting attended by all employees. We then consulted with three experienced arts professionals who acted in the role of critical friends, scrutinising our commitments and decision-making processes and providing valuable insight into key areas we needed to consider moving forward. The ICO's Anti-Racism Working Group will continue to meet regularly and discussions will take place fortnightly at the ICO's staff meeting, to ensure the ideas, challenges and commitments in the plan remain a constant focus in our work.

We have taken a number of immediate actions including;

- Publishing an organisational audit of our staff and Trustees and updating twice a year
- Undertaking Unconscious bias training for all staff and Trustees
- Recruiting an independent HR consultant to sit outside of senior management and act as a support to all staff

- Establishing a Co-Creation committee for our FEDS scheme to ensure that we have the input of FEDS alumni on future training for participants who are all from communities traditionally excluded by the film industry

The plan includes a wide ranging series of commitments and objectives that we will be working towards during 2021-22.

Achievements and performance

This report looks at the charity's achievements and the outcomes of its work in the reporting period.

Programming

Programming is at the heart of the Independent Cinema Office. We support cinemas all over the UK, whether they're in major cities or rural communities, to access a cultural film offering which will take their venue to the next level.

In 2020-21, we worked with 24 client venues across the UK, helping them navigate long periods of closure and the extreme circumstances the pandemic brought. We helped them establish virtual programme offerings and communicated distributors' releases dates and changes, often redoing programmes at short notice. We also supported our client cinemas in material ways by waiving fees through periods of closure and halving fees when they had to operate with social distancing.

We programmed the first online edition of Borderlines Film Festival, which saw admissions of 15,814 with tickets purchased across 800 different postcodes.

Towards the end of the year, we acquired five new programming clients – cinemas in Chichester, Northampton, Reading, Totnes and Wirksworth – and are delighted to begin 2021-22 with a record client list of 29.

Screening Days

This year, we moved our Screening Days online in response to COVID-19. After surveying our email subscriber list, we re-designed the events and held two virtual Screening Days in December 2020 and March 2021, streaming films online and running capacity-building sessions alongside. They were our two highest attended events ever.

Total figures for the Screening Days programme this year:

- 664 unique delegates in attendance
- 326 unique organisations represented
- 34 films screened from 18 countries
- Over 50% of films screened made by filmmakers of colour or disabled filmmakers

As well as easing physical access to the events by holding them online and reducing fees to reflect our lowered event costs, we also increased accessibility by making all films available with subtitles for Deaf/hard of hearing audiences.

We aim to return to in-person events when possible, but due to the success of these online editions, also plan to incorporate some online elements into all future Screening Days.

Training

The ICO's training portfolio offers film exhibition professionals the opportunity to benefit from high-level knowledge, ensuring our sector is successful, inclusive and progressive. Following the onset of COVID-19, we rapidly evolved our offer to support a sector facing unprecedented challenges, moving all training courses and professional development opportunities online.

In 2021-21:

- The ICO trained over 120 film exhibition professionals from nearly 100 organisations and 19 countries live online
- 774 students enrolled on our online learning platform, which has been used by over 1.4k students to date

We delivered the 10th edition of our internationally acclaimed ***Developing Your Film Festival*** course live online to 20 film festival professionals from 13 countries over the course of five weeks with speakers from festivals including Toronto, New Horizons, Rotterdam and Vilnius International Film Festivals. 100% of participants said they would recommend the course.

With financial support from the BFI Film Audience Network, we designed and delivered the ***UK Film Festival Roundtable***. Staff from 15 UK festivals took part in six interactive group sessions which included discussions on strategic planning, audience development, press and PR, sponsorship and partnerships and how to negotiate the challenges of COVID-19.

We partnered with arts sustainability charity Julie's Bicycle to deliver ***Making Cinemas Environmentally Sustainable***, a series of online training workshops to increase film exhibitor awareness of environmental impacts and paths to in-venue sustainability. Over 100 cinema and film festival workers took part.

We held a live online version of ***Data-Driven Marketing***, attended by 18 participants hailing from all regions of the UK, as well as offering a pre-recorded version of the same course on our online learning platform. We made all courses on our online learning platform free to access at the start of the pandemic and ran promotions throughout the year to ease accessibility.

With support from ScreenSkills and BFI FAN, we presented ***FEDS Elevate: Leadership Programme for Cinema Professionals***. FEDS Elevate was designed to support and develop alumni of our flagship FEDS programme (aimed at diversifying the film exhibition workforce), helping them to progress into decision-making roles and thereby embedding industry change.

Finally, we concluded the 3rd iteration of our Women's Leadership programme, a demonstrably successful intervention aimed at women working in senior roles and designed to achieve more equal representation at the highest levels. Over six months, eight participants were supported through teaching, coaching and mentoring sessions to identify a career progression path and create a personal development programme.

Advice and Information

We seek to democratise access to information about the film industry and how to succeed in it, providing advice, support, blog posts and web guides for people who have never shown a film as well as long-established independent venues and workers throughout the sector.

This year, we answered a huge array of enquiries around COVID-19, directing exhibitors towards funding, information and resources as well as helping them show films in new ways, such as via drive-in screenings or online.

We developed our blog and online resources to ensure they not only offered comprehensive COVID-19 support, but also inspiration for those hoping to use the lockdown as a period of evaluation and future thinking. We increased the number and frequency of our blog posts to promote sector support and maintain communications with those isolated at home. We focused our blog strategy on organisational renewal and anti-racism and began a 'Manifesto' series calling for a reinvention of the way we think of cinema. We delivered a series on Black cinema and added a prominent call for new contributors to our blog page.

As well as collating information into practical online resources advising cinemas on how to cope with COVID-19, we launched four new downloadable online guides on marketing, audience development, film projection and good governance.

In addition, we continued to publish jobs on our free to use jobs board, with all roles added each day sent out in a daily email digest to subscribers.

In 2020-2021:

- We answered 1,500 enquiries and advertised 180 jobs
- ICO blog pages received +31k page views and +20k unique views
- New ICO online guides were downloaded 1,552 times

Film Hub Lead Organisation – South East

The ICO has managed Film Hub South East – one of the BFI Film Audience Network's eight regional film hubs – since 2018. Throughout 2020-21, we supported our members both financially and strategically, helping them navigate an extremely challenging period. Early on, we refocused our work on helping members access enough emergency funding to survive.

- **BFI FAN COVID-19 Resilience Fund** – In April 2020, we launched our first emergency fund in conjunction with the other Film Hubs, providing grants to film exhibitors in critical financial need. We received 18 applications and approved 16 for support, allocating £143,000 overall.

- **Film Exhibition Fund** – In August 2020, we launched our second emergency fund to support members to resume cultural film programming and reengage with a diverse range of audiences. We received 20 applications; all were awarded support, totalling £86,000.

- We also encouraged members to apply to the **BFI Culture Recovery Fund**, offering an application review service for draft proposals and providing guidance to ensure a strong case for support was put forward. In Round 1, 52 venues from the South East were supported, resulting in over £3.5m in regional funding.

In addition, we:

- Offered bespoke support to members facing existential financial challenges
- Converted our Young Film Programmers' (YFP) Network to an online series ('Intermissions') comprising an online viewing group programmed by Network members and online Industry Sessions giving them the opportunity to talk directly to people working in film exhibition and related professions
- Held our Programming Group meetings online, advising key regional theatrical sites on industry developments, programming, online screenings and reopening
- Delivered our first virtual members' Forum in Feb 2021, using members' feedback on current needs to design an online programme of sessions exploring topics such as: programming in a pandemic, national FAN opportunities, online screening platforms for beginners, mental health awareness and best practice for reopening.
- Funded 38 filmmakers across the region via our BFI NETWORK South East activities
- Welcomed over 800 attendees to our BFI NETWORK South East online events programme

We continue to build our membership and seek out new partnerships in the region to develop our network of independent exhibitors.

Distribution

While the number of films in distribution reaches a new high on an annual basis, the opportunity to see a true diversity of work is limited in the UK. The ICO's distribution projects are a response to this. We focus on sharing films that make a cultural contribution to cinemas and expand the

possibilities for UK audiences. Our special interest is in uncompromising new work, reissues of key works of world cinema and artists' film.

In 2020-21, our planned distribution activities were limited by COVID-19. We began the year having just launched **Second Sight**, a national film tour created in association with LUX. Exploring the legacy, methods, aesthetic strategies and histories of the UK's Black Film Workshop Movement, **Second Sight** incorporated key archive films from the 1980s with new commissions from contemporary film artists, created in response to the Workshop context.

Cinema screenings of the films were unfortunately limited by lockdown. However, we were able to make the films available for online and occasional in-venue screenings at sites across the UK throughout 2020, often accompanied by filmmaker Q&As.

Consultancy

Through consultancy, independent cinema operators can attain best practice at all stages of the cinema operation process, from feasibility study through to business planning and into cinema management, programming, audience development, fundraising, technical presentation and sustainability.

ICO consultancy is a fee-based service which can provide research and special reporting on the widest possible range of cinema related matters. In a year, the ICO fields over 300 enquiries and we have developed a repertoire of consultancy formats to respond to the variety of these enquiries in the most effective way – from advice sessions to the development of business or audience development plans, to full options appraisals or feasibility studies.

Due to COVID-19, this year there was an absence of larger, more typical consultancy projects, indicating that there was little opportunity to initiate long-term projects in 2020-21 and that many of the projects the ICO had contributed to prior to this period had been put on hold.

However, we advised several cinemas and festivals via one-to-one surgeries and general advice sessions, most often to help think through short-term practical issues and industry changes necessitated by the pandemic. ICO consultancy also supported several film festivals to deliver their events online and explore the long-term potential for online programming even after they have returned as venue-based events.

Financial review

In the year ended 31 March 2021 ICO's income derived from grant income and fees for programming, courses, screening days, consultancy and film hire. In addition, we made use of the government's COVID support through the claiming of furlough. The charity's main expense is staff costs. Other costs relate to expenses in running courses and grant giving.

Income decreased by just under £240,000 in the year ended 31 March 2021. Many of the activities planned for the year were changed resulting in a reduction in expenditure.

Overall net income for the year was £88,708 of which £49,847 related to restricted funds and £38,861 related to unrestricted funds.

Principal funding sources

Our principal sources of funding are from the British Film Institute. One of the BFI's main objectives is to promote access to and appreciation of the widest possible range of British and world cinema so it is a natural partner of the ICO.

Reserves policy and going concern

The reserves policy is reviewed by the trustees on a regular basis. Currently the reserves policy seeks to have, at the minimum, three months running costs available to enable the charity to seek alternative or additional funding, if necessary. This equates to £240,000 (2020: £230,000). At

31 March 2021 free reserves were £126,925. This amount is represented mainly by cash at bank. The ICO has budgeted for a small surplus in 2021/22.

Total funds held at the 31 March 2021 were £830,368 of which £259,390 is restricted funds and £570,978 unrestricted funds. Included in unrestricted funds are designated amounts of £444,053. The fixed assets fund represents the net book value of fixed assets after accounting for the loan outstanding. The sustainability fund is an amount set aside by the charity to ensure a managed closure of the charity in the event that funding ceases.

At the date of signing these financial statement the trustees have considered the information available to them with regards to the effect of COVID 19 on the charity and do not believe it will affect the charity's ability to continue to operate for the foreseeable future. As with many organisations there have been short term practical difficulties which we have addressed by putting in systems to enable staff to work from home. We have discussed the activities we will deliver and a provisional timetable with our funders and have utilised government assistance such as the furlough scheme. Due to the level of our reserves and the security of income streams, especially from the British Film Institute, who have been extremely supportive, we are well placed to continue operating. Please see accounting policy 1 c) for further details.

Investment policy
The trustees may invest the charity's money not immediately required for its objects in any investments, securities or property. The current policy is to keep available funds in interest-bearing deposit accounts.

Fundraising
The Charity does not engage in public fundraising and does not use professional fundraisers or commercial participators. The Charity nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and the Charity received no complaints relating to its fundraising practice.

Code of Governance
The Independent Cinema Office aims to maintain good governance practices in line with the Charity Governance Code and undertook a governance workshop with the National Council for Voluntary Organisations in April 2021. A workplan was produced to improve performance in some areas. Many of these have been undertaken at time of writing.

Principal risks and uncertainties
The high-level risks and management strategy are as follows:

Risks		Risk Management		
Nature of risk	**Gross risk**	**Strategy**	**Strength**	**Net risk**
COVID-19 – the charity may close	High	Budget and cash flow have been amended to reflect reduced earned income. ICO continued to make use of the Government Furlough Scheme.	Strong	High
Funding not renewed – the charity may close	High	Staff on fixed-term contracts gives a degree of flexibility. Consider opportunities in new funding bids. Explore new relationships and opportunities. Invest in marketing consultancy services. Ensure applications for funding are dealt with in a timely manner.	Strong	High

Risks		Risk Management		
Nature of risk	**Gross risk**	**Strategy**	**Strength**	**Net risk**
Property loan – facility may be withdrawn	High	Quarterly management accounts, cash flow, regular review of bank covenants.	Strong	Low

Plans for the future

2021-22 sees a lot of uncertainty for the Exhibition sector. The UK ended many of the COVID restrictions for social gatherings which affected cinemas. However, we still have a number of client cinemas which are not open and audiences who have become accustomed to watching films online, as well as organisations who have come to terms with delivering programmes which adhere to a hybrid model.

We ourselves have become adept at delivering our events and courses online and 2021-2 sees plans for Screening Days online. We have delivered Cultural Cinema Exhibition course (our flagship training course) online for the first time and continue to deliver our Core Skills seminars, Hub capacity building sessions and NETWORK events for filmmakers and new talent online.

We will plan for the return to physical spaces in the autumn but are mindful that the situation is volatile and may change. We are also piloting a new virtual space, the ICO Cinema of Ideas, which sees us programming an online platform with an ambitious cultural programme of screenings and events which we will make available to our client cinemas free of charge, with an advantageous income split for them. This will enable venues who have received public funding via the governments Cultural Recovery Fund to deliver a wider range of programming to their audiences without the provision of additional resources or financial risk at a time of great need and uncertainty.

We will also be publishing new guides on Governance and Programming for exhibition organisations. The pandemic demonstrated the disproportionate effects of crisis on different groups in the UK and highlighted the inequalities present in the public arts sector. There have been a number of very public scandals in the sector ranging from bullying to sexual harassment to the lack of protections and low pay of Front Of House staff. We will continue to work with partners for an independent ombudsman for the film industry to protect workers and deliver a number of workshops around our Governance guide to inform and support those organisations who would like to make their own structures more rigorous.

We will continue to work on our anti-racist commitments, deliver our final DYFF course with EU funding and seek to raise funds for a series of new artists commissions about the national trails in the South East of England, following on from our Second Sight project. Internally we have interrogated our own governance and after a workshop facilitated by the NCVO are planning a new recruitment drive for a more inclusive board of Trustees during the next year. In addition, our new HR consultant has helped us to overhaul our recruitment processes and procedures endeavouring to make them more inclusive which we hope will help us attract a workforce that is more reflective of the communities we serve.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 18 February 2005 and registered as a charity on 14 April 2005. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 12 to the accounts. As set out in the Articles of Association the trustees are appointed by resolution of the trustees. Recruitment for new trustees is openly advertised with full job descriptions and interviews carried out prior to taking up office.

New trustees are sent an extensive information pack which details the responsibility of trustees and their legal obligations. There are two subcommittees, Finance and Personnel & HR which make recommendations to the wider board. Trustees are also expected to attend Board Away days where more strategic discussions concerning the organisation can take place.

Policies and procedures adopted for the induction and training of trustees are ongoing and incorporated indirectly into the regular board meetings.

The ICO is managed by the board of Directors/Trustees. Day-to-day management is delegated to the Director and the senior management team as follows:

Director/CEO – Catharine Des Forges
Head of Cinema – David Sin
Head of Operations – Becky Clarke
Head of Training and Professional Development – Hatice Özdemirciler
Head of Finance – Angela Blanchard

We have developed a formal framework with criteria for setting pay/remuneration for key management personnel which has included the establishment of a Personnel & HR subcommittee which makes recommendations to the wider board of trustees.

Organisations we currently work with who co-operate with our charitable objectives include BFI, Cinema for All, a number of our key client cinemas, ScreenSkills, the National Film and Television Archive and Into Film.

Trustees' responsibilities statement

The trustees (who are also directors of Independent Cinema Office for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP 2019
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware at the time of approving our trustees' report:

- There is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the charitable company's auditor is unaware; and
- The trustees, having made enquiries of fellow directors and the charitable company's

auditor, have taken all steps that they ought to have individually taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small company exemptions

This report is prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

Auditors

Cooper Parry Group Limited was reappointed in the year and has expressed its willingness to continue in office.

This report was approved by the Board of Trustees on 28 September 2021 and signed on its behalf by

Dorothy Wilson MBE FRSA
Chair

Independent Auditor's Report to the Members of Independent Cinema Office

Opinion

We have audited the financial statements of Independent Cinema Office ("the charitable company") for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of the incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the report of the trustees, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to

Independent Auditor's Report to the Members of Independent Cinema Office (continued)

be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has been prepared in accordance with legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Independent Cinema Office (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focussed on key laws and regulations the charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the charitable company's control environment and how the charitable company has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Independent Auditor's Report to the Members of Independent Cinema Office (continued)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 Part 16 of the Companies Act 2006 and to the charitable company's trustees as a body in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Glen Bott FCA

Senior Statutory Auditor for and on behalf of:

Cooper Parry Group Limited

Chartered Accountants and Statutory Auditor
One Central Boulevard
Park View
Blythe Valley Park
Solihull
West Midlands
B90 8BG

Date: 01 October 2021

Independent Cinema Office

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	lote	Unrestricted £	Restricted £	**2021 Total £**	Unrestricted £	Restricted £	2020 Total £
Income and endowments from:							
Donations	2	139,433	10,000	**149,433**	8,950	–	8,950
Charitable activities							
Programming	3	32,391	335,268	**367,659**	205,319	364,527	569,846
Advice, information, support & training	3	5,195	347,754	**352,949**	250	425,418	425,668
Film Hub South East	3	–	542,687	**542,687**	4,569	500,000	504,569
Distribution	3	93	1,832	**1,925**	4,285	180,551	184,836
Advocacy	3	–	43,369	**43,369**	-	-	-
Consultancy	3	3,055	69,028	**72,083**	14,148	46,734	60,882
Other trading activities	4	–	–	**–**	13,308	–	13,308
Investments – bank interest	5	239	–	**239**	861	–	861
Other income	6	–	–	**–**	1,371	–	1,371
Total income		180,406	1,349,938	**1,530,344**	253,061	1,517,230	1,770,291
Expenditure on:							
Charitable activities							
Programming	7	17,990	271,466	**289,456**	94,201	363,692	457,893
Advice, information, support & training	7	50,117	311,459	**361,576**	12,006	397,743	409,749
Film Hub South East	7	53,944	584,314	**638,258**	24,735	490,815	515,550
Advocacy	7	10,383	41,754	**52,137**	–	–	–
Distribution	7	3,361	26,064	**29,425**	12,763	237,183	249,946
Consultancy	7	6,703	64,081	**70,784**	5,565	46,807	52,372
Other trading activities	7	–	–	**–**	13,308	–	13,308
Total expenditure		142,498	1,299,138	**1,441,636**	162,578	1,536,240	1,698,818
Net income / (expenditure) for the year	9	37,908	50,800	**88,708**	90,483	(19,010)	71,473
Transfers between funds	21	953	(953)	**–**	(21,759)	21,759	–
Net movement in funds		38,861	49,847	**88,708**	68,724	2,749	71,473
Reconciliation of funds:							
Total funds brought forward		532,117	209,543	**741,660**	463,393	206,794	670,187
Total funds carried forward	21	570,978	259,390	**830,368**	532,117	209,543	741,660

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

The notes on pages 20 to 31 form an integral part of these financial statements.

Independent Cinema Office

Balance sheet

Company no. 5369193

As at 31 March 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	15		**1,344,932**		1,370,595
Current assets:					
Debtors	16	**85,483**		263,584	
Cash at bank and in hand		**677,015**		591,603	
		762,498		855,187	
Liabilities:					
Creditors: amounts falling due within one year	17	**(331,066)**		(477,501)	
Net current assets			**431,432**		377,686
Total assets less current liabilities			**1,776,364**		1,748,281
Creditors: Amounts falling due after more than one year	19		**(945,996)**		(1,006,621)
Total net assets	20a		**830,368**		741,660
The funds of the charity:	21a				
Restricted income funds in surplus			**262,390**		211,173
Restricted income funds in deficit			**(3,000)**		(1,630)
			259,390		209,543
Unrestricted income funds:					
Designated funds		**444,053**		420,283	
General funds		**126,925**		111,834	
Total unrestricted funds			**570,978**		532,117
Total charity funds			**830,368**		741,660

The trustees have prepared these accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

Approved by the trustees on 28 September 2021 and signed on their behalf by

Dorothy Wilson MBE FRSA
Chair

The notes on pages 20 to 31 form an integral part of these financial statements.

Independent Cinema Office

Statement of cash flows

For the year ended 31 March 2021

	2021		2020	
	£	£	£	£
Cash flows from operating activities				
Net cash provided by / (used in) operating activities		**189,717**		219,132
Cash flows from investing activities:				
Dividends, interest and rents from investments	**239**		861	
Purchase of fixed assets	**(19,594)**		(1,366,067)	
Net cash provided by/(used in) investing activities		**(19,355)**		(1,365,206)
Cash flows from financing activities:				
Repayments of borrowing	**(169,555)**		(28,868)	
Cash inflow from new borrowing	**90,000**		1,050,000	
Net cash provided by/(used in) financing activities		**(79,555)**		1,021,132
Change in cash and cash equivalents in the year		**90,807**		(124,942)
Cash and cash equivalents at the beginning of the year		**591,603**		715,644
Change in cash and cash equivalents due to exchange rate movements		**(5,395)**		901
Cash and cash equivalents at the end of the year		**677,015**		591,603

Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2021	2020
	£	£
Net income for the reporting period	**88,708**	71,473
Depreciation charges	**44,807**	24,444
Loss on disposal of fixed assets	**450**	168
Interest from investments	**(239)**	(861)
Interest on bank loans	**35,822**	18,480
Foreign exchange losses / (gains)	**5,395**	(901)
Decrease / (increase) in debtors	**178,101**	(88,789)
(Decrease) / increase in creditors	**(163,327)**	195,118
Net cash provided by / (used in) operating activities	**189,717**	219,132

Analysis of changes in net debt

	At 1 April 2020	Cash flows	Other changes	At 31 March 2021
	£	£	£	£
Cash at bank and in hand	591,603	90,807	(5,395)	**677,015**
Loans falling due within one year	(32,991)	33,733	(50,625)	**(49,883)**
Loans falling due after more than one year	(1,006,621)	10,000	50,625	**(945,996)**
Total	(448,009)	134,540	(5,395)	**(318,864)**

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in Sterling, which is the functional currency of the charity, and rounded to the nearest £1.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

c) Going concern

At the time of signing the accounts the trustees have considered the effect of COVID 19 on the going concern position, and consider that this does indicate that the charity will continue to operate for a period of at least 12 months from the date of signing these accounts due to the level of funding already secured with its key partners. At the balance sheet date the charity held significant cash balances. The charity has significant reserves, enough of which are unrestricted and are sufficient to absorb short-term in year deficits, if required. Government support is utilised, where it is appropriate to do so, and since the year end the Furlough scheme has been used. The financial forecasts prepared show that the charity will be able to pay its liabilities as they fall due. On this basis the trustees have prepared these financial accounts on a going concern basis.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value to the charity which is the amount the charity would have been willing to pay to obtain services or facilities equivalent economic benefit on the open market; a corresponding amount is then receognised in expenditure in the period of receipt.

f) Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor and within the objects of the charity. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on the direct staff costs of each activity, of the amount attributable to each activity.

• Programming	28.5%
• Training	23.9%
• Film Hub South East	37.1%
• Advocacy	5.5%
• Distribution	2.3%
• Consultancy	2.7%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the date of the transaction. All gains and losses on exchange are put through the income and expenditure account.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £250. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Long leasehold property	2% straight line basis
• Leasehold refurbishment	10% straight line basis
• Fixtures, fittings & equipment	25% straight line basis
• Database and website	25% straight line basis

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1 Accounting policies (continued)

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

q) Pensions

The charity contributes to the personal pension schemes of some of its employees and from 1 November 2016 to SMARTPension, the ICO auto-enrolment scheme. The schemes and their assets are held by independent managers. The pension charge represents contributions due from the charity.

2 Donations

	Unrestricted	Restricted	**2021 Total**	2020 Total
	£	£	**£**	£
Furlough	139,329	-	**139,329**	8,670
Big Issue Invest	-	10,000	**10,000**	-
Other donations	104	-	**104**	280
Total	139,433	10,000	**149,433**	8,950

3 Income from charitable activities

Programming	Unrestricted	Restricted	**2021 Total**	2020 Total
	£	£	**£**	£
BFI	-	335,268	**335,268**	354,170
Venue income	18,891	-	**18,891**	167,613
Europa Cinemas	-	-	**-**	9,357
Sponsorship income	500	-	**500**	7,977
Screening days income	13,000	-	**13,000**	30,287
Other income	-	-	**-**	442
Sub-total	32,391	335,268	**367,659**	569,846
Training				
ScreenSkills	-	51,610	**51,610**	45,836
Creative Europe Media	-	35,558	**35,558**	74,149
BFI	-	175,285	**175,285**	161,135
British Council	-	5,062	**5,062**	5,258
Third party contributions	-	40,000	**40,000**	40,000
Course fees	5,195	23,359	**28,554**	69,315
Contribution in kind	-	16,880	**16,880**	29,975
Sub-total	5,195	347,754	**352,949**	425,668
Film Hub South East				
BFI	-	536,362	**536,362**	500,000
MUBI	-	6,250	**6,250**	-
Film Hire	-	-	**-**	2,133
Sponsorship income	-	-	**-**	1,000
Training fees	-	-	**-**	1,328
Other income	-	75	**75**	108
	-	542,687	**542,687**	504,569

3 Income from charitable activities (continued)

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Distribution				
BFI	–	9	**9**	106,573
Arts Council England	–	–	**–**	27,000
Heritage Lottery Fund	–	–	**–**	(802)
Film hire and print transport	93	1,823	**1,916**	40,637
Contribution in kind	–	–	**–**	10,000
Other income	–	–	**–**	1,428
Sub-total	93	1,832	**1,925**	184,836
Advocacy				
BFI	–	43,369	**43,369**	–
Sub-total	–	43,369	**43,369**	–
Consultancy				
BFI	–	69,028	**69,028**	–
Fees	3,055	–	**3,055**	14,148
Other income	–	–	**–**	46,734
Sub-total	3,055	69,028	**72,083**	60,882
Total income from charitable activities	40,734	1,339,938	**1,380,672**	**1,745,801**

The proportion of income from charitable activities derived from outside the UK amounted to 3% (2020-7%).

4 Other trading activities

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Rent	–	**–**	**–**	13,308

5 Income from investments

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Bank interest	239	–	**239**	861

6 Other income

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Foreign exchange surplus	–	–	**–**	901
Other	–	–	**–**	470
	–	–	**–**	1,371

7 Analysis of expenditure

	Programming £	Training £	Film Hub South East £	Advocacy £	Distribution £	Consultancy £	Other trading activities £	**2021 Total £**	2020 Total £
Staff costs (Note 12)	210,086	176,394	273,904	41,032	16,811	19,762	–	**737,989**	674,386
Consultancy	–	–	–	–	–	–	–	**–**	15,276
Fees - Course leader/Speaker/Film maker/Project manager	2,050	87,713	12,346	–	1,380	–	–	**103,489**	164,608
Film hire	379	–	288	–	77	–	–	**744**	36,293
Filming & editing	–	710	–	–	550	–	–	**1,260**	1,750
Catering/hospitality/entertaining	77	733	100	15	6	7	–	**938**	51,659
Marketing and publicity	261	4,844	1,018	39	916	19	–	**7,097**	32,534
Couriers/transport	645	110	179	23	1,324	11	–	**2,292**	6,546
Production programming costs	6,674	8,416	5,221	–	3,380	–	–	**23,691**	34,652
Certification/accreditation	530	1,138	721	–	15	–	–	**2,404**	8,222
Venue hire	–	120	–	–	150	–	–	**270**	62,253
Bursaries	–	5,618	1,080	–	–	–	–	**6,698**	33,280
Hotel, travel & subsistence	181	645	321	29	12	14	–	**1,202**	88,578
Grants (Note 14)	–	11,640	262,286	–	–	44,175	–	**318,101**	231,563
IT/Web costs	14,443	5,687	9,276	599	477	288	–	**30,770**	19,158
Office costs	4,895	12,148	7,726	892	430	429	–	**26,520**	41,966
Premises costs	5,805	4,691	7,527	1,091	447	526		**20,087**	104,592
Depreciation	12,756	10,710	16,630	2,491	1,021	1,200	–	**44,808**	24,444
Audit	2,121	5,381	2,765	414	170	199	–	**11,050**	10,850
Annual report	–	–	–	–	–	–	–	**–**	4,866
Legal & professional	13,945	12,393	18,182	2,724	1,116	1,312	–	**49,672**	5,684
Bad debts	–	217	–	–	–	1,500	–	**1,717**	424
Bank charges & interest	10,412	8,744	13,218	1,968	807	948	–	**36,097**	22,359
Irrecoverable VAT	2,660	2,234	3,468	520	213	250	–	**9,345**	20,895
Trustees' expenses	–	–	–	–	–	–	–	**–**	1,980
Exchange loss	1,536	1,290	2,002	300	123	144	–	**5,395**	–
	289,456	361,576	638,258	52,137	29,425	70,784	–	**1,441,636**	1,698,818
Total expenditure 2020	457,893	409,749	515,550	–	249,946	52,372	13,308	1,698,818	

Of the total expenditure, £142,498 was unrestricted (2020: £162,578) and £1,299,138 was restricted (2020: £1,536,240).

8. Support costs

These costs are allocated on a direct salary costs basis and consist of:

	2021	2020
	£	£
Staff costs	133,942	25,907
Consultancy	-	1,750
Couriers / transport	417	79
Catering/ hospitality/entertaining	270	5,396
Certification/accreditation	-	839
Marketing and publicity	705	4,498
Venue Hire	-	216
Hotel travel & subsistence Hotel travel & subsistence	530	11,640
IT/Web costs	10,773	9,377
Office costs	16,036	11,222
Premises costs	19,627	91,284
Depreciation	44,807	24,443
Legal and professional	48,987	5,684
Bank charges and interest	35,404	21,266
Irrecoverable VAT	9,344	20,896
Exchange loss	5,395	-
Governance	7,450	14,097
	333,687	248,594

Governance costs consist of:

	2021	2020
	£	£
Audit fees	7,450	7,250
Annual report	-	4,866
Trustees' expenses	-	1,981
	7,450	14,097

9 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	**44,807**	24,444
Loss on disposal of fixed asset	**450**	168
Bank interest payable	**35,274**	21,056
Operating lease rentals:		
Property	**-**	66,365
Auditors' remuneration (excluding VAT):		
Statutory audit	**7,450**	7,250
Other audit	**3,000**	3,000
Foreign exchange (surplus) /loss	**5,395**	(901)

10 Related party transactions

Mel Clarke, the sister of Becky Clarke, Head of Operations, was paid £4,100 (2020: £7,900) during the year for design work on various projects. At 31 March 2021 £800 (2020: £1,750) was outstanding and due to be paid. Vision Box was paid £15,806 through the Resilience Award Fund and Film Exhibition Fund. Simon Ward, Trustee, is co-director/owner with his wife Corinna Ward.

11 Corporation taxation

The charitable company is exempt from tax on income and gains falling within section 478 of the Corporation Tax Act 2010 or section 252 of the Taxation of Chargeable Gains Act 1982 to the extent that these are applied to its charitable objects.

12 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	635,940	570,382
Social security costs	59,861	54,686
Employer's contribution to defined contribution pension schemes	31,254	26,865
Freelance staff	360	14,718
Staff recruitment	-	3,560
Staff training	3,549	1,862
Human resources fees	7,025	2,239
Other staff costs	-	74
	737,989	674,386

No employee received employee benefits (excluding employer pension costs) during the year above £60,000.

The total employee benefits including employer national insurance and pension contributions of the key management personnel were £241,964 (2020: £230,944).

The charity trustees were not paid and did not receive any other benefits from employment with the charity in the year (2020: £nil).

Trustees' expenses includes the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £856) incurred by nil (2020: two) members relating to attendance at meetings of the trustees.

13 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021 No.	2020 No.
Programming	**4.1**	5.8
Training	**4.8**	4.2
Film Hub South East	**6.3**	5.2
Advocacy	**0.5**	-
Distribution	**0.4**	2.0
Consultancy	**0.3**	0.1
Support	**3.8**	0.4
	20.2	17.7

14 Grants

	2021 £	2020 £
Paid from restricted funds:		
Payments to Institutions	**318,101**	231,563

Payments to Institutions analysed as follows:

	2021 £
Training	
Derby QUAD Enterprises Ltd	**4,500**
Phoenix - Leicester Arts Centre Ltd	**4,500**
Sheffield Media & Exhibition Centre Ltd	**2,640**
	11,640

14 Grants (continued)

	2021
Film Hub South East	**£**
Resilience Award Funds	
ADeC (Babylon Arts)	900
Cambridge Film Trust	15,000
Corn Exchange Wallingford	10,000
Creative Arts East	11,500
The Diss Corn Hall Trust	8,900
The Film Place	2,500
Kino-Teatr	9,800
Letchworth Garden City Heritage Foundation	10,000
Norden Farm Centre Trust Limited	13,200
Norwich Film Festival	7,990
The Picture House Uckfield	5,000
Riverside Restaurant & Theatre Ltd	10,000
Towner Enterprises Ltd	9,979
Trinity Theatre & Arts Centre Ltd	6,926
Ultimate Picture Palace	12,683
Vision Box Cinema Ltd	9,065
	143,443

	2021
	£
Film Exhibition Fund	
Brighton Community Cinematheque CIC	1,862
Bute Street Film Festival	5,000
Cambridge Film Trust	15,000
Deal Film Club	5,175
Electric Palace Cinema	3,490
Fabrica	1,400
Fisheye Film Festival	2,015
Ipswich Film Theatre	1,750
Norden Farm	8,000
The Picture House Uckfield	3,160
Saffron Screen	3,016
Towner Enterprises Ltd	4,900
Trinity Theatre	3,500
UK Jewish Film Festival	422
Ultimate Picture Palace	5,867
University of Brighton	5,700
University of Kent	2,050
Women Over Fifty Film Festival CIC	2,000
Worthing Theatres & Museum	5,267
Vision Box Cinema Ltd	6,741
	86,315

	2021
	£
Young Programmers' Groups	
Lewes Community Screen	14,337
Reel Connections CIC	18,194
	32,531

	2021
Open Access Fund	£
The Keep	(3)
Total Film Hub South East	262,286

	2021
	£
Consultancy	
British Independent Film Awards (BIFA)	44,175

15 Tangible fixed assets

	Long leasehold property	Leasehold refurb - ishment	Database and website	Fixtures, fittings & equipment	**Total**
		£	£	£	**£**
Cost or valuation					
At the start of the year	1,308,014	53,736	35,973	22,982	**1,420,705**
Additions in year	-	11,796	-	7,798	**19,594**
Disposals in year	-	(450)	-	-	**(450)**
At the end of the year	1,308,014	65,082	35,973	30,780	**1,439,849**
Depreciation					
At the start of the year	13,080	-	21,205	15,825	**50,110**
Charge for the year	26,160	6,437	8,994	3,216	**44,807**
At the end of the year	39,240	6,437	30,199	19,041	**94,917**
Net book value					
At the end of the year	**1,268,774**	**58,645**	**5,774**	**11,739**	**1,344,932**
At the start of the year	1,294,934	53,736	14,768	7,157	1,370,595

All of the above assets are used for charitable purposes.

16 Debtors

	2021	2020
	£	£
Trade debtors	**24,532**	182,969
Other debtors	**10,400**	35,412
Prepayments	**10,318**	11,077
Accrued income	**40,233**	34,126
	85,483	263,584

17 Creditors: amounts falling due within one year

	2021	2020
	£	£
Grants payable	**43,892**	10,619
Secured bank loans	**49,883**	32,991
Trade creditors	**49,875**	55,798
Accruals	**88,740**	39,353
Other creditors	**8,663**	-
Taxation and social security	**12,546**	17,284
Pension contributions	**3,310**	3,881
Deferred income	**74,157**	317,575
	331,066	477,501

18 Deferred income

Deferred income comprises of grant and income for events taking place in 2021/22 and training and consultancy fees received in advance of the work being carried out.

	2021	2020
	£	£
Balance at the beginning of the year	**317,575**	40,884
Amount released to income in the year	**(312,575)**	(40,884)
Amount deferred in the year	**69,157**	317,575
Balance at the end of the year	**74,157**	317,575

19. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Secured bank loans - falling due in less than 5 years	**218,615**	**207,996**
Secured bank loans - falling due after 5 years	**727,381**	**798,625**
	945,996	**1,006,621**

There are three secured and one unsecured bank loans on the property at Unit 9 Bickels Yard, London, SE1 3HA. The loan from Charity Bank is charged at 2.75% over base rate and the loans with Big Issue Invest are charged at 7.5% and 6%. The Charity Bank loan is repayable over 25 years and the Big Issue Invest loans over 7 years, 63 months and 57 months. The property has a carrying value of £1,268,774. The loans are secured with fixed and floating charges over the assets of the charity.

20a Analysis of net assets between funds (Current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	1,344,932	–	**1,344,932**
Net current assets	126,925	45,117	259,390	**431,432**
Creditors due after more than one year	–	(945,996)	–	**(945,996)**
Net assets at the end of the year	**126,925**	**444,053**	**259,390**	**830,368**

20b Analysis of net assets between funds (Prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	1,370,595	–	**1,370,595**
Net current assets	111,834	56,309	209,543	**377,686**
Creditors due after more than one year	–	(1,006,621)	–	**(1,006,621)**
Net assets at the end of the year	**111,834**	**420,283**	**209,543**	**741,660**

21a Movements in funds (Current year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
British Film Institute	–	458,897	(401,671)	(10,278)	**46,948**
BFI – Advice, information, support and training	96,176	164,053	(151,702)	18,886	**127,413**
Film Hub South East	86,717	542,687	(570,024)	–	**59,380**
MUBI bursary fund	1,000	–	–	–	**1,000**
Developing Your Own Film Festival 2020	–	55,579	(48,294)	–	**7,285**
Other training	4,315	116,890	(102,260)	113	**19,058**
Big Issue Invest	–	10,000	–	(10,000)	**–**
Britain on Film	19,012	–	(17,749)	–	**1,263**
Other BFI funded tours	3,910	1,832	(6,068)	326	**–**
Arts Council England	(1,630)	–	(1,370)	–	**(3,000)**
National Lottery Cinema Day	43	–	–	–	**43**
Total restricted funds	209,543	1,349,938	(1,299,138)	(953)	**259,390**
Unrestricted funds:					
Designated funds:					
Fixed assets	330,983	–	–	18,070	**349,053**
Sustainability fund	89,300	–	–	5,700	**95,000**
Total designated funds	420,283	–	–	23,770	**444,053**
General funds	111,834	180,406	(142,498)	(22,817)	**126,925**
Total unrestricted funds	532,117	180,406	(142,498)	953	**570,978**
Total funds	741,660	1,530,344	(1,441,636)	–	**830,368**

The narrative to explain the purpose of each fund is given at the foot of the next note.

21b Movements in funds (Prior year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
British Film Institute	–	354,170	(354,335)	165	–
BFI – Advice, information, support and training	53,646	163,635	(121,546)	441	**96,176**
Film Hub South East	77,532	500,000	(490,815)	–	**86,717**
MUBI bursary fund	–	1,000	–	–	**1,000**
Developing Your Own Film Festival 2019	–	101,091	(113,754)	12,663	–
Developing Your Own Film Festival 2020	–	16,017	(16,017)	–	–
Other training	7,175	144,676	(146,426)	(1,110)	**4,315**
Britain on Film	43,595	6,520	(31,103)	–	**19,012**
Other BFI funded tours	9,245	147,832	(162,826)	9,659	**3,910**
Arts Council England	–	27,000	(28,630)		**(1,630)**
National Lottery Cinema Day	116	46,734	(46,807)	–	**43**
Heritage Lottery Fund	15,485	(802)	(14,624)	(59)	–
Europa cinema	–	9,357	(9,357)	–	–
Total restricted funds	206,794	1,517,230	(1,536,240)	21,759	**209,543**
Unrestricted funds:					
Designated funds:					
Fixed assets	29,140	–	(24,612)	326,455	**330,983**
Premises research	6,162	–	(750)	(5,412)	–
Property Fund	260,000	–	–	(260,000)	–
Sustainability fund	95,000	–	(5,700)	–	**89,300**
Total designated funds	390,302	–	(31,062)	61,043	**420,283**
General funds	73,091	253,061	(131,516)	(82,802)	**111,834**
Total unrestricted funds	463,393	253,061	(162,578)	(21,759)	**532,117**
Total funds	670,187	1,770,291	(1,698,818)	–	**741,660**

Purposes of restricted funds

British Film Institute
Funding received from the BFI to be a strategic partner for the BFI Film Audience Network (FAN) to enable film exhibitors to boost film audiences around the UK for independent and specialised films.

British Film Institute – Advice, information, support and training
Organisational funding received to provide telephone and online support including an update of our online resources, support to venues and additional funding for our FEDS training scheme (2021/22).

Film Hub South East
The ICO is responsible for administering funds from the National Lottery to support a stronger and more connected approach to growing audiences for British and International cinema throughout the region. During 2020/21 we distributed funds through the Resilience Fund and the Film Exhibition Fund.

MUBI bursary fund
Funding received from MUBI to be used for screening day bursaries.

Developing Your Own Film Festival
Funding received from the European MEDIA programme and the British Council to support the costs of running the Developing Your Film Festival course in Wroclaw, Poland in 2020 and on line in March 2021.

Other training
Funding received from FAN and ScreenSkills. During 2020/21 we completed the Women's Leadership course from 2019/20 and also commenced the FAN managers training and FAN festival training. ScreenSkills funding was used to provide online versions of FEDS Elevate and DDM courses. During the previous year we completed pysical FEDS Elevate and DDM courses with ScreenSkills funding and commenced the Women's Leadership course with FAN funding.

Big Issue Access
A donation was received from Big Issue Access Ltd to part repay a loan with Big Issue Invest.

Purposes of restricted funds (continued)

Britain on Film
Organisational funding received from the BFI to enable the ICO to deliver eight archive film programmes.

Other BFI funded tours
The BFI supported two touring projects during 2019/20, Musicals as part of the BFI's bockbuster project for 2019 and Second Sight which celebrates the UK's Black Film Workshop Movement which continued into 2020/21.

Arts Council England
Funding received to commission four new films from British Artists for our Second Sight tour.

National Lottery Cinema Day
Funding received from Camelot to repay venues the ticket value of tickets given away on National Lottery Cinema Day in August 2019.

Heritage Lottery Fund
Funding received to show archive film footage of four New Towns in the Film Hub South East region. The films were screened in the town centres and community groups of Crawley, Harlow, Hemel Hempstead and Stevenage. Following the screenings oral histories were recorded from audience members.

Europa Cinema
A grant received from Europa Cinemas, a European wide network of cinemas funded by the Media programme of the EU. It supports showing of non-national films in several ICO associated cinemas. This given grant is re-distributed to a number of cinemas.

Purposes of designated funds

Fixed assets
Funds representing the net book value of fixed assets, after deducting loans outstanding, that are consequently not readily available in cash.

Premises research
An amount set aside to pay for a consultant to research new offices for the ICO.

Property Fund
Funds set aside to help pay for the purchase of new offices in 2019/20.

Sustainability fund
An amount set aside to pay redundancy costs in the event of the closure of the charity.

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. At 31 March 2021 there were 7 (2020: 7) guarantees in place.