

SAFFRON WALDEN COMMUNITY CINEMA LIMITED

England & Wales · Charity number 1113259

Details

Status Registered

Legal form Charitable company

Company number [05626997](#)

Registered 2006-03-14

Register [View on the Charity Commission register](#)

Contact

Address 14 High Street
Saffron Walden
Essex
CB10 1AY

Phone 01799500238

Email info@saffronscreen.com

Website www.saffronscreen.com

Activities

Objects: TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE KNOWLEDGE, UNDERSTANDING AND APPRECIATION OF THE ARTS, PARTICULARLY THE ART OF FILMS AND ALLIED VISUAL TECHNIQUES; TO ADVANCE THE EDUCATION OF THE PUPILS AT SAFFRON WALDEN COUNTY HIGH SCHOOL BY PROVIDING AND ASSISTING IN THE PROVISION OF FACILITIES FOR EDUCATION AT THE SCHOOL; AND TO PROMOTE FOR THE BENEFIT OF THE INHABITANTS OF SAFFRON WALDEN AND THE SURROUNDING AREA THE PROVISION OF RECREATIONAL AND OTHER LEISURE TIME FACILITIES IN THE INTEREST OF SOCIAL WELFARE AND WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE.

Activities: Saffron Screen is an independent community cinema screening a wide range of films and seeking through film to entertain, educate, create a shared experience and improve the quality of life for everyone in Saffron Walden and the surrounding area.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

Geography

- **Area of benefit:** ESSEX
- Essex

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£297,847	£326,790	-	-
2023-12-31	£338,099	£336,200	-	-
2022-12-31	£281,856	£357,001	-	-
2021-12-31	£299,837	£303,548	-	-
2020-12-31	£288,357	£284,727	-	-

Trustees

Name	Role	Appointed
MR Paul Willmot	Chair	2017-07-21
Claire Louise Guyver		2023-06-13
Daniel Alexander Early		2019-01-15
Gemma Margaret Downham		2023-06-13

SAFFRON WALDEN COMMUNITY CINEMA LIMITED

England & Wales - Charity number 1113259

Accounts

REGISTERED COMPANY NUMBER: 05626997 (England and Wales)
REGISTERED CHARITY NUMBER: 1113259

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2024
for
Saffron Walden Community Cinema Limited
Trading as
Saffron Screen**

Saffron Walden Community Cinema Limited

Contents of the Financial Statements
for the Year Ended 31 December 2024

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Saffron Walden Community Cinema Limited

Report of the Trustees for the Year Ended 31 December 2024

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2024. The Trustees have adopted the provisions of 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

Objectives and aims

Saffron Screen is an independent community cinema dedicated to showcasing a wide range of films and cultural events. Our mission is to entertain, educate, and foster shared experiences through cinema, thereby enriching the quality of life for residents in Saffron Walden and the surrounding areas.

The Charity's objects are:

- To advance public education in the appreciation of the arts, with a particular focus on film and visual media; and
- To promote recreational and leisure opportunities for local residents, enhancing social welfare and living standards.

Significant activities

Our primary activity remains the regular provision of cinema screenings at our auditorium located within Saffron Walden County High School (SWCHS). In 2024, we maintained a robust programme of six to eight screenings weekly (Friday to Monday), with additional sessions during holidays and midweek "Arts on Screen" events.

Programming included:

- Blockbusters, award contenders, and international features
- Documentaries, family films, and restored classics
- Arts on Screen: live broadcasts of operas, ballets, plays, concerts, and exhibitions from world-renowned venues

Our pop-up screenings at Saffron Walden Town Hall continued, with plans for events in 2025. Additionally, we delivered a series of film education courses for local residents and SWCHS students, reinforcing our educational mission.

We express our sincere gratitude to SWCHS, Saffron Hall, the Tourist Information Centre, and our dedicated volunteers and donors for their invaluable contributions.

Following the disruptions of 2023, the film industry stabilised in 2024, enabling a more consistent release schedule. Although early-year programming was affected by prior delays, standout titles such as *Wonka*, *One Life*, and *Conclave* helped restore audience confidence and boosted attendance.

Event cinema continued to thrive with acclaimed productions from the National Theatre (*Dear England*, *The Motive and the Cue*, *Nye*, *Prima Facie*), the Royal Opera House (*Cinderella*, *The Nutcracker*), and major art exhibitions (*Van Gogh: Poets and Lovers*). A highlight of the year was the live event *Solve-Along-A-Murder-She-Wrote*, hosted by international performer Tim Benzie. The interactive format, combining games, prizes, and audience participation, was enthusiastically received.

Saffron Walden Community Cinema Limited

Report of the Trustees **for the Year Ended 31 December 2024**

OBJECTIVES AND ACTIVITIES

Public benefit

Charity Trustees have a duty to report in the Trustees' Annual Report on the Charity's public benefit. They should demonstrate that they are clear about the benefits that are generated by the activities of the Charity. The Charity Commission guidance on public benefit in Section 4 of the Charities Act 2011 has been noted in preparing this Annual Report.

Saffron Screen remains deeply committed to community service. By offering affordable access to UK and international arts content, prioritising inclusion, and championing cultural enrichment, we continue to contribute meaningfully to the civic life of Saffron Walden.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The objectives of the charity at the start of 2024 were:

- Deliver a rich and inclusive programme of films and educational content
- Broaden audience reach, especially among underrepresented groups
- Target core income of £300,000 and progress toward financial sustainability
- Uphold high standards of governance and compliance
- Explore opportunities for operational expansion or relocation

We made measurable progress across all objectives, particularly in community engagement and audience development.

In 2024, Saffron Screen achieved an average audience of 70 per screening—a small increase from previous years. This improvement reflects both strategic programming and the ability to show films closer to national release dates.

While we did not reach full financial breakeven, we significantly narrowed the operational deficit through:

- Streamlined operating costs
- Increased income from gift cards and Gift Aid
- Enhanced film access via our new partnership with Four Seasons Entertainment

These developments have strengthened our financial resilience as we enter 2025.

Key Performance Indicators:

Our KPIs for 2024 included:

- Core income generation
- Audience satisfaction
- Average attendance per screening
- Number of educational and outreach events

All indicators show positive trends, with detailed financial results available in the accompanying financial statements.

Audience development

Audience growth was a central priority. Our refined marketing strategy focused on:

- Local engagement
- Accessibility
- Special programming for underserved communities

Saffron Walden Community Cinema Limited

Report of the Trustees for the Year Ended 31 December 2024

Audience development (cont...)

Initiatives included themed film weekends, Q&A sessions, and targeted social media campaigns.

Our transition to Four Seasons Entertainment in 2023 yielded significant benefits by securing earlier and first-run film access, which attracted new and returning patrons.

We maintained inclusive services such as audio description, hearing loops, concession pricing, and screenings tailored for individuals with autism and dementia. Plans are underway to invest in subtitle-enabled glasses to further enhance accessibility.

FINANCIAL REVIEW

Financial position

The Statement of Financial Activity for the year ended 31 December 2024 shows total incoming resources of £297,847 (2023: £338,099) and total resources expended of £326,790 (2023: £336,200) resulting in a net deficit of £28,943 (2023: net surplus £1,899).

During the financial year to 31 December 2024, operations stabilised after the COVID-19 pandemic, with screening numbers and audience participation being more consistent and returning close to pre-pandemic levels. There were a total of 377 screenings at Saffron Screen in the year (2023: 297) and paying audience attendance of 26,008 (2023: 18,325). On 31 December 2023, the operations at Royston Picture Palace (RPP) ended. For 2023 there were 188 screenings and attendance of 8,367, with no comparative in 2024.

Overall industry attendance is yet to recover fully, however the actions taken by the Board to streamline operations and working with new partners have seen a positive impact in both attendance and financial results. The organisation is reliant upon the income it can generate from operational activities rather than grant income. We continue to run fund raising activities and operate a Gift Aid scheme, however no specific fund raising was required for this financial year. We are continually thankful to the community we serve and the donations we do receive.

Total resources expended have reduced slightly in the current year with streamlined operations and cost savings. The Trustees continue to invest in the staff and cinema to continue the growth seen in 2024 and innovate where identified. Evidence of this has been seen through the refreshments offering, which has been vastly improved with investment and a positive financial impact.

For 2024 the organisation has seen a deficit of £28,943 (2023: net surplus £1,899). The deficit in 2024 is in part due to the gap in operational costs and average attendance required to be breakeven. Although the attendances at the cinema in 2024 were improved on 2023, there remains a gap before we reach the required level. In 2025, the Trustees expect a breakeven position for cinema operations due to an increase in attendances already seen in 2025.

Total funds as at 31 December 2024 were £77,841 (2023: £106,784) with total unrestricted funds of £62,841 (2023: £65,285). Details of the restricted funds can be found in the notes to the financial statements.

Reserves policy

The Trustees are responsible for maintaining a level of reserves that is appropriate for the charity. The reserves policy is to hold approximately two months of fixed costs (primarily to cover the costs in winding up the operations of the charity), and 50% replacement cost of equipment. In total it is approximately £75,000. The reserve policy was reviewed and updated in 2019.

Going concern

During the year, the charity had positive net assets and has cash reserves. The Trustees have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the charity to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

Saffron Walden Community Cinema Limited

Report of the Trustees for the Year Ended 31 December 2024

FINANCIAL REVIEW

Principal risks and uncertainties

The cinema industry is existing from the effects of the COVID-19 pandemic and the reduced audience numbers. The industry as a whole has seen the return of content choice after delayed or cancelled productions. It is believed that the industry will continue to recover in 2025 with strong content for cinema across film and live events. The Trustees are meeting regularly to monitor the ongoing situation and to put in place plans to protect the organisation, its customers and staff. All available funding opportunities will be assessed by the Trustees to ensure the viability of the organisation in the long term.

The Trustees have identified a number of other key risks which could affect our future performance, the most significant of which are:

- lower attendance figures due to economic uncertainty, lower disposable incomes or alternative entertainment options;
- competition from other cinemas which offer films on release date, improved seating and advanced facilities;
- lack of control over the cinema auditorium building which is owned by SWCHS;
- succession planning and governance challenges as we transition from a community start up to a more complex mature organisation.

Steps being taken to address these strategic risks are:

- to continually evaluate the films and events the cinema shows as well as continued dialogue with the service users to ensure the right service is being provided to the community
- a rolling programme agreed with SWCHS of seat refurbishment which is ongoing; and we now offer wine and beer on Friday and Saturday evenings and at selected "Event Cinema" screenings to enhance the cinema experience as a night out;
- to continue to have a good relationship with SWCHS and are liaising with them and with Saffron Hall;
- to continue to assess opportunities to develop the cinema further.

FUTURE PLANS

For Saffron Screen, the cinema will continue to operate at its current location and offer the same service to the community. However, the current facilities the cinema operates from are a limiting factor in expanding and improving our offering, which is vital for the future of the charity. Our attempts to find suitable alternative premises in or around Saffron Walden which would both meet the needs of our core audience and be commercially viable remains a challenging objective. We continue to look at various options and are working closely with both the Uttlesford District Council and the Saffron Walden Town Council.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 17 November 2005, registered as a charity on 14 March 2006, which commenced trading on 20 May 2006. The company was established under a Memorandum of Association dated 31 October 2005 which established the objects and powers of the charitable company and is governed under its Articles of Association, also dated 31 October 2005. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and appointment of new Trustees

The initial Trustees of the Charity were recruited from the committee formed to start a cinema in Saffron Walden; subsequently vacancies have been advertised as required. The Board continue to monitor the requirement of new Trustees and appoint where a skills gap is recognised.

Under the requirements of the Memorandum and Articles of Association, one-third of the directors retire at each annual general meeting and may stand for re-election. Three directors retired during 2024 and were re-elected.

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Trustees are responsible for the management of the charity, including proper use of its funds. The Trustees delegate the powers for the day-to-day running of the cinema to the management committee. The Trustees meet quarterly to review the actions of the management committee and make strategic decisions.

Induction and training of new Trustees

Our Trustees bring a wide range of skills to the charity including cinema programming, marketing, finance, human resources, legal, technical and business management. As the organisation develops and as the external environment changes, we keep under review the skills we need. To ensure this is up to date we carried out a skills audit at the start of 2019. When we recruit, we utilise the results of the skills audit to identify the qualities sought in potential candidates. Opportunities are advertised and the Human Resources sub-committee manages the recruitment process, resulting in recommendations to the full Board. Potential new Trustees are invited to meet with existing Trustees and key management personnel to gain an understanding of their respective roles and the part they play in the decision-making processes, and are provided with appropriate background documentation (e.g. the business plan, recent financial performance, and Memorandum and Articles of Association) together with access to Charity Commission guidance notes. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Key management remuneration

The directors of Saffron Walden Community Cinema Limited are the charity's Trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give their time freely except where their specialist skills are required. Details of directors' expenses are disclosed in note 4 to the financial statements. Related party transactions are disclosed in note 12 to the financial statements.

The pay of all staff is reviewed annually and normally increased in line with inflation. In view of the nature of the charity, the directors benchmark against pay levels in other provincial cinemas of a similar size.

Related parties

None of our Trustees receive remuneration or other benefit from their work with the charity. Any connection between a Trustee or senior manager of the charity with a production company, distributor, performer or exhibitor must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party. In the current year, no such related party transactions were reported.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05626997 (England and Wales)

Registered Charity number

1113259

Registered office

14 High Street
Saffron Walden
Essex
England
CB10 1AY

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

B P Willmott	Chair
D A Early FCCA	Finance Director
G M Downham	
C L Parkin	
S Inkley	Resigned 11 March 2025
K A Reed	Resigned 10 June 2025
K Roberts	Resigned 10 June 2025

Company Secretary

C L Parkin

Independent examiner

Emma Williams ACA
Institute of Chartered Accountants in England and Wales

Bankers

Barclays Bank UK plc

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Trustees on 16/09/25..... and signed on its behalf by:



B P Willmott - Trustee

**Independent Examiner's Report to the Trustees of
Saffron Walden Community Cinema Limited**

Independent examiner's report to the Trustees of Saffron Walden Community Cinema Limited ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 December 2024.

Responsibilities and basis of report

As the charity's Trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I can confirm that I am qualified to undertake the examination because I am a registered member of the Institute of Chartered Accountants in England and Wales which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (effective 1 January 2019).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

E. Williams

Emma Williams ACA
Williams & Co. Accountants Ltd
8 Tansy Lane, Hunstanton, England, PE36 6FD
Institute of Chartered Accountants in England and Wales

Date: 18/09/25

Saffron Walden Community Cinema Limited

**Statement of Financial Activities
for the Year Ended 31 December 2024**

		Unrestricted funds	Restricted funds	31.12.24 Total funds	31.12.23 Total funds
	Note	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies		21,119	-	21,119	52,527
Charitable activities					
Cinematic operations		276,694	-	276,694	284,229
Investment income	2	<u>34</u>	<u>-</u>	<u>34</u>	<u>1,343</u>
Total		297,847	-	297,847	338,099
EXPENDITURE ON					
Raising funds		-	-	-	10,532
Charitable activities					
Cinematic operations		219,297	513	219,810	226,116
Other		<u>106,980</u>	<u>-</u>	<u>106,980</u>	<u>99,552</u>
Total		326,277	513	326,790	336,200
NET INCOME/(EXPENDITURE)		(28,430)	(513)	(28,943)	1,899
Transfers between funds	11	<u>25,986</u>	<u>(25,986)</u>	<u>-</u>	<u>-</u>
Net movement in funds		(2,444)	(26,499)	(28,943)	1,899
RECONCILIATION OF FUNDS					
Total funds brought forward		65,285	41,499	106,784	104,885
TOTAL FUNDS CARRIED FORWARD		<u>62,841</u>	<u>15,000</u>	<u>77,841</u>	<u>106,784</u>

Saffron Walden Community Cinema Limited

Balance Sheet
At 31 December 2024

		Unrestricted funds	Restricted funds	31.12.24 Total funds	31.12.23 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	6	20,399	-	20,399	19,335
CURRENT ASSETS					
Stocks	7	1,250	-	1,250	1,250
Debtors	8	10,821	-	10,821	23,685
Investments	9	-	-	-	6,512
Cash at bank		<u>75,813</u>	<u>15,000</u>	<u>90,813</u>	<u>99,508</u>
		87,884	15,000	102,884	130,955
CREDITORS					
Amounts falling due within one year	10	45,442	-	45,442	43,506
		<u>42,442</u>	<u>15,000</u>	<u>57,442</u>	<u>87,449</u>
NET CURRENT ASSETS					
		<u>42,442</u>	<u>15,000</u>	<u>57,442</u>	<u>87,449</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>62,841</u>	<u>15,000</u>	<u>77,841</u>	<u>106,784</u>
NET ASSETS					
		<u>62,841</u>	<u>15,000</u>	<u>77,841</u>	<u>106,784</u>
FUNDS					
Unrestricted funds	11			62,841	65,285
Restricted funds				<u>15,000</u>	<u>41,499</u>
TOTAL FUNDS					
				<u>77,841</u>	<u>106,784</u>

The notes form part of these financial statements

Saffron Walden Community Cinema Limited

Balance Sheet - continued
At 31 December 2024

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2024 in accordance with Section 476 of the Companies Act 2006.

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 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 on 16/09/2025 and were signed on its behalf by:



.....
D A Early FCCA -Trustee

Saffron Walden Community Cinema Limited

Notes to the Financial Statements
for the Year Ended 31 December 2024

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.

Going Concern

The Trustees have assessed whether the use of going concern is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. After making enquiries, the Trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

Income

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

Income from government and other grants, whether capital grants or revenue 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 a cinematic performance is deferred until the criteria for income recognition are met.

Income from cinematic operations is the amount derived from the provision of goods and services, net of VAT.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Expenditure

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Projection equipment	- 20% on cost and 10% on cost
Seating and screen	- over the life of the license
Fixture, fittings & computers	- 25% on cost and 33% on cost
Motor vehicles	- 25% on cost

The notes form part of these financial statements

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024

1. ACCOUNTING POLICIES – continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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

2. INVESTMENT INCOME

	31.12.24	31.12.23
	£	£
Deposit account interest	<u>34</u>	<u>1,343</u>

3. NET INCOME/(EXPENDITURE)

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

	31.12.24	31.12.23
	£	£
Depreciation - owned assets	6,619	4,756
Independent examination fee	<u>500</u>	<u>500</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees' expenses

Travel costs and expense reimbursements amounting to £74 (2023: £95) were paid to 1 (2023: 2) Trustees.

No Trustee, or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, during the year.

5. STAFF COSTS

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

	31.12.24	31.12.23
Administration and front of house	<u>15</u>	<u>19</u>

No employees received emoluments in excess of £60,000.

Saffron Walden Community Cinema Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2024**

6. TANGIBLE FIXED ASSETS

	Projection equipment £	Seating and screen £	Fixture, fittings & computers £	Motor vehicles £	Totals £
COST					
At 1 January 2024	178,503	44,919	35,956	7,880	267,258
Additions	<u>-</u>	<u>-</u>	<u>7,683</u>	<u>-</u>	<u>7,683</u>
At 31 December 2024	<u>178,503</u>	<u>44,919</u>	<u>43,639</u>	<u>7,880</u>	<u>274,941</u>
DEPRECIATION					
At 1 January 2024	173,784	43,908	22,351	7,880	247,923
Charge for year	<u>1,915</u>	<u>461</u>	<u>4,243</u>	<u>-</u>	<u>6,619</u>
At 31 December 2024	<u>175,699</u>	<u>44,369</u>	<u>26,594</u>	<u>7,880</u>	<u>254,542</u>
NET BOOK VALUE					
At 31 December 2024	<u>2,804</u>	<u>550</u>	<u>17,045</u>	<u>-</u>	<u>20,399</u>
At 31 December 2023	<u>4,719</u>	<u>1,012</u>	<u>13,605</u>	<u>-</u>	<u>19,336</u>

7. STOCKS

	31.12.24 £	31.12.23 £
Stocks	<u>1,250</u>	<u>1,250</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24 £	31.12.23 £
Trade debtors	2,198	5,659
Other debtors	4,402	15,012
Prepayments	<u>4,221</u>	<u>3,014</u>
	<u>10,821</u>	<u>23,685</u>

9. CURRENT ASSET INVESTMENTS

	31.12.24 £	31.12.23 £
35 days' notice	<u>-</u>	<u>6,512</u>
	<u>-</u>	<u>6,512</u>

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23
	£	£
Deferred ticket income	10,564	7,499
Trade creditors	7,156	6,168
Social security and other taxes	1,303	2,040
VAT	10,445	9,896
Other creditors	703	1,854
Accrued expenses	<u>15,271</u>	<u>16,049</u>
	<u>45,442</u>	<u>43,506</u>

11. MOVEMENT IN FUNDS

	At 1.1.24	Net income /	Transfers	At 31.12.24
	£	expenditure	between funds	£
		£	£	
Unrestricted funds				
General fund	<u>65,285</u>	<u>(28,430)</u>	<u>25,986</u>	<u>62,841</u>
	65,285	(28,430)	25,986	62,841
Restricted funds				
Auditorium fund	41,499	(513)	(25,986)	15,000
	<u>41,499</u>	<u>(513)</u>	<u>(25,986)</u>	<u>15,000</u>
TOTAL FUNDS	<u>106,784</u>	<u>(28,943)</u>	<u>-</u>	<u>77,841</u>

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024

11. 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	297,847	(326,277)	(28,430)
Restricted funds			
Auditorium fund	-	(513)	(513)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>297,847</u>	<u>(326,790)</u>	<u>(28,943)</u>

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23
Unrestricted Funds				
General fund	<u>58,969</u>	<u>9,316</u>	<u>(3,000)</u>	<u>65,285</u>
	58,969	9,316	(3,000)	65,285
Restricted Funds				
Digital equipment	1,949	(1,949)	-	-
Auditorium fund	<u>43,967</u>	<u>(5,468)</u>	<u>3,000</u>	<u>41,499</u>
	45,916	(7,417)	3,000	41,499
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>104,885</u>	<u>1,899</u>	<u>-</u>	<u>106,784</u>

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024

11. MOVEMENT IN FUNDS – continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	338,099	(328,783)	9,316
Restricted funds			
Digital equipment	-	(1,949)	(1,949)
Auditorium fund	-	(5,468)	(5,468)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>338,099</u>	<u>(336,200)</u>	<u>1,899</u>

The Digital equipment fund represent funds specifically raised to acquire digital equipment. Expenditure represents the depreciation of the equipment.

The Auditorium fund represents the maintenance of the fabric of the auditorium and lobby, as agreed with Saffron Walden County High School, This fund represents Saffron Screen's annual contribution net of expenditure.

Transfers between funds

As per a licence agreement between Saffron Walden Community Cinema Limited and Saffron Walden County High School, dated 17 January 2013, there is a requirement for each organisation to contribute £3,000 per annum into a fund for the maintenance of the fabric of the auditorium and lobby. In the year to 31 December 2024, a transfer was made of £3,000 in line with the agreement. The agreement came to an end on 31 December 2024, and a new licence agreement entered into. As part of this new agreement, a transfer of £28,986 to the General fund was agreed by both parties. As at 31 December 2024, the balance of the Auditorium fund was agreed by licence to be £15,000.

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2024

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2024.

Saffron Walden Community Cinema Limited

Detailed Statement of Financial Activities
for the Year Ended 31 December 2024

	31.12.24	31.12.23
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Friends of Saffron Screen	9,410	7,212
Other donations	<u>11,709</u>	<u>45,315</u>
	21,119	52,527
Investment income		
Deposit account interest	34	1,343
Charitable activities		
Income from admission charges	215,849	217,029
Refreshments	48,813	39,886
Sponsorship and advertising	10,962	7,000
Grants	-	13,007
Other income	<u>1,070</u>	<u>7,307</u>
	<u>276,694</u>	<u>284,229</u>
Total incoming resources	297,847	338,099
EXPENDITURE		
Raising donations and legacies		
Marketing wage costs	-	10,532
Charitable activities		
Cinematic operation wage costs	90,018	96,686
Refreshment purchases	24,202	19,344
Distributor fees	94,156	87,988
IT software charges	5,640	7,580
Additional booking fees	3,391	6,106
Event and course costs	1,200	-
Equipment repairs	<u>1,203</u>	<u>8,412</u>
	219,810	226,116
Support costs		
Management		
Management wage costs	50,513	38,769
Insurance	1,356	1,261
Telephone	694	1,057
Postage and stationery	945	530
Advertising and marketing	13,926	14,790
Carried forward	67,434	56,407

Saffron Walden Community Cinema Limited

Detailed Statement of Financial Activities
for the Year Ended 31 December 2024

	31.12.24	31.12.23
	£	£
Management		
Brought forward	67,434	56,407
Sundries	216	195
IT costs	1,302	1,476
Travel and entertainment	157	1,286
Office expenses	16,069	16,125
Subscriptions and licence fees	2,543	2,657
Van running costs	<u>1,420</u>	<u>1,242</u>
	89,141	79,388
Finance		
Bank charges	6,133	7,547
Other	6,619	4,756
Depreciation	6,619	4,756
Governance costs		
Professional fees	4,587	7,361
Accountancy fees	<u>500</u>	<u>500</u>
	5,087	7,861
Total resources expended	<u>326,790</u>	<u>336,200</u>
	(28,943)	1,899
Net (deficit) / surplus	<u>(28,943)</u>	<u>1,899</u>

This page does not form part of the statutory financial statements

SAFFRON WALDEN COMMUNITY CINEMA LIMITED

England & Wales - Charity number 1113259

Accounts

REGISTERED COMPANY NUMBER: 05626997 (England and Wales)
REGISTERED CHARITY NUMBER: 1113259

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2023
for
Saffron Walden Community Cinema Limited
Trading as
Saffron Screen**

Saffron Walden Community Cinema Limited

**Contents of the Financial Statements
for the Year Ended 31 December 2023**

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Saffron Walden Community Cinema Limited

Report of the Trustees **for the Year Ended 31 December 2023**

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The Trustees have adopted the provisions of 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

Objectives and aims

Saffron Screen is an independent community cinema screening a wide range of films and events, seeking through cinema to entertain, educate and create a shared experience to improve the quality of life for everyone in Saffron Walden and the surrounding areas.

The Charity's objects are:

- to advance the education of the public in the knowledge, understanding and appreciation of the arts, particularly the art of films and allied visual techniques;
- to advance the education of pupils at Saffron Walden County High School ("SWCHS") by providing and assisting in the provision of facilities for education at the school; and
- to promote for the benefit of the inhabitants of Saffron Walden and the surrounding areas the provision of recreational and other leisure time facilities in the interest of social welfare and with the object of improving their conditions of life..

Significant activities

The primary activity is the provision of cinema screenings at the cinema auditorium in Saffron Walden (located in the Saffron Walden County High School). Saffron Screen offers between six and eight screenings each week from Friday night to Monday night as well as extra screenings during the school holidays and Arts on Screen screenings, which are often midweek. From 2019 Saffron Screen also managed the cinema in Royston, Royston Picture Palace (RPP), which offered a similar range screenings although fewer, with screenings being predominantly at weekends.

At the end of the current year we ended our contract with Royston Town Council (RTC) to operate RPP having given the required notice period to finish screenings in October. A financial agreement was then made with RTC to continue until the end of the year. It was not a decision taken lightly, but the financial position of RPP was poor with small audiences. This was having a negative impact on the finances of Saffron Screen. At the time of this report RTC had not found anyone else to take on the running of RPP.

As in previous years we continued to show a range of films including mainstream blockbusters, the Oscar contenders, children's, art-house and foreign language films, documentaries and archive material. Saffron Screen also aims to enhance the cinema experience by offering guest speakers, hosted discussions and other events (e.g. talks and workshops). In addition, our Arts on Screen strand provides live and encore screenings of plays, operas, ballets, art exhibitions and concerts broadcast from their venues to the cinema by satellite. We restarted our "Pop-up" screenings using the Saffron Walden Town Hall as a venue and we are grateful to the Town Council for providing the premises free of charge. It is our intention to do further of these at the Town Hall and other venues in 2024. Our series of film courses for the local residents and students at SWCHS has been planned for 2024.

The Trustees are grateful to SWCHS and Saffron Hall for their support and co-operation over shared use of the school premises, and to the Saffron Walden Tourist Information Centre for their hard work and support selling tickets for Saffron Screen. Further, we are also grateful for the support of the Royston Town Council and, in particular, the staff at the Town Hall for providing the box office functions during the week.

The aftermath of the COVID-19 has still been with us with reduced audience numbers compared to 2019. In addition, there have been industry strikes in the USA with actors and writers being on strike from May until November. This year that has caused many films to have their release date moved to 2024 or later and will have an impact on other releases planned for 2024. Despite this there were a few exceptional releases with Wonka, Oppenheimer, and Barbie being the standout films. We also continued to do well with Arts on Screen material and had a sellout audience for an unusual live Q&A with Steve Parrish based around his life story as a former professional motorcycle and truck racer.

Average attendances at Saffron Screen were higher than 2022 at 62 (59) (and at Royston Picture Palace just under 40). We are continuing to fall below our breakeven point and therefore looked for ways to reduce our costs and seek alternative sources of income. The Business Manager left Saffron Screen at the end of August and this prompted a re-organisation of the Management Team, saving some salary costs. In addition, we recruited a new director/trustee specifically to look at fundraising. This resulted in a campaign to raise money through donations and by the end of the year we raised over £50,000. Additionally, we changed our

Saffron Walden Community Cinema Limited

Report of the Trustees **for the Year Ended 31 December 2023**

Significant activities (cont...)

programming provider to Four Seasons Entertainment which has had two benefits; a much reduced monthly charge; and an improved selection of films including showing some films on or near their release date resulting in improved audience numbers. We launched new gift cards in time for the Christmas period (both physical and online) and these proved to be very popular. Our gift aid tickets also continue to sell well and provide a welcome extra source of income. We would like to thank all our customers who buy these tickets at the slightly higher prices.

OBJECTIVES AND ACTIVITIES

Public benefit

Charity Trustees have a duty to report in the Trustees' Annual Report on the Charity's public benefit. They should demonstrate that they are clear about the benefits that are generated by the activities of the Charity. The Charity Commission guidance on public benefit in Section 4 of the Charities Act 2011 has been noted in preparing this Annual Report.

Saffron Screen welcomes audiences from all backgrounds. We are committed to serving the whole community by providing a wide range of films and other events at reasonable prices, including a range of concession tickets. We continue to offer concession tickets at reduced rates to allow various groups local access to national and international opera, theatre, ballet and exhibitions and discounted tickets on all films. For customers with disabilities we provide audio description for partially sighted/blind customers, and individual hearing loops for those with hearing difficulties. Saffron Screen continues its commitment to social responsibility through special screenings for those living with autism and dementia, the latter being financially supported by Saffron Walden Dementia Action Alliance. We continue to consider and respond to all feedback from our audience, whether positive or negative, and to look for ways to improve our offering.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The objectives of the charity at the start of 2023 were:

- to continue to provide an exciting and varied programme of films, special events and educational activities;
- to seek to reach out to new and under-served audiences and to develop our existing audience;
- to generate core income of £225,000 and generate break even free cash flow per annum to maintain self-sufficiency;
- to continue good corporate governance by ensuring that all policies, procedures and documentation are up to date;
- and to consider options for moving or expanding the current operations to serve the growing demand from the local community;

In 2023, the amount of suitable film and events screened was again limited due to the aftermath of the COVID-19 pandemic and the USA film industry strikes. We were, however, able to meet most of the above objectives within the limitations imposed. However, it should be noted that we have been unable to generate enough income to break even, and this is a priority for the Trustees to consider going forward into 2024.

Key Performance Indicators:

The Trustees set four Key Performance Indicators for the cinema, annual key core income, customer satisfaction, average audience numbers and number of speakers, outreach and education events. Due to the current situation in the UK Exhibition sector, any figures in these categories are still meaningless.

We will, however, continue to monitor and review these KPIs in 2024 and put further plans in place to reduce costs and increase revenues whilst still providing a broad range of films and events to improve these figures.

Audience development

As with last year, we have had a very limited opportunity to develop our audience in 2023. Audiences have been reluctant to return to cinema in general, but as time progresses, we hope that with improved content we can encourage both our existing customers and new ones to attend screenings at our cinema.

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2023

FINANCIAL REVIEW

Financial position

The Statement of Financial Activity for the year ended 31 December 2023 shows total incoming resources of £338,099 (2022: £281,856) and total resources expended of £336,200 (2022: £357,001) resulting in a net surplus of £1,899 (2022: net deficit £75,145).

During the financial year to 31 December 2023, operations continued on a reduced level after the COVID-19 pandemic, with audience participation still being impacted by the events of 2020 and 2021. The number of screenings has reduced due to the lower level of content being available to exhibitors, mainly through production delays and streaming alternatives. Overall industry attendance is yet to recover, and the financial position being impacted across all operators. The organisation is reliant upon the operating income it can generate from operational activities rather than grant income. Due to an operational shortfall in income, the charity increased its donation activity and raised significant income from the service users, which has had a hugely positive impact. We are thankful to the community we serve and have started to put in place operational changes to improve the cinema experience.

Total resources expended have reduced slightly in the current year with a reorganisation in our Management Team. The Trustees continue to invest in the staff and cinema to attempt to return activity back to pre-COVID-19 levels. With the continued lower attendance numbers, the Trustees are reviewing all costs in the short term to return back to an operational breakeven point in 2024.

For 2023 the organisation has seen a surplus of £1,899 (2022: net deficit £75,145). The surplus in 2023 is in part due to the increased donations and Gift Aid income received, which the Trustees shall continue to promote in 2024.

Total funds as at 31 December 2023 were £106,784 (2022: £104,885) with total unrestricted funds of £65,285 (2022: £58,969). Details of the restricted funds can be found in the notes to the financial statements.

The Trustees recognise the impact that COVID-19 has had on the industry, and are meeting frequently to see the organisation through the next stage of its operations. In 2024 the charity will continue to monitor its costs and income to ensure a viable and secure future for the cinema.

Reserves policy

The Trustees are responsible for maintaining a level of reserves that is appropriate for the charity. The reserves policy is to hold approximately two months of fixed costs (primarily to cover the costs in winding up the operations of the charity), and 50% replacement cost of equipment. In total it is approximately £100,000. The reserve policy was reviewed and updated in 2019.

Going concern

During the year, the charity had positive net assets and has cash reserves. The Trustees have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the charity to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

Saffron Walden Community Cinema Limited

Report of the Trustees **for the Year Ended 31 December 2023**

FINANCIAL REVIEW

Principal risks and uncertainties

The cinema industry is still recovering from the effects of the COVID-19 pandemic and the reduced audience numbers. The industry as a whole has the challenge of poor content choice through delayed or cancelled productions, increase in streaming at home offerings and rising costs. It is believed that the industry will continue to recover slowly and find new ways of increasing audience participation. The Trustees are meeting regularly to monitor the ongoing situation and to put in place plans to protect the organisation, its customers and staff. All available funding opportunities will be assessed by the Trustees to ensure the viability of the organisation in the long term.

The Trustees have identified a number of other key risks which could affect our future performance, the most significant of which are:

- lower attendance figures due to economic uncertainty, lower disposable incomes or alternative entertainment options;
- competition from other cinemas which offer films on release date, improved seating and advanced facilities;
- lack of control over the cinema auditorium building which is owned by SWCHS;
- succession planning and governance challenges as we transition from a community start up to a more complex mature organisation.

Steps being taken to address these strategic risks are:

- to continually evaluate the films and events the cinema shows as well as continued dialogue with the service users to ensure the right service is being provided to the community
- a rolling programme agreed with SWCHS of seat refurbishment which is ongoing; and we now offer wine and beer on Friday and Saturday evenings and at selected "Event Cinema" screenings to enhance the cinema experience as a night out;
- to continue to have a good relationship with SWCHS and are liaising with them and with Saffron Hall;
- to continue to assess opportunities to develop the cinema further.

FUTURE PLANS

For Saffron Screen, the cinema will continue to operate at its current location and offer the same service to the community. However, the current facilities the cinema operates from are a limiting factor in expanding and improving our offering, which is vital for the future of the charity. Our attempts to find suitable alternative premises in or around Saffron Walden which would both meet the needs of our core audience and be commercially viable remains a challenging objective. We continue to look at various options and are working closely with both the Uttlesford District Council and the Saffron Walden Town Council.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 17 November 2005, registered as a charity on 14 March 2006, which commenced trading on 20 May 2006. The company was established under a Memorandum of Association dated 31 October 2005 which established the objects and powers of the charitable company and is governed under its Articles of Association, also dated 31 October 2005. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and appointment of new Trustees

The initial Trustees of the Charity were recruited from the committee formed to start a cinema in Saffron Walden; subsequently vacancies have been advertised as required. The Board continue to monitor the requirement of new Trustees and appoint where a skills gap is recognised. One of SWCHS' Senior Staff participates as an observer in Board discussions to assist deliberations on maximising educational opportunities from the cinema's programming schedule.

Under the requirements of the Memorandum and Articles of Association, one-third of the directors retire at each annual general meeting and may stand for re-election. Three directors retired during 2023 and were re-elected.

Saffron Walden Community Cinema Limited

Report of the Trustees **for the Year Ended 31 December 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Trustees are responsible for the management of the charity, including proper use of its funds. The Trustees delegate the powers for the day-to-day running of the cinema to the management committee. The Trustees meet quarterly to review the actions of the management committee and make strategic decisions.

Induction and training of new Trustees

Our Trustees bring a wide range of skills to the charity including cinema programming, marketing, finance, human resources, legal, and business management. As the organisation develops and as the external environment changes, we keep under review the skills we need. To ensure this is up to date we carried out a skills audit at the start of 2019. When we recruit, we utilise the results of the skills audit to identify the qualities sought in potential candidates. Opportunities are advertised and the Human Resources sub-committee manages the recruitment process, resulting in recommendations to the full Board. Potential new Trustees are invited to meet with existing Trustees and key management personnel to gain an understanding of their respective roles and the part they play in the decision-making processes, and are provided with appropriate background documentation (e.g. the business plan, recent financial performance, and Memorandum and Articles of Association) together with access to Charity Commission guidance notes. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Key management remuneration

The directors of Saffron Walden Community Cinema Limited are the charity's Trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give their time freely except where their specialist skills are required. Details of directors' expenses are disclosed in note 4 to the financial statements. Related party transactions are disclosed in note 12 to the financial statements.

The pay of all staff is reviewed annually and normally increased in line with inflation. In view of the nature of the charity, the directors benchmark against pay levels in other provincial cinemas of a similar size.

Related parties

None of our Trustees receive remuneration or other benefit from their work with the charity. Any connection between a Trustee or senior manager of the charity with a production company, distributor, performer or exhibitor must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party. In the current year, no such related party transactions were reported.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05626997 (England and Wales)

Registered Charity number

1113259

Registered office

14 High Street
Saffron Walden
Essex
England
CB10 1AY

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

B P Willmott

D A Early FCCA

S Inkley

K A Reed

K Roberts

G M Downham

C L Parkin

Chair

Finance Director

Company Secretary

C L Parkin

Independent examiner

Emma Williams ACA

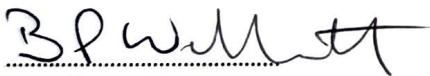
Institute of Chartered Accountants in England and Wales

Bankers

Barclays Bank UK plc

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Trustees on 10/9/24..... and signed on its behalf by:



B P Willmott - Trustee

**Independent Examiner's Report to the Trustees of
Saffron Walden Community Cinema Limited**

Independent examiner's report to the Trustees of Saffron Walden Community Cinema Limited ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 December 2023.

Responsibilities and basis of report

As the charity's Trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I can confirm that I am qualified to undertake the examination because I am a registered member of the Institute of Chartered Accountants in England and Wales which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (effective 1 January 2019).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

Emma Williams

Emma Williams ACA
Williams & Co. Accountants Ltd
5 Overledges Road, Saffron Walden, England, CB11 3NB
Institute of Chartered Accountants in England and Wales

Date: 27/08/2024

Saffron Walden Community Cinema Limited

Statement of Financial Activities
for the Year Ended 31 December 2023

		Unrestricted funds	Restricted funds	31.12.23 Total funds	31.12.22 Total funds
	Note	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies		52,527	-	52,527	7,872
Charitable activities					
Cinematic operations		284,229	-	284,229	272,855
Investment income	2	<u>1,343</u>	<u>-</u>	<u>1,343</u>	<u>1,129</u>
Total		338,099	-	338,099	281,856
EXPENDITURE ON					
Raising funds		10,532	-	10,532	26,852
Charitable activities					
Cinematic operations		220,648	5,468	226,116	230,327
Other		<u>97,603</u>	<u>1,949</u>	<u>99,552</u>	<u>99,822</u>
Total		<u>328,783</u>	<u>7,417</u>	<u>336,200</u>	<u>357,001</u>
NET INCOME/(EXPENDITURE)		9,316	(7,417)	1,899	(75,145)
Transfers between funds	11	<u>(3,000)</u>	<u>3,000</u>	<u>-</u>	<u>-</u>
Net movement in funds		6,316	(4,417)	1,899	(75,145)
RECONCILIATION OF FUNDS					
Total funds brought forward		58,969	45,916	104,885	180,030
TOTAL FUNDS CARRIED FORWARD		<u><u>65,285</u></u>	<u><u>41,499</u></u>	<u><u>106,784</u></u>	<u><u>104,885</u></u>

Saffron Walden Community Cinema Limited

Balance Sheet
At 31 December 2023

		Unrestricted funds	Restricted funds	31.12.23 Total funds	31.12.22 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	6	19,335	-	19,335	24,090
CURRENT ASSETS					
Stocks	7	1,250	-	1,250	1,250
Debtors	8	23,685	-	23,685	10,103
Investments	9	-	6,512	6,512	76,552
Cash at bank		<u>64,521</u>	<u>34,987</u>	<u>99,508</u>	<u>25,444</u>
		89,456	41,499	130,955	113,349
CREDITORS					
Amounts falling due within one year	10	43,506	-	43,506	32,554
		<u>45,950</u>	<u>41,499</u>	<u>87,449</u>	<u>80,795</u>
NET CURRENT ASSETS					
		65,285	41,499	106,784	104,885
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>65,285</u>	<u>41,499</u>	<u>106,784</u>	<u>104,885</u>
NET ASSETS					
		<u>65,285</u>	<u>41,499</u>	<u>106,784</u>	<u>104,885</u>
FUNDS					
	11				
Unrestricted funds				65,285	58,969
Restricted funds				<u>41,499</u>	<u>45,916</u>
TOTAL FUNDS					
				<u>106,784</u>	<u>104,885</u>

The notes form part of these financial statements

Saffron Walden Community Cinema Limited

Balance Sheet - continued
At 31 December 2023

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2023 in accordance with Section 476 of the Companies Act 2006.

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 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 on10/09/2024..... and were signed on its behalf by:



.....
D A Early FCCA -Trustee

Saffron Walden Community Cinema Limited

Notes to the Financial Statements **for the Year Ended 31 December 2023**

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.

Going Concern

The Trustees have assessed whether the use of going concern is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. After making enquiries, the Trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

Income

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

Income from government and other grants, whether capital grants or revenue 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 a cinematic performance is deferred until the criteria for income recognition are met.

Income from cinematic operations is the amount derived from the provision of goods and services, net of VAT.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Expenditure

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Projection equipment	- 20% on cost and 10% on cost
Seating and screen	- over the life of the license
Fixture, fittings & computers	- 25% on cost and 33% on cost
Motor vehicles	- 25% on cost

The notes form part of these financial statements

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

1. ACCOUNTING POLICIES – continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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

2. INVESTMENT INCOME

	31.12.23	31.12.22
	£	£
Deposit account interest	<u>1,343</u>	<u>1,129</u>

3. NET INCOME/(EXPENDITURE)

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

	31.12.23	31.12.22
	£	£
Depreciation - owned assets	4,756	7,301
Independent examination fee	<u>500</u>	<u>1,500</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

Travel costs and expense reimbursements amounting to £95 (2022: £108) were paid to 2 (2022: 1) Trustees.

No Trustee, or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, during the year.

5. STAFF COSTS

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

	31.12.23	31.12.22
Administration and front of house	<u>19</u>	<u>23</u>

No employees received emoluments in excess of £60,000.

Saffron Walden Community Cinema Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

6. TANGIBLE FIXED ASSETS

	Projection equipment £	Seating and screen £	Fixture, fittings & computers £	Motor vehicles £	Totals £
COST					
At 1 January 2023	178,503	44,919	35,956	7,880	267,258
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2023	<u>178,503</u>	<u>44,919</u>	<u>35,956</u>	<u>7,880</u>	<u>267,258</u>
DEPRECIATION					
At 1 January 2023	171,449	43,446	20,393	7,880	243,168
Charge for year	<u>2,335</u>	<u>462</u>	<u>1,958</u>	<u>-</u>	<u>4,755</u>
At 31 December 2023	<u>173,784</u>	<u>43,908</u>	<u>22,351</u>	<u>7,880</u>	<u>247,923</u>
NET BOOK VALUE					
At 31 December 2023	<u>4,719</u>	<u>1,012</u>	<u>13,605</u>	<u>-</u>	<u>19,335</u>
At 31 December 2022	<u>7,054</u>	<u>1,473</u>	<u>15,563</u>	<u>-</u>	<u>24,090</u>

7. STOCKS

	31.12.23	31.12.22
	£	£
Stocks	<u>1,250</u>	<u>1,250</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23	31.12.23
	£	£
Trade debtors	5,659	2,685
Other debtors	15,012	5,489
Prepayments	<u>3,014</u>	<u>1,929</u>
	<u>23,685</u>	<u>10,103</u>

9. CURRENT ASSET INVESTMENTS

	31.12.23	31.12.22
	£	£
95 days' notice	-	55,561
35 days' notice	<u>6,512</u>	<u>20,991</u>
	<u>6,512</u>	<u>76,552</u>

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23	31.12.22
	£	£
Deferred ticket income	7,499	10,803
Trade creditors	6,168	8,499
Social security and other taxes	2,040	2,202
VAT	9,896	4,132
Other creditors	1,854	481
Accrued expenses	<u>16,049</u>	<u>6,437</u>
	<u>43,506</u>	<u>32,554</u>

11. MOVEMENT IN FUNDS

	At 1.1.23	Net movement	Transfers	At 31.12.23
	£	in funds	between funds	£
		£	£	
Unrestricted funds				
General fund	<u>58,969</u>	<u>9,316</u>	<u>(3,000)</u>	<u>65,285</u>
	58,969	9,316	(3,000)	65,285
Restricted funds				
Digital equipment	1,949	(1,949)	-	-
Auditorium fund	43,967	(5,468)	3,000	41,499
BFI Sustainability Grant	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	45,916	(7,417)	3,000	41,499
	<u>104,885</u>	<u>1,899</u>	<u>-</u>	<u>106,784</u>
TOTAL FUNDS				

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

11. 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	338,099	(328,783)	9,316
Restricted funds			
Digital equipment	-	(1,949)	(1,949)
Auditorium fund	-	(5,468)	(5,468)
	_____	_____	_____
	_____	_____	_____
TOTAL FUNDS	<u>338,099</u>	<u>(336,200)</u>	<u>1,899</u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted Funds				
General fund	109,298	(72,565)	22,236	58,969
Designated fund	<u>25,236</u>	-	<u>(25,236)</u>	-
	134,534	(72,565)	(3,000)	58,969
Restricted Funds				
Digital equipment	4,529	(2,580)	-	1,949
Auditorium fund	40,967	-	3,000	43,967
BFI Sustainability Grant	-	-	-	-
	<u>45,496</u>	<u>(2,580)</u>	<u>3,000</u>	<u>45,916</u>
	_____	_____	_____	_____
TOTAL FUNDS	<u>180,030</u>	<u>(75,145)</u>	<u>-</u>	<u>104,885</u>

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

11. MOVEMENT IN FUNDS – continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	252,375	(324,940)	(72,565)
Restricted funds			
Digital equipment	-	(2,580)	(2,580)
Auditorium fund	-	-	-
BFI Sustainability Grant	<u>29,481</u>	<u>(29,481)</u>	<u>-</u>
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>281,856</u>	<u>(357,001)</u>	<u>(75,145)</u>

The Digital equipment fund represent funds specifically raised to acquire digital equipment. Expenditure represents the depreciation of the equipment.

The Auditorium fund represents the maintenance of the fabric of the auditorium and lobby, as agreed with Saffron Walden County High School, This fund represents Saffron Screen’s annual contribution net of expenditure.

The BFI Sustainability Grant represents funding for allowable costs to be covered by the Cultural Recovery Fund, a central government funding programme operated by the British Film Institute. The fund is to cover losses incurred while the organisation operates at reduced capacity due to social distancing and restricted attendance.

Transfers between funds

As per a licence agreement between Saffron Walden Community Cinema Limited and Saffron Walden County High School, dated 17 January 2013, there is a requirement for each organisation to contribute £3,000 per annum into a fund for the maintenance of the fabric of the auditorium and lobby. The transfer of £3,000 between unrestricted and restricted funds for the year ended 31 December 2023 is the agreed allocation of funds to meet future costs in relation to this agreement. Details of the restricted fund can be found in the note for restricted funds.

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2023.

Saffron Walden Community Cinema Limited

Detailed Statement of Financial Activities
for the Year Ended 31 December 2023

	31.12.23	31.12.22
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Friends of Saffron Screen	7,212	5,822
Other donations	<u>45,315</u>	<u>2,050</u>
	52,527	7,872
Investment income		
Deposit account interest	1,343	1,129
Charitable activities		
Income from admission charges	217,029	194,607
Refreshments	39,886	36,280
Sponsorship and advertising	7,000	8,509
Grants	13,007	32,583
Other income	<u>7,307</u>	<u>876</u>
	<u>284,229</u>	<u>272,855</u>
Total incoming resources	338,099	281,856
EXPENDITURE		
Raising donations and legacies		
Marketing wage costs	10,532	26,852
Charitable activities		
Cinematic operation wage costs	96,686	106,002
Refreshment purchases	19,344	16,292
Distributor fees	87,988	82,570
IT software charges	7,580	6,805
Additional booking fees	6,106	12,699
Event and course costs	-	186
Equipment repairs	<u>8,412</u>	<u>5,773</u>
	226,116	230,327
Support costs		
Management		
Management wage costs	38,769	35,591
Insurance	1,261	1,207
Telephone	1,057	1,077
Postage and stationery	530	448
Advertising and marketing	14,790	17,343
Carried forward	56,407	55,666

Saffron Walden Community Cinema Limited

Detailed Statement of Financial Activities
for the Year Ended 31 December 2023

	31.12.23	31.12.22
	£	£
Management		
Brought forward	56,407	55,666
Sundries	195	386
IT costs	1,476	2,557
Travel and entertainment	1,286	1,865
Office expenses	16,125	9,020
Subscriptions and licence fees	2,657	1,201
Van running costs	<u>1,242</u>	<u>1,333</u>
	79,388	72,028
Finance		
Bank charges	7,547	8,026
Other		
Depreciation	4,756	7,301
Governance costs		
Professional fees	7,361	10,967
Accountancy fees	<u>500</u>	<u>1,500</u>
	<u>7,861</u>	<u>12,467</u>
Total resources expended	336,200	357,001
	<hr/>	<hr/>
Net (deficit) / surplus	<u>1,899</u>	<u>(75,145)</u>

SAFFRON WALDEN COMMUNITY CINEMA LIMITED

England & Wales - Charity number 1113259

Accounts

REGISTERED COMPANY NUMBER: 05626997 (England and Wales)
REGISTERED CHARITY NUMBER: 1113259

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2022
for
Saffron Walden Community Cinema Limited
Trading as
Saffron Screen and Royston Picture Palace**

Saffron Walden Community Cinema Limited

**Contents of the Financial Statements
for the Year Ended 31 December 2022**

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Saffron Walden Community Cinema Limited

Report of the Trustees **for the Year Ended 31 December 2022**

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The Trustees have adopted the provisions of 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

Objectives and aims

Saffron Screen and Royston Picture Palace are independent community cinemas screening a wide range of films and events, seeking through cinema to entertain, educate and create a shared experience to improve the quality of life for everyone in Saffron Walden, Royston and the surrounding areas.

The Charity's objects are:

- to advance the education of the public in the knowledge, understanding and appreciation of the arts, particularly the art of films and allied visual techniques;
- to advance the education of pupils at Saffron Walden County High School ("SWCHS") by providing and assisting in the provision of facilities for education at the school; and
- to promote for the benefit of the inhabitants of Saffron Walden, Royston and the surrounding areas the provision of recreational and other leisure time facilities in the interest of social welfare and with the object of improving their conditions of life.

Significant activities

The primary activity is the provision of cinema screenings at the cinema auditorium in Saffron Walden (located in the Saffron Walden County High School) and at the auditorium in Royston (located in Royston Town Hall). Saffron Screen offers between six and eight screenings each week from Friday night to Monday night as well as extra screenings during the school holidays and Arts on Screen screenings, which are often midweek. Royston Picture Palace (RPP) offers fewer screenings at present, predominantly at weekends.

Both cinemas show a range of films including mainstream blockbusters, the Oscar contenders, children's, art-house and foreign language films, documentaries and archive material. Saffron Screen also aims to enhance the cinema experience by offering guest speakers, hosted discussions and other events (e.g. talks and workshops). In addition, our Arts on Screen strand provides live and encore screenings of plays, operas, ballets, art exhibitions and concerts broadcast from their venues to the cinema by satellite. In 2022 we introduced live and encore screenings at RPP. The cinema has previously run "Pop-up" screenings in community venues in Saffron Walden and its surrounding villages but due to the operational difficulties of the COVID-19 pandemic, these have been limited. It is our intention to re-introduce these in 2023.

The Trustees are grateful to SWCHS and Saffron Hall for their support and co-operation over shared use of the school premises, and to the Saffron Walden Tourist Information Centre for their hard work and support selling tickets for Saffron Screen. Further, we are also grateful for the support of the Royston Town Council and, in particular, the staff at the Town Hall for providing the box office functions during the week.

With the COVID-19 pandemic behind us we have been able to operate on a more "normal" basis in 2022. However, we have found that audience numbers have been adversely affected by three main causes:

- Reluctance by people attending due to ongoing concerns over COVID-19
- Lack of suitable content available
- Increase of streaming films at home (brought about by the pandemic lockdowns)

Film availability was poor throughout the year as production was restricted during the pandemic. Many distributors were still moving release dates of bigger movies to try and maximise their revenue. However, there were some stand-out films which included Roald Dahl's Matilda the Musical, The Duke, Belfast, Top Gun: Maverick, Prima Facie and Eric Ravilious: Drawn to War, all of which attracted an average of over 150 at Saffron Screen. Top selling live events included The Nutcracker, Leopoldstadt and Swan Lake.

Average attendances at Saffron Screen were just under 60 and at Royston Picture Palace just under 40. Funding from the Arts Council finished and therefore with the reduced number of attendees we incurred a loss for the year. Work to reduce losses is being planned by the Trustees. It should be noted that the exhibition sector as a whole is suffering from around a 30% reduction on normal attendances and is not expected to return to comparable 2019 figures until the end of 2023 or later in 2024.

Saffron Walden Community Cinema Limited

Report of the Trustees **for the Year Ended 31 December 2022**

OBJECTIVES AND ACTIVITIES

Public benefit

Charity Trustees have a duty to report in the Trustees' Annual Report on the Charity's public benefit. They should demonstrate that they are clear about the benefits that are generated by the activities of the Charity. The Charity Commission guidance on public benefit in Section 4 of the Charities Act 2011 has been noted in preparing this Annual Report.

Saffron Screen and Royston Picture Palace welcomes audiences from all backgrounds. We are committed to serving the whole community by providing a wide range of films and other events at reasonable prices, including a range of concession tickets. In particular, we have negotiated with the distributors of Event Cinema to allow us to offer tickets for those who are 18 & under at reduced rates to allow young people local access to national and international opera, theatre, ballet and exhibitions. We have also introduced in early 2018 significantly discounted tickets on all films for audience members between the ages of 16 to 30 to encourage increased participation of that age group. In addition, we offer concessionary prices for those over 65 years old, students, unemployed, registered disabled people, Uttlesford Concession Card holders and military personnel. For customers with disabilities we provide audio description for partially sighted/blind customers, and individual hearing loops for those with hearing difficulties. Saffron Screen and Royston Picture Palace continues its commitment to social responsibility through special screenings for those living with autism and dementia, the latter being financially supported by Saffron Walden Dementia Action Alliance. We continue to consider and respond to all feedback from our audience, whether positive or negative, and to look for ways to improve our offering.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The objectives of the charity at the start of 2022 were:

- to continue to provide an exciting and varied programme of films, special events and educational activities;
- to seek to reach out to new and under-served audiences and to develop our existing audience;
- to generate core income of £225,000 and generate break even free cash flow per annum to maintain self-sufficiency;
- to continue good corporate governance by ensuring that all policies, procedures and documentation are up to date;
- and to consider options for moving or expanding the current operations to serve the growing demand from the local community;

In 2022, the amount of suitable film and events screened was again limited due to the impact of the COVID-19 pandemic. We were, however, able to meet most of the above objectives within the limitations imposed. However, it should be noted that we have been unable to generate enough income to break even, and this is a priority for the Trustees to consider going forward into 2023.

Key Performance Indicators:

The Trustees set four Key Performance Indicators for the cinema, annual key core income, customer satisfaction, average audience numbers and number of speakers, outreach and education events. Due to the COVID-19 pandemic any figures in these categories are meaningless.

We will, however, continue to monitor and review these KPIs in 2022 when we can offer a full programme to ensure that we provide a broad range of events and to maintain or improve these figures.

Audience development

As with last year, we have had a very limited opportunity to develop our audience in 2022. Audiences have been hesitant to return to cinema in general, but as time progresses, we hope that we can encourage both our existing customers and new ones to attend screenings at our cinemas.

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2022

FINANCIAL REVIEW

Financial position

The Statement of Financial Activity for the year ended 31 December 2022 shows total incoming resources of £281,856 (2021: £299,837) and total resources expended of £357,001 (2021: £303,548) resulting in a net deficit of £75,145 (2021: net deficit £3,711).

During the financial year to 31 December 2022, operations returned to “normal” after the COVID-19 pandemic, however audience participation is still being impacted by the events of 2020 and 2021. The number of screenings has reduced due to the lower level of content being available to exhibitors, mainly through production delays and streaming alternatives. Overall industry attendance is yet to recover and the financial position being impacted across all operators. Income from admission charges is still suffering by reduction of around 30%. The central government funding from the Arts Council / BFI ceased in January 2022, therefore the organisation is operating on the income it can generate from operational activities. We are thankful to the Arts Council (administered by the BFI for independent cinemas) for grant support in the current and prior year.

Total resources expended have been in line with prior years. The wage costs in 2020 and 2021 were reduced through Job Retention Scheme funding, which is no longer available. The Trustees have invested in the staff and cinemas to attempt to return activity back to pre-COVID-19 levels. As a result, the 2022 financial results show a loss due to lower income levels than anticipated together with this investment in staff. With the continued lower attendance numbers, the Trustees are reviewing all costs in the short term to return back to a breakeven point in 2023.

For 2022 the organisation has seen a deficit of £75,145 (2021: net deficit £3,711). In 2020 and 2021, the majority of our costs have been eligible for support grants, with only depreciation being excluded. For 2022, this support was withdrawn in January 2022. In 2020 and 2021 we have managed to keep losses to a minimum through various support packages. However, this support is no longer available.

Total funds as at 31 December 2022 were £104,885 (2021: £180,030) with total unrestricted funds of £58,969 (2021: £134,534). Details of the restricted funds can be found in the notes to the financial statements.

The Trustees recognise the impact that COVID-19 has had on the industry, and are meeting frequently to see the organisation through the next stage of its operations. In 2023 the charity will continue to monitor its costs and income to ensure a viable and secure future for the cinema.

Reserves policy

The Trustees are responsible for maintaining a level of reserves that is appropriate for the charity. The reserves policy is to hold approximately two months of fixed costs (primarily to cover the costs in winding up the operations of the charity), and 50% replacement cost of equipment. In total it is approximately £100,000. The reserve policy was reviewed and updated in 2019.

Going concern

During the year, the charity had positive net assets and has cash reserves. The Trustees have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the charity to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

Saffron Walden Community Cinema Limited

Report of the Trustees **for the Year Ended 31 December 2022**

FINANCIAL REVIEW

Principal risks and uncertainties

The cinema industry is still recovering from the effects of the COVID-19 pandemic and the reduced audience numbers. The industry as a whole has the challenge of poor content choice through delayed or cancelled productions, increase in streaming at home offerings and rising costs. It is believed that the industry will continue to recover slowly and find new ways of increasing audience participation. The Trustees are meeting regularly to monitor the ongoing situation and to put in place plans to protect the organisation, its customers and staff. All available funding opportunities will be assessed by the Trustees to ensure the viability of the organisation in the long term.

The Trustees have identified a number of other key risks which could affect our future performance, the most significant of which are:

- lower attendance figures due to economic uncertainty, lower disposable incomes or alternative entertainment options;
- competition from other cinemas which offer films on release date, improved seating and advanced facilities;
- lack of control over the cinema auditorium building which is owned by SWCHS;
- succession planning and governance challenges as we transition from a community start up to a more complex mature organisation.

Steps being taken to address these strategic risks are:

- to continually evaluate the films and events the cinema shows as well as continued dialogue with the service users to ensure the right service is being provided to the community
- a rolling programme agreed with SWCHS of seat refurbishment which is ongoing; and we now offer wine and beer on Friday and Saturday evenings and at selected "Event Cinema" screenings to enhance the cinema experience as a night out;
- to continue to have a good relationship with SWCHS and are liaising with them and with Saffron Hall;
- to continue to assess opportunities to develop the cinema further.

FUTURE PLANS

For Saffron Screen, the cinema will continue to operate at its current location and offer the same service to the community. However, the current facilities the cinema operates from are a limiting factor in expanding and improving our offering, which is vital for the future of the charity. Our attempts to find suitable alternative premises in or around Saffron Walden which would both meet the needs of our core audience and be commercially viable remains a challenging objective. We continue to look at various options and are working closely with both the Uttlesford District Council and the Saffron Walden Town Council. In May 2023, the full operation of RPP ceased and returned back to Royston Town Council. We continue to provide support to RPP on a consultancy basis until October 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 17 November 2005, registered as a charity on 14 March 2006, which commenced trading on 20 May 2006. The company was established under a Memorandum of Association dated 31 October 2005 which established the objects and powers of the charitable company and is governed under its Articles of Association, also dated 31 October 2005. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and appointment of new Trustees

The initial Trustees of the Charity were recruited from the committee formed to start a cinema in Saffron Walden; subsequently vacancies have been advertised as required. The Board continue to monitor the requirement of new Trustees and appoint where a skills gap is recognised. One of SWCHS' Senior Staff participates as an observer in Board discussions to assist deliberations on maximising educational opportunities from the cinema's programming schedule.

Under the requirements of the Memorandum and Articles of Association, one-third of the directors retire at each annual general meeting and may stand for re-election. Two directors retired during 2021 and were re-elected.

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

B P Willmott	Chair
C R Sawford	Deputy Chair (resigned Feb 2023)
D A Early FCCA	Finance Director
S Inkley	
K A Reed	
K Roberts	(appointed Oct 2022)
G M Downham	(appointed Jun 2023)
C L Parkin	(appointed Jun 2023)

Company Secretary

C L Parkin

Independent examiner

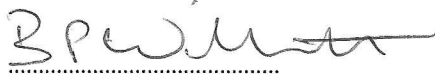
David Richardson ACA
Institute of Chartered Accountants in England and Wales

Bankers

Barclays Bank UK plc

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Trustees on^{27/09/23}..... and signed on its behalf by:



.....
B P Willmott - Trustee

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Trustees are responsible for the management of the charity, including proper use of its funds. The Trustees delegate the powers for the day-to-day running of the cinema to the management committee. The Trustees meet quarterly to review the actions of the management committee and make strategic decisions.

Induction and training of new Trustees

Our Trustees bring a wide range of skills to the charity including cinema programming, marketing, finance, human resources, legal, and business management. As the organisation develops and as the external environment changes, we keep under review the skills we need. To ensure this is up to date we carried out a skills audit at the start of 2019. When we recruit, we utilise the results of the skills audit to identify the qualities sought in potential candidates. Opportunities are advertised and the Human Resources sub-committee manages the recruitment process, resulting in recommendations to the full Board. Potential new Trustees are invited to meet with existing Trustees and key management personnel to gain an understanding of their respective roles and the part they play in the decision-making processes, and are provided with appropriate background documentation (e.g. the business plan, recent financial performance, and Memorandum and Articles of Association) together with access to Charity Commission guidance notes. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Key management remuneration

The directors of Saffron Walden Community Cinema Limited are the charity's Trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give their time freely except where their specialist skills are required. Details of directors' expenses are disclosed in note 4 to the financial statements. Related party transactions are disclosed in note 12 to the financial statements.

The pay of all staff is reviewed annually and normally increased in line with inflation. In view of the nature of the charity, the directors benchmark against pay levels in other provincial cinemas of a similar size.

Related parties

None of our Trustees receive remuneration or other benefit from their work with the charity. Any connection between a Trustee or senior manager of the charity with a production company, distributor, performer or exhibitor must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party. In the current year, no such related party transactions were reported.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05626997 (England and Wales)

Registered Charity number

1113259

Registered office

Market House
10 Market Walk
Saffron Walden
Essex
CB10 1JZ

Independent Examiner's Report to the Trustees of
Saffron Walden Community Cinema Limited

Independent examiner's report to the Trustees of Saffron Walden Community Cinema Limited ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity's Trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I can confirm that I am qualified to undertake the examination because I am a registered member of the Institute of Chartered Accountants in England and Wales which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (effective 1 January 2019).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached



David Richardson ACA
Croucher Needham
Market House, 10 Market Walk, Saffron Walden, CB10 1JZ
Institute of Chartered Accountants in England and Wales

Date: 27/09/23

Saffron Walden Community Cinema Limited

**Statement of Financial Activities
for the Year Ended 31 December 2022**

		Unrestricted funds	Restricted funds	31.12.22 Total funds	31.12.21 Total funds
	Note	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies		7,872	-	7,872	5,517
Charitable activities					
Cinematic operations		243,374	29,481	272,855	293,457
Investment income	2	<u>1,129</u>	<u>-</u>	<u>1,129</u>	<u>863</u>
Total		252,375	29,481	281,856	299,837
 EXPENDITURE ON					
Raising funds		26,852	-	26,852	18,321
Charitable activities					
Cinematic operations		230,327	-	230,327	201,896
Other		<u>67,761</u>	<u>32,061</u>	<u>99,822</u>	<u>83,331</u>
Total		324,940	32,061	357,001	303,548
NET INCOME/(EXPENDITURE)		(72,565)	(2,580)	(75,145)	(3,711)
Transfers between funds	11	<u>(3,000)</u>	<u>3,000</u>	<u>-</u>	<u>-</u>
Net movement in funds		(75,565)	420	(75,145)	(3,711)
RECONCILIATION OF FUNDS					
Total funds brought forward		134,534	45,496	180,030	183,741
TOTAL FUNDS CARRIED FORWARD		<u><u>58,969</u></u>	<u><u>45,916</u></u>	<u><u>104,885</u></u>	<u><u>180,030</u></u>

The notes form part of these financial statements

Saffron Walden Community Cinema Limited

Balance Sheet
At 31 December 2022

		Unrestricted funds	Restricted funds	31.12.22 Total funds	31.12.21 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	6	24,090	-	24,090	14,494
CURRENT ASSETS					
Stocks	7	1,250	-	1,250	1,250
Debtors	8	10,103	-	10,103	55,862
Investments	9	30,636	45,916	76,552	75,767
Cash at bank		<u>25,444</u>	<u> </u>	<u>25,444</u>	<u>64,676</u>
		67,433	45,916	113,349	197,555
CREDITORS					
Amounts falling due within one year	10	32,554	-	32,554	32,019
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET CURRENT ASSETS		<u>34,879</u>	<u>45,916</u>	<u>80,795</u>	<u>165,536</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>58,969</u>	<u>45,916</u>	<u>104,885</u>	<u>180,030</u>
NET ASSETS		<u>58,969</u>	<u>45,916</u>	<u>104,885</u>	<u>180,030</u>
FUNDS					
Unrestricted funds	11			58,969	134,534
Restricted funds				<u>45,916</u>	<u>45,496</u>
TOTAL FUNDS				<u>104,885</u>	<u>180,030</u>

The notes form part of these financial statements

Saffron Walden Community Cinema Limited

Balance Sheet - continued
At 31 December 2022

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

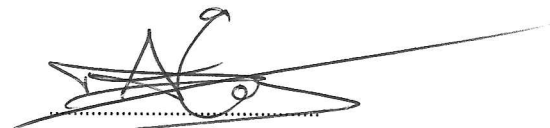
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

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 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 on27/09/2023..... and were signed on its behalf by:


D A Early FCCA -Trustee

Saffron Walden Community Cinema Limited

Notes to the Financial Statements
for the Year Ended 31 December 2022

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.

Going Concern

The Trustees have assessed whether the use of going concern is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. After making enquiries, the Trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

Income

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

Income from government and other grants, whether capital grants or revenue 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 a cinematic performance is deferred until the criteria for income recognition are met.

Income from cinematic operations is the amount derived from the provision of goods and services, net of VAT.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Expenditure

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Projection equipment	- 20% on cost and 10% on cost
Seating and screen	- over the life of the license
Fixture, fittings & computers	- 25% on cost and 33% on cost
Motor vehicles	- 25% on cost

The notes form part of these financial statements

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

1. ACCOUNTING POLICIES – continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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

2. INVESTMENT INCOME

	31.12.22	31.12.21
	£	£
Deposit account interest	<u>1,129</u>	<u>863</u>

3. NET INCOME/(EXPENDITURE)

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

	31.12.22	31.12.21
	£	£
Depreciation - owned assets	7,301	7,360
Independent examination fee	<u>1,500</u>	<u>1,500</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

Travel costs and expense reimbursements amounting to £108 (2021: £19) were paid to 1 (2021: 1) Trustee.

No Trustee, or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, during the year.

5. STAFF COSTS

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

	31.12.22	31.12.21
Administration and front of house	<u>23</u>	<u>22</u>

No employees received emoluments in excess of £60,000.

Saffron Walden Community Cinema Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

6. TANGIBLE FIXED ASSETS

	Projection equipment £	Seating and screen £	Fixture, fittings & computers £	Motor vehicles £	Totals £
COST					
At 1 January 2022	177,557	44,919	20,005	7,880	250,361
Additions	<u>946</u>	<u>-</u>	<u>15,951</u>	<u>-</u>	<u>16,897</u>
At 31 December 2022	<u>178,503</u>	<u>44,919</u>	<u>35,956</u>	<u>7,880</u>	<u>267,258</u>
DEPRECIATION					
At 1 January 2022	168,621	41,927	19,081	6,238	235,867
Charge for year	<u>2,828</u>	<u>1,519</u>	<u>1,312</u>	<u>1,642</u>	<u>7,301</u>
At 31 December 2022	<u>171,449</u>	<u>43,446</u>	<u>20,393</u>	<u>7,880</u>	<u>243,168</u>
NET BOOK VALUE					
At 31 December 2022	<u>7,054</u>	<u>1,473</u>	<u>15,563</u>	<u>-</u>	<u>24,090</u>
At 31 December 2021	<u>8,936</u>	<u>2,992</u>	<u>924</u>	<u>1,642</u>	<u>14,494</u>

7. STOCKS

	31.12.22 £	31.12.21 £
Stocks	<u>1,250</u>	<u>1,250</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22 £	31.12.21 £
Trade debtors	2,685	2,056
Other debtors	5,489	52,362
Prepayments	<u>1,929</u>	<u>1,444</u>
	<u>10,103</u>	<u>55,862</u>

9. CURRENT ASSET INVESTMENTS

	31.12.22 £	31.12.21 £
95 days' notice	55,561	55,011
35 days' notice	<u>20,991</u>	<u>20,756</u>
	<u>76,552</u>	<u>75,767</u>

Saffron Walden Community Cinema Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Deferred ticket income	10,803	5,067
Trade creditors	8,499	12,393
Social security and other taxes	2,202	2,492
VAT	4,132	(596)
Other creditors	481	524
Accrued expenses	<u>6,437</u>	<u>12,139</u>
	<u><u>32,554</u></u>	<u><u>32,019</u></u>

11. MOVEMENT IN FUNDS

	At 1.1.22	Net movement in funds	Transfers between funds	At 31.12.22
	£	£	£	£
Unrestricted funds				
General fund	109,298	(72,565)	22,236	58,969
Designated fund	<u>25,236</u>	<u>-</u>	<u>(25,236)</u>	<u>-</u>
	134,534	(72,565)	(3,000)	58,969
Restricted funds				
Digital equipment	4,529	(2,580)		1,949
Auditorium fund	40,967	-	3,000	43,967
BFI Sustainability Grant	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	45,496	(2,580)	3,000	45,916
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>180,030</u></u>	<u><u>(75,145)</u></u>	<u><u>-</u></u>	<u><u>104,885</u></u>

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

11. 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	252,375	(324,940)	(72,565)
Restricted funds			
Digital equipment	-	(2,580)	(2,580)
Auditorium fund	-	-	-
BFI Sustainability Grant	<u>29,481</u>	<u>(29,481)</u>	<u>-</u>
TOTAL FUNDS	<u><u>281,856</u></u>	<u><u>(357,001)</u></u>	<u><u>(75,145)</u></u>

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted Funds				
General fund	113,901	(1,603)	(3,000)	109,298
Designated fund	<u>25,236</u>	<u>-</u>	<u>-</u>	<u>25,236</u>
	139,137	(1,603)	(3,000)	134,534
Restricted Funds				
Digital equipment	6,637	(2,108)	-	4,529
Auditorium fund	37,967	-	3,000	40,967
BFI Sustainability Grant	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	44,604	(2,108)	3,000	45,496
TOTAL FUNDS	<u><u>183,741</u></u>	<u><u>(3,711)</u></u>	<u><u>-</u></u>	<u><u>180,030</u></u>

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

11. MOVEMENT IN FUNDS – continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	184,529	(186,132)	(1,603)
Restricted funds			
Digital equipment	-	(2,108)	(2,108)
Auditorium fund	-	-	-
BFI Sustainability Grant	<u>115,308</u>	<u>(115,308)</u>	<u>-</u>
	115,308	(117,416)	(2,108)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>299,837</u></u>	<u><u>(303,548)</u></u>	<u><u>(3,711)</u></u>

The Digital equipment fund represent funds specifically raised to acquire digital equipment. Expenditure represents the depreciation of the equipment.

The Auditorium fund represents the maintenance of the fabric of the auditorium and lobby, as agreed with Saffron Walden County High School, This fund represents Saffron Screen’s annual contribution net of expenditure.

The BFI Sustainability Grant represents funding for allowable costs to be covered by the Cultural Recovery Fund, a central government funding programme operated by the British Film Institute. The fund is to cover losses incurred while the organisation operates at reduced capacity due to social distancing and restricted attendance.

Transfers between funds

As per a licence agreement between Saffron Walden Community Cinema Limited and Saffron Walden County High School, dated 17 January 2013, there is a requirement for each organisation to contribute £3,000 per annum into a fund for the maintenance of the fabric of the auditorium and lobby. The transfer of £3,000 between unrestricted and restricted funds for the year ended 31 December 2022 is the agreed allocation of funds to meet future costs in relation to this agreement. Details of the restricted fund can be found in the note for restricted funds.

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022.

Saffron Walden Community Cinema Limited

Detailed Statement of Financial Activities
for the Year Ended 31 December 2022

	31.12.22	31.12.21
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Friends of Saffron Screen	5,822	3,716
Other donations	<u>2,050</u>	<u>1,801</u>
	7,872	5,517
Investment income		
Deposit account interest	1,129	863
Charitable activities		
Income from admission charges	194,607	107,616
Refreshments	36,280	18,186
Sponsorship and advertising	8,509	4,011
Fundraising events	-	-
Grants	32,583	163,068
Other income	<u>876</u>	<u>576</u>
	<u>272,855</u>	<u>293,457</u>
Total incoming resources	281,856	299,837
EXPENDITURE		
Raising donations and legacies		
Marketing wage costs	26,852	18,321
Charitable activities		
Cinematic operation wage costs	106,002	126,543
Refreshment purchases	16,292	9,556
Distributor fees	82,570	48,942
IT software charges	6,805	4,777
Additional booking fees	12,699	8,863
Event and course costs	186	75
Equipment repairs	<u>5,773</u>	<u>3,140</u>
	230,327	201,896
Support costs		
Management		
Management wage costs	35,591	31,679
Insurance	1,207	1,365
Telephone	1,077	1,278
Postage and stationery	448	506
Advertising and marketing	17,343	11,778
Carried forward	55,666	46,606

This page does not form part of the statutory financial statements

Saffron Walden Community Cinema Limited

Detailed Statement of Financial Activities
for the Year Ended 31 December 2022

	31.12.22	31.12.21
	£	£
Management		
Brought forward	55,666	46,606
Sundries	386	334
IT costs	2,557	2,552
Travel and entertainment	1,865	1,156
Office expenses	9,020	4,442
Subscriptions and licence fees	1,201	1,241
Van running costs	<u>1,333</u>	<u>1,295</u>
	72,028	57,626
Finance		
Bank charges	8,026	6,723
Other		
Depreciation	7,301	7,360
Governance costs		
Professional fees	10,967	10,122
Accountancy fees	<u>1,500</u>	<u>1,500</u>
	<u>12,467</u>	<u>11,622</u>
Total resources expended	357,001	303,548
	<hr/>	<hr/>
Net (deficit) / surplus	<u>(75,145)</u>	<u>(3,711)</u>

This page does not form part of the statutory financial statements

SAFFRON WALDEN COMMUNITY CINEMA LIMITED

England & Wales - Charity number 1113259

Accounts

REGISTERED COMPANY NUMBER: 05626997 (England and Wales)
REGISTERED CHARITY NUMBER: 1113259

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2021
for
Saffron Walden Community Cinema Limited
Trading as
Saffron Screen and Royston Picture Palace**

Saffron Walden Community Cinema Limited

Contents of the Financial Statements
for the Year Ended 31 December 2021

	Page
Report of the Trustees	1 to 6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9 to 10
Notes to the Financial Statements	11 to 17
Detailed Statement of Financial Activities	18 to 19

Saffron Walden Community Cinema Limited

Report of the Trustees for the Year Ended 31 December 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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

Objectives and aims

Saffron Screen and Royston Picture Palace are independent community cinemas screening a wide range of films and events, seeking through cinema to entertain, educate and create a shared experience to improve the quality of life for everyone in Saffron Walden, Royston and the surrounding areas.

The Charity's objects are:

- to advance the education of the public in the knowledge, understanding and appreciation of the arts, particularly the art of films and allied visual techniques;
- to advance the education of pupils at Saffron Walden County High School ("SWCHS") by providing and assisting in the provision of facilities for education at the school; and
- to promote for the benefit of the inhabitants of Saffron Walden, Royston and the surrounding areas the provision of recreational and other leisure time facilities in the interest of social welfare and with the object of improving their conditions of life.

Significant activities

The primary activity is the provision of cinema screenings at the cinema auditorium in Saffron Walden (located in the Saffron Walden County High School) and at the auditorium in Royston (located in Royston Town Hall). Saffron Screen offers between six and eight screenings each week from Friday night to Monday night as well as extra screenings during the school holidays and Arts on Screen screenings, which are often midweek. Royston Picture Palace (RPP) offers fewer screenings at present, predominantly at weekends.

Both cinemas show a range of films including mainstream blockbusters, the Oscar contenders, children's, art-house and foreign language films, documentaries and archive material. Saffron Screen also aims to enhance the cinema experience by offering guest speakers, hosted discussions and other events (e.g. talks and workshops). In addition, our Arts on Screen strand provides live and encore screenings of plays, operas, ballets, art exhibitions and concerts broadcast from their venues to the cinema by satellite. It is our intention to also run similar events at RPP. The cinema has previously run "Pop-up" screenings in community venues in Saffron Walden and its surrounding villages but due to the operational difficulties of the COVID-19 pandemic, these have been limited. Our series of film courses for the local residents and students at SWCHS were also curtailed.

The Trustees are grateful to SWCHS and Saffron Hall for their support and co-operation over shared use of the school premises, and to the Saffron Walden Tourist Information Centre for their hard work and support selling tickets for Saffron Screen. Further, we are also grateful for the support of the Royston Town Council and, in particular, the staff at the Town Hall for providing the box office functions during the week.

The year started off on a low note with the COVID-19 pandemic causing a further closure of both cinemas until late May. Re-opening was with social distancing, reducing the number of available seats to a maximum capacity at Saffron Screen of around 55 and at RPP, approximately 35. However, we decided to reduce the seat gap later in the year, finally removing any distancing in September. Film availability was poor throughout the year as many Distributors moved release dates of bigger movies to try and maximise their revenue. The James Bond film "No Time to Die" was finally released in late September allowing us to screen it over half-term in October. This was obviously our most successful film of the year with admissions of 1,604 (10 screenings) at Saffron Screen and 776 (8 screenings) at Royston Picture Palace. For children, the most viewed film was Peter Rabbit 2: The Runaway. Event cinema was very limited due to a lack of live events for Distributors to broadcast. However, a recording of the musical "Anything Goes" (filmed live at the Barbican) was successful for us, almost selling out. We have been able to install equipment at Royston to allow screening live events and these are due to commence in 2022.

Continued funding has been provided by the Arts Council (administered by the BFI for independent cinemas) which has enabled us to end the year without any significant losses. We are very grateful for these grants and also for smaller donations from some of our customers.

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2021

OBJECTIVES AND ACTIVITIES

Public benefit

Charity Trustees have a duty to report in the Trustees' Annual Report on the Charity's public benefit. They should demonstrate that they are clear about the benefits that are generated by the activities of the Charity. The Charity Commission guidance on public benefit in Section 4 of the Charities Act 2011 has been noted in preparing this Annual Report.

Saffron Screen and Royston Picture Palace welcomes audiences from all backgrounds. We are committed to serving the whole community by providing a wide range of films and other events at reasonable prices, including a range of concession tickets. In particular, we have negotiated with the distributors of Event Cinema to allow us to offer tickets for those who are 18 & under at reduced rates to allow young people local access to national and international opera, theatre, ballet and exhibitions. We have also introduced in early 2018 significantly discounted tickets on all films for audience members between the ages of 16 to 30 to encourage increased participation of that age group. In addition, we offer concessionary prices for those over 65 years old, students, unemployed, registered disabled people, Uttlesford Concession Card holders and military personnel. For customers with disabilities we provide audio description for partially sighted/blind customers, and individual hearing loops for those with hearing difficulties. Saffron Screen and Royston Picture Palace continues its commitment to social responsibility through special screenings for those living with autism and dementia, the latter being financially supported by Saffron Walden Dementia Action Alliance. We continue to consider and respond to all feedback from our audience, whether positive or negative, and to look for ways to improve our offering.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The objectives of the charity at the start of 2021 were:

- to continue to provide an exciting and varied programme of films, special events and educational activities;
- to seek to reach out to new and under-served audiences and to develop our existing audience;
- to generate core income of £225,000 and generate break even free cash flow per annum to maintain self-sufficiency;
- to continue good corporate governance by ensuring that all policies, procedures and documentation are up to date;
- and to consider options for moving or expanding the current operations to serve the growing demand from the local community;

In 2021, the amount of film and events screened was severely reduced due to the COVID-19 pandemic. We were, however, able to meet the above objectives within the limitations imposed.

Key Performance Indicators:

The Trustees set four Key Performance Indicators for the cinema, annual key core income, customer satisfaction, average audience numbers and number of speakers, outreach and education events. Due to the COVID-19 pandemic any figures in these categories are meaningless.

We will, however, continue to monitor and review these KPIs in 2022 when we can offer a full program to ensure that we provide a broad range of events and to maintain or improve these figures.

Audience development

We have had a very limited opportunity to develop our audience in 2021. Audiences have been hesitant to return to cinema in general, but as time progresses, we hope that we can encourage both our existing customers and new ones to attend screenings at our cinemas.

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2021

FINANCIAL REVIEW

Financial position

The Statement of Financial Activity for the year ended 31 December 2021 shows total incoming resources of £299,837 (2020: £288,357) and total resources expended of £303,548 (2020: £284,727) resulting in a net deficit of £3,711 (2020: net surplus £3,630).

During the financial year to 31 December 2021, operations were significantly impacted due to COVID-19 for a second year. For much of the financial year the organisation has been unable to operate, with the financial position being impacted as a result. Income from admission charges dropped by 14% due to continued closure and social distancing. We are thankful to the Arts Council (administered by the BFI for independent cinemas) for grant support in the year to allow us to operate, when possible, within social distancing and restricted operating guidelines. The grant support has allowed us to cover our losses during the COVID-19 pandemic.

Total resources expended have also been impacted by COVID-19. Where possible, the organisation has made use of central government support schemes, such as the Job Retention Scheme, to minimise costs while not operating. There are costs the organisation incurs that are not able to be stopped when the cinematic operations are forced to close, and for 2021 we have been reliant on support grants to cover these costs. Due to the successful applications with the Arts Council, we have been able to demonstrate a viable business model once we are fully operational again, and as a result minimise our losses during the COVID-19 pandemic. The majority of costs within the organisation qualified for the support grants.

For 2021 the organisation has seen a deficit of £3,711 (2020: net surplus £3,630). The majority of our costs have been eligible for support grants, with only depreciation being excluded. Over the two years the organisation has been affected by COVID-19, we have managed to keep losses to a minimum through various support packages.

Total funds as at 31 December 2021 were £180,030 (2020: £183,741) with total unrestricted funds of £134,534 (2020: £139,137). Details of the restricted funds can be found in the notes to the financial statements.

After 31 January 2022, the charity will be financially independent once again. The Trustees recognise the impact that COVID-19 has had on the industry, and are meeting frequently to see the organisation through the next stage of its operations. In 2022 the charity will continue to monitor its costs and income to ensure a viable and secure future for the cinema.

Reserves policy

The Trustees are responsible for maintaining a level of reserves that is appropriate for the charity. The reserves policy is to hold approximately two months of fixed costs (primarily to cover the costs in winding up the operations of the charity), and 50% replacement cost of equipment. In total it is approximately £100,000. The reserve policy was reviewed and updated in 2019.

Going concern

During the year, the charity had positive net assets and has significant cash reserves. The Trustees have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the charity to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

Saffron Walden Community Cinema Limited

Report of the Trustees for the Year Ended 31 December 2021

FINANCIAL REVIEW

Principal risks and uncertainties

The cinema industry is still recovering from the effects of the COVID-19 pandemic and the reduced audience numbers. The industry as a whole has the challenge of poor content choice through delayed or cancelled productions, increase in streaming at home offerings and rising costs. It is believed that the industry will continue to recover slowly and find new ways of increasing audience participation. The Trustees are meeting regularly to monitor the ongoing situation and to put in place plans to protect the organisation, its customers and staff. To mitigate some risks the organisation has made use of various government schemes to support ongoing costs. All available funding opportunities will be assessed by the Trustees to ensure the viability of the organisation in the long term.

The Trustees have identified a number of other key risks which could affect our future performance, the most significant of which are:

- Lower attendance figures due to economic uncertainty, lower disposable incomes or alternative entertainment options;
- Competition from other cinemas which offer films on release date, improved seating and advanced facilities;
- Lack of control over the cinema auditorium building which is owned by SWCHS;
- Succession planning and governance challenges as we transition from a community start up to a more complex mature organisation.

Steps being taken to address these strategic risks are:

- to continually evaluate the films and events the cinema shows as well as continued dialogue with the service users to ensure the right service is being provided to the community
- a rolling programme agreed with SWCHS of seat refurbishment which is ongoing; and we now offer wine and beer on Friday and Saturday evenings and at selected "Event Cinema" screenings to enhance the cinema experience as a night out;
- to continue to have a good relationship with SWCHS and are liaising with them and with Saffron Hall;
- to continue to assess opportunities to develop the cinema further.

FUTURE PLANS

In the short term, the cinema will continue to operate at its current location and offer the same service to the community. However, the current facilities the cinema operates from are a limiting factor in expanding and improving our offering, which is vital for the future of the charity. Our attempts to find suitable alternative premises in or around Saffron Walden which would both meet the needs of our core audience and be commercially viable remains a challenging objective. We continue to look at various options and are working closely with both the Uttlesford District Council and the Saffron Walden Town Council.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 17 November 2005, registered as a charity on 14 March 2006, which commenced trading on 20 May 2006. The company was established under a Memorandum of Association dated 31 October 2005 which established the objects and powers of the charitable company and is governed under its Articles of Association, also dated 31 October 2005. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and appointment of new trustees

The initial Trustees of the Charity were recruited from the committee formed to start a cinema in Saffron Walden; subsequently vacancies have been advertised as required. The Board continue to monitor the requirement of new Trustees and appoint where a skills gap is recognised. One of SWCHS' Senior Staff participates as an observer in Board discussions to assist deliberations on maximising educational opportunities from the cinema's programming schedule.

Under the requirements of the Memorandum and Articles of Association, one-third of the directors retire at each annual general meeting and may stand for re-election. Two directors retired during 2021 and were re-elected.

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Trustees are responsible for the management of the charity, including proper use of its funds. The Trustees delegate the powers for the day-to-day running of the cinema to the management committee. The Trustees meet quarterly to review the actions of the management committee and make strategic decisions.

Induction and training of new trustees

Our Trustees bring a wide range of skills to the charity including cinema programming, marketing, finance, human resources, legal, and business management. As the organisation develops and as the external environment changes, we keep under review the skills we need. To ensure this is up to date we carried out a skills audit at the start of 2019. When we recruit, we utilise the results of the skills audit to identify the qualities sought in potential candidates. Opportunities are advertised and the Human Resources sub-committee manages the recruitment process, resulting in recommendations to the full Board. Potential new Trustees are invited to meet with existing Trustees and key management personnel to gain an understanding of their respective roles and the part they play in the decision-making processes, and are provided with appropriate background documentation (e.g. the business plan, recent financial performance, and Memorandum and Articles of Association) together with access to Charity Commission guidance notes. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Key management remuneration

The directors of Saffron Walden Community Cinema Limited are the charity's Trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give their time freely except where their specialist skills are required. Details of directors' expenses are disclosed in note 4 to the financial statements. Related party transactions are disclosed in note 12 to the financial statements.

The pay of all staff is reviewed annually and normally increased in line with inflation. In view of the nature of the charity, the directors benchmark against pay levels in other provincial cinemas of a similar size.

Related parties

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with a production company, distributor, performer or exhibitor must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year, no such related party transactions were reported.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05626997 (England and Wales)

Registered Charity number
1113259

Registered office
Market House
10 Market Walk
Saffron Walden
Essex
CB10 1JZ

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

B P Willmott	Chair
Ms C R Sawford	Deputy Chair
D A Early FCCA	Finance Director
S Inkley	
Mrs K A Reed	

Company Secretaries

Ms C R Sawford

Independent examiner

Mr Simon David Needham FCCA
Association of Chartered Certified Accountants

Bankers

Barclays Bank UK plc
10 Market Walk
Saffron Walden
Essex
CB10 1JZ

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 21/9/22 and signed on its behalf by:



.....
B P Willmott - Trustee

Independent Examiner's Report to the Trustees of
Saffron Walden Community Cinema Limited

Independent examiner's report to the trustees of Saffron Walden Community Cinema Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I can confirm that I am qualified to undertake the examination because I am a registered member of Association of Chartered Certified Accountants which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (effective 1 January 2019).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached



Mr Simon David Needham FCCA
Association of Chartered Certified Accountants

Date:26/9/22.....

Saffron Walden Community Cinema Limited

**Statement of Financial Activities
for the Year Ended 31 December 2021**

		Unrestricted funds	Restricted funds	31.12.21 Total funds	31.12.20 Total funds
	Note	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies		5,517	-	5,517	15,767
Charitable activities					
Cinematic operations		178,149	115,308	293,457	271,015
Investment income	2	<u>863</u>	<u>-</u>	<u>863</u>	<u>1,575</u>
Total		184,529	115,308	299,837	288,357
 EXPENDITURE ON					
Raising funds		18,321	-	18,321	21,205
Charitable activities					
Cinematic operations		86,588	115,308	201,896	191,505
Other		<u>81,223</u>	<u>2,108</u>	<u>83,331</u>	<u>72,017</u>
Total		186,132	117,416	303,548	284,727
 NET INCOME/(EXPENDITURE)					
		(1,603)	(2,108)	(3,711)	3,630
Transfers between funds	11	<u>(3,000)</u>	<u>3,000</u>	<u>-</u>	<u>-</u>
Net movement in funds		(4,603)	892	(3,711)	3,630
 RECONCILIATION OF FUNDS					
Total funds brought forward		139,137	44,604	183,741	180,111
TOTAL FUNDS CARRIED FORWARD		<u>134,534</u>	<u>45,496</u>	<u>180,030</u>	<u>183,741</u>

The notes form part of these financial statements

Saffron Walden Community Cinema Limited

Balance Sheet
At 31 December 2021

		Unrestricted funds	Restricted funds	31.12.21 Total funds	31.12.20 Total funds
	Not es	£	£	£	£
FIXED ASSETS					
Tangible assets	6	14,494	-	14,494	13,668
CURRENT ASSETS					
Stocks	7	1,250	-	1,250	1,250
Debtors	8	55,862	-	55,862	3,063
Investments	9	75,767	-	75,767	74,956
Cash at bank		<u>19,180</u>	<u>45,496</u>	<u>64,676</u>	<u>115,595</u>
		152,059	45,496	197,555	194,864
CREDITORS					
Amounts falling due within one year	10	32,019	-	32,019	(24,791)
		<u>120,040</u>	<u>45,496</u>	<u>165,536</u>	<u>170,073</u>
NET CURRENT ASSETS					
		<u>134,534</u>	45,496	180,030	183,741
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>134,534</u>	<u>45,496</u>	<u>180,030</u>	<u>183,741</u>
NET ASSETS					
		<u>134,534</u>	<u>45,496</u>	<u>180,030</u>	<u>183,741</u>
FUNDS					
Unrestricted funds	11			134,534	139,137
Restricted funds				<u>45,496</u>	<u>44,604</u>
TOTAL FUNDS					
				<u>180,030</u>	<u>183,741</u>

The notes form part of these financial statements

Saffron Walden Community Cinema Limited

Balance Sheet - continued
At 31 December 2021

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

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 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 on 13/09/2022 and were signed on its behalf by:



.....
D.A Early FCCA -Trustee

Saffron Walden Community Cinema Limited

Notes to the Financial Statements
for the Year Ended 31 December 2021

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.

Going Concern

The trustees have assessed whether the use of going concern is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

Income

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

Income from government and other grants, whether capital grants or revenue 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 a cinematic performance is deferred until the criteria for income recognition are met.

Income from cinematic operations is the amount derived from the provision of goods and services, net of VAT.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Expenditure

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Projection equipment	- 20% on cost and 10% on cost
Seating and screen	- over the life of the license
Fixture, fittings & computers	- 25% on cost and 33% on cost
Motor vehicles	- 25% on cost

The notes form part of these financial statements

Saffron Walden Community Cinema Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

1. ACCOUNTING POLICIES – continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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

2. INVESTMENT INCOME

	31.12.21	31.12.20
	£	£
Deposit account interest	<u>863</u>	<u>1,575</u>

3. NET INCOME/(EXPENDITURE)

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

	31.12.21	31.12.20
	£	£
Depreciation - owned assets	<u>7,360</u>	<u>7,058</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

Travel costs and expense reimbursements amounting to £19 (2020: £nil) were paid to 1 (2020: nil) Trustee.

No Trustee, or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, during the year.

5. STAFF COSTS

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

	31.12.21	31.12.20
Administration and front of house	<u>25</u>	<u>22</u>

No employees received emoluments in excess of £60,000.

Saffron Walden Community Cinema Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

6. TANGIBLE FIXED ASSETS					
	Projection equipment £	Seating and screen £	Fixture, fittings & computers £	Motor vehicles £	Totals £
COST					
At 1 January 2021	169,371	44,919	20,005	7,880	242,175
Additions	<u>8,186</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,186</u>
At 31 December 2021	<u>177,557</u>	<u>44,919</u>	<u>20,005</u>	<u>7,880</u>	<u>250,361</u>
DEPRECIATION					
At 1 January 2021	166,264	40,199	17,776	4,268	228,507
Charge for year	<u>2,357</u>	<u>1,728</u>	<u>1,305</u>	<u>1,970</u>	<u>7,360</u>
At 31 December 2021	<u>168,621</u>	<u>41,927</u>	<u>19,081</u>	<u>6,238</u>	<u>235,867</u>
NET BOOK VALUE					
At 31 December 2021	<u>8,936</u>	<u>2,992</u>	<u>924</u>	<u>1,642</u>	<u>14,494</u>
At 31 December 2020	<u>3,107</u>	<u>4,720</u>	<u>2,229</u>	<u>3,612</u>	<u>13,668</u>
7. STOCKS					
Stocks				31.12.21 £ <u>1,250</u>	31.12.20 £ <u>1,250</u>
8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
Trade debtors				31.12.21 £ 2,056	31.12.20 £ 13
Other debtors				52,362	592
Prepayments				<u>1,444</u>	<u>2,458</u>
				<u>55,862</u>	<u>3,063</u>
9. CURRENT ASSET INVESTMENTS					
At 1 year's notice				31.12.21 £ -	31.12.20 £ -
95 days' notice				55,011	54,355
35 days' notice				<u>20,756</u>	<u>20,601</u>
				<u>75,767</u>	<u>74,956</u>

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Deferred ticket income	5,067	2,039
Trade creditors	12,393	3,220
Social security and other taxes	2,492	1,597
VAT	(596)	(1,735)
Other creditors	524	50
Other deferred income	-	14,808
Accrued expenses	<u>12,139</u>	<u>4,812</u>
	<u><u>32,019</u></u>	<u><u>24,791</u></u>

11. MOVEMENT IN FUNDS

	At 1.1.21	Net movement in funds	Transfers between funds	At 31.12.21
	£	£	£	£
Unrestricted funds				
General fund	113,901	(1,603)	(3,000)	109,298
Designated fund	<u>25,236</u>	<u>-</u>	<u>-</u>	<u>25,236</u>
	139,137	(1,603)	(3,000)	134,534
Restricted funds				
Digital equipment	6,637	(2,108)	-	4,529
Auditorium fund	37,967	-	3,000	40,967
BFI Safety Grant	-	-	-	-
BFI Sustainability Grant	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	44,604	(2,108)	3,000	45,496
	<u>183,741</u>	<u>(3,711)</u>	<u>-</u>	<u>180,030</u>
TOTAL FUNDS	<u><u>183,741</u></u>	<u><u>(3,711)</u></u>	<u><u>-</u></u>	<u><u>180,030</u></u>

Saffron Walden Community Cinema Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

11. 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	184,529	(186,132)	(1,603)
Restricted funds			
Digital equipment	-	(2,108)	(2,108)
Auditorium fund	-	-	-
BFI Sustainability Grant	<u>115,308</u>	<u>(115,308)</u>	<u>-</u>
	<u>115,308</u>	<u>(117,416)</u>	<u>(2,108)</u>
TOTAL FUNDS	<u><u>299,837</u></u>	<u><u>(303,548)</u></u>	<u><u>(3,711)</u></u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted Funds				
General fund	110,935	5,966	(3,000)	113,901
Designated fund	<u>25,236</u>	<u>-</u>	<u>-</u>	<u>25,236</u>
	136,171	5,966	(3,000)	139,137
Restricted Funds				
Digital equipment	7,905	(1,268)	-	6,637
Auditorium fund	36,035	(1,068)	3,000	37,967
BFI Safety Grant	-	-	-	-
BFI Sustainability Grant	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>43,940</u>	<u>(2,336)</u>	<u>3,000</u>	<u>44,604</u>
TOTAL FUNDS	<u><u>180,111</u></u>	<u><u>3,630</u></u>	<u><u>-</u></u>	<u><u>183,741</u></u>

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

11. MOVEMENT IN FUNDS – continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	242,490	(236,524)	5,966
Restricted funds			
Digital equipment	-	(1,268)	(1,268)
Auditorium fund	-	(1,068)	(1,068)
BFI Safety Grant	8,824	(8,824)	-
BFI Sustainability Grant	<u>37,043</u>	<u>(37,043)</u>	<u>-</u>
	45,867	(48,203)	(2,336)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>288,357</u>	<u>(284,727)</u>	<u>(3,630)</u>

The Digital equipment fund represent funds specifically raised to acquire digital equipment. Expenditure represents the depreciation of the equipment.

The Auditorium fund represents the maintenance of the fabric of the auditorium and lobby, as agreed with Saffron Walden County High School, This fund represents Saffron Screen’s annual contribution net of expenditure.

The BFI Safety Grant represents funding for the provision of safety equipment and consumables to allow our operating premises to be COVID-19 secure, in line with government guidance.

The BFI Sustainability Grant represents funding for allowable costs to be covered by the Cultural Recovery Fund, a central government funding program operated by the British Film Institute. The fund is to cover losses incurred while the organisation operates at reduced capacity due to social distancing and restricted attendance.

Designated fund represents set aside for any exceptional costs of creating a sustainable future.

Transfers between funds

As per a licence agreement between Saffron Walden Community Cinema Limited and Saffron Walden County High School, dated 17 January 2013, there is a requirement for each organisation to contribute £3,000 per annum into a fund for the maintenance of the fabric of the auditorium and lobby. The transfer of £3,000 between unrestricted and restricted funds for the year ended 31 December 2021 is the agreed allocation of funds to meet future costs in relation to this agreement. Details of the restricted fund can be found in the note for restricted funds.

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

Saffron Walden Community Cinema Limited

Detailed Statement of Financial Activities
for the Year Ended 31 December 2021

	31.12.21	31.12.20
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Friends of Saffron Screen	3,716	7,947
Other donations	<u>1,801</u>	<u>7,820</u>
	5,517	15,767
Investment income		
Deposit account interest	863	1,575
Charitable activities		
Income from admission charges	107,616	124,810
Refreshments	18,186	13,959
Sponsorship and advertising	4,011	7,875
Fundraising events	-	546
Grants	163,068	123,037
Other income	<u>576</u>	<u>788</u>
	<u>293,457</u>	<u>271,015</u>
Total incoming resources	299,837	288,357
EXPENDITURE		
Raising donations and legacies		
Marketing wage costs	18,321	21,205
Charitable activities		
Cinematic operation wage costs	126,543	117,531
Refreshment purchases	9,556	8,100
Distributor fees	48,942	48,835
IT software charges	4,777	4,732
Additional booking fees	8,863	6,240
Event and course costs	75	699
Equipment repairs	<u>3,140</u>	<u>5,368</u>
	201,896	191,505
Support costs		
Management		
Management wage costs	31,679	23,408
Insurance	1,365	1,705
Telephone	1,278	1,147
Postage and stationery	506	544
Advertising and marketing	11,778	10,533
Carried forward	46,606	37,337

This page does not form part of the statutory financial statements

Saffron Walden Community Cinema Limited

Detailed Statement of Financial Activities
for the Year Ended 31 December 2021

	31.12.21	31.12.20
	£	£
Management		
Brought forward	46,606	37,337
Sundries	334	699
IT costs	2,552	1,476
Travel and entertainment	1,158	662
Office expenses	4,440	4,314
Subscriptions and licence fees	1,241	2,027
Van running costs	<u>1,295</u>	<u>1,175</u>
	57,626	47,690
Finance		
Bank charges	6,723	8,028
Other		
Depreciation	7,360	7,058
Governance costs		
Professional fees	10,122	7,741
Accountancy fees	<u>1,500</u>	<u>1,500</u>
	<u>11,622</u>	<u>9,241</u>
Total resources expended	303,548	284,727
Net (deficit) / surplus	<u>(3,711)</u>	<u>3,630</u>

This page does not form part of the statutory financial statements

SAFFRON WALDEN COMMUNITY CINEMA LIMITED

England & Wales - Charity number 1113259

Accounts

REGISTERED COMPANY NUMBER: 05626997 (England and Wales)
REGISTERED CHARITY NUMBER: 1113259

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2020
for
Saffron Walden Community Cinema Limited
Trading as
Saffron Screen and Royston Picture Palace**

Saffron Walden Community Cinema Limited

**Contents of the Financial Statements
for the Year Ended 31 December 2020**

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Statement of Financial Activities	8
Balance Sheet	9 to 10
Notes to the Financial Statements	11 to 17
Detailed Statement of Financial Activities	18 to 19

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Saffron Screen and Royston Picture Palace are independent community cinemas screening a wide range of films and events, seeking through cinema to entertain, educate and create a shared experience to improve the quality of life for everyone in Saffron Walden, Royston and the surrounding areas.

The Charity's objects are:

- to advance the education of the public in the knowledge, understanding and appreciation of the arts, particularly the art of films and allied visual techniques;
- to advance the education of pupils at Saffron Walden County High School ("SWCHS") by providing and assisting in the provision of facilities for education at the school; and
- to promote for the benefit of the inhabitants of Saffron Walden, Royston and the surrounding areas the provision of recreational and other leisure time facilities in the interest of social welfare and with the object of improving their conditions of life.

Significant activities

The primary activity is the provision of cinema screenings at the cinema auditorium in Saffron Walden (located in the Saffron Walden County High School) and at the auditorium in Royston (located in Royston Town Hall). Saffron Screen offers between six and eight screenings each week from Friday night to Monday night as well as extra screenings during the school holidays and Arts on Screen screenings, which are often midweek. Royston Picture Palace offers fewer screenings at present, predominantly at weekends.

Both cinemas show a range of films including mainstream blockbusters, the Oscar contenders, children's, art-house and foreign language films, documentaries and archive material. Saffron Screen also aims to enhance the cinema experience by offering guest speakers, hosted discussions and other events (e.g. talks and workshops). In addition, our Arts on Screen strand provides live and encore screenings of plays, operas, ballets, art exhibitions and concerts broadcast from their venues to the cinema by satellite. It is our intention to also run similar events at RPP. The cinema also runs "Pop-up" screenings in community venues in Saffron Walden and its surrounding villages. In 2020 we continued our series of film courses despite the operational difficulties of the COVID-19 pandemic, in order to educate the local residents and students at SWCHS. Courses are run by some of the countries leading academics in film studies. The Trustees are grateful to SWCHS and Saffron Hall for their support and co-operation over shared use of the school premises, and to the Saffron Walden Tourist Information Centre for their hard work and support selling tickets for Saffron Screen. Further, we are also grateful for the support of the Royston Town Council and, in particular, the staff at the Royston Town Hall for providing the box office functions during the week.

2020 began very encouragingly at both venues. In particular, event cinema performed well with titles such as 42nd Street, The Sleeping Beauty, La Bohème, and Cyrano de Bergerac all attracting near sell out audiences. Films that did well included Knives Out, The Two Popes, 1917, Little Women and Parasite.

In March 2020 the COVID-19 pandemic caused the closure of both cinemas until September. Social distancing then reduced the number of available seats limiting capacity at Saffron Screen to around 55 and at RPP to 35. The cinemas were closed again at the start of November with only Saffron Screen re-opening for a short time in December. During the periods of closure the staff were put on furlough and as a result, no redundancies were necessary. During closure we created Saffron Screen on the Sofa which provided a number of benefits to our customers including, curated watch lists, online streamed content, discussions via Facebook, watch-alongs and online Q&As. In fact this initiative drew praise from the BFI "... how great it is to see you have been able to keep audiences engaged via a less safe programme, your Saffron Screen on the Sofa and the free online courses".

Funding from March has been provided by the Arts Council (administered by the BFI for independent cinemas) and Uttlesford District Council. This has enabled us to end the year without any significant losses. We are very grateful for these grants and also for smaller donations from some of our customers.

Saffron Walden Community Cinema Limited

Report of the Trustees **for the Year Ended 31 December 2020**

OBJECTIVES AND ACTIVITIES

Public benefit

Charity Trustees have a duty to report in the Trustees' Annual Report on the Charity's public benefit. They should demonstrate that they are clear about the benefits that are generated by the activities of the Charity. The Charity Commission guidance on public benefit in Section 4 of the Charities Act 2011 has been noted in preparing this Annual Report.

Saffron Screen and Royston Picture Palace welcomes audiences from all backgrounds. We are committed to serving the whole community by providing a wide range of films and other events at reasonable prices, including a range of concession tickets. In particular, we have negotiated with the distributors of Event Cinema to allow us to offer tickets for those who are 18 & under at reduced rates to allow young people local access to national and international opera, theatre, ballet and exhibitions. We have also introduced in early 2018 significantly discounted tickets on all films for audience members between the ages of 16 to 30 to encourage increased participation of that age group. In addition, we offer concessionary prices for those over 65 years old, students, unemployed, registered disabled people, Uttlesford Concession Card holders and military personnel. For customers with disabilities we provide audio description for partially sighted/blind customers, and individual hearing loops for those with hearing difficulties. Saffron Screen and Royston Picture Palace continues its commitment to social responsibility through special screenings for those living with autism and dementia, the latter being financially supported by Saffron Walden Dementia Action Alliance. We continue to consider and respond to all feedback from our audience, whether positive or negative, and to look for ways to improve our offering.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The objectives of the charity at the start of 2020 were:

- to continue to provide an exciting and varied programme of films, special events and educational activities;
- to seek to reach out to new and under-served audiences and to develop our existing audience;
- to generate core income of £225,000 and generate break even free cash flow per annum to maintain self-sufficiency;
- to continue good corporate governance by ensuring that all policies, procedures and documentation are up to date;
- and to consider options for moving or expanding the current operations to serve the growing demand from the local community;

In 2020, the amount of film and events screened was severely reduced due to the COVID-19 pandemic. We were, however, able to meet the above objectives within the limitations imposed.

Key Performance Indicators:

The Trustees set four Key Performance Indicators for the cinema, annual key core income, customer satisfaction, average audience numbers and number of speakers, outreach and education events. Due to the COVID-19 pandemic any figures in these categories are meaningless.

We will, however, continue to monitor and review these KPIs in 2021 once we can re-open to ensure that we provide a broad range of events and to maintain or improve these figures.

Audience development

We have had a very limited opportunity to develop our audience in 2020. However, digitally based offering, Saffron Screen on the Sofa did engage a number of customers who may not have been part of our original core audience.

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2020

FINANCIAL REVIEW

Financial position

The Statement of Financial Activity for the year ended 31 December 2020 shows total incoming resources of £223,153 (2019: £406,067) and total resources expended of £219,523 (2019: £420,930) resulting in a net surplus of £3,630 (2019: net deficit £14,863).

During the financial year to 31 December 2020, operations were significantly impacted due to COVID-19. For much of the financial year the organisation has been unable to operate, with the financial position being impacted as a result. Incoming resources from cinematic operations dropped by 48%. We are thankful to the Arts Council (administered by the BFI for independent cinemas) and Uttlesford District Council for grant support in the year to allow us to operate, when possible, within social distancing and restricted operating guidelines. The grant support has allowed us to cover our losses during the COVID-19 pandemic and this will continue into 2021.

Total resources expended have also been impacted by COVID-19. Where possible, the organisation has made use of central government support schemes, such as the Job Retention Scheme, to minimise costs while not operating. There are costs the organisation incurs that are not able to be stopped when the cinematic operations are forced to close, and for 2020 we have been reliant on support grants to cover these costs. Due to the successful applications with the Arts Council and Uttlesford Council, we have been able to demonstrate a viable business model once we are fully operational again, and as a result minimise our losses during the COVID-19 pandemic. The majority of costs within the organisation qualified for the support grants.

For 2020 the organisation has been able to generate a surplus of £3,630 (2019: net deficit £14,863). This has largely been achieved through very strong attendance numbers in January and February 2020, before the cinematic operations were forced to close. From 1 April 2020 we have been able to minimise losses through support grants, in turn keeping our reserves intact for future years.

Total funds as at 31 December 2020 were £183,741 (2019: £180,111) with total unrestricted funds of £139,137 (2019: £136,171). Details of the restricted funds can be found in the notes to the financial statements.

As at the date of signing this report, the organisation has successfully applied for and been awarded further grants to support the opening of cinematic operations during social distancing regulations to 30 June 2021. The organisation is also able to use central government scheme such as the Job Retention Scheme until the end of such financial aid. After these financial support grants have elapsed, the charity will be financially independent once again. The Trustees recognise the impact that COVID-19 has had on the industry, and are meeting frequently to see the organisation through the next stage of its operations. In 2021 the charity will continue to monitor its costs and income to ensure a viable and secure future for the cinema.

Reserves policy

The Trustees are responsible for maintaining a level of reserves that is appropriate for the charity. The reserves policy is to hold approximately two months of fixed costs (primarily to cover the costs in winding up the operations of the charity), and 50% replacement cost of equipment. In total it is approximately £100,000. The reserve policy was reviewed and updated in 2019.

Going concern

During the year, the charity had positive net assets and has significant cash reserves. The Trustees have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the charity to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

Saffron Walden Community Cinema Limited

Report of the Trustees for the Year Ended 31 December 2020

FINANCIAL REVIEW

Principal risks and uncertainties

Since the balance sheet date, the operations of Saffron Screen and Royston Picture Palace ceased temporarily due to the COVID-19 pandemic and the "third lockdown". As at the date of signing the Report of the Trustees the sites are open but under social distancing restrictions. The reduced capacity of the sites will have a significant impact on the 2021 financial results and presents an uncertainty over the future demand of the services provided. The Trustees are meeting regularly to monitor the ongoing situation and to put in place plans to protect the organisation, its customers and staff. To mitigate some risks the organisation has made use of various government schemes to support ongoing costs. All available funding opportunities will be assessed by the Trustees to ensure the viability of the organisation in the long term.

The Trustees have identified a number of other key risks which could affect our future performance, the most significant of which are:

- Lower attendance figures due to economic uncertainty, lower disposable incomes or alternative entertainment options;
- Competition from other cinemas which offer films on release date, improved seating and advanced facilities;
- Lack of control over the cinema auditorium building which is owned by SWCHS;
- Succession planning and governance challenges as we transition from a community start up to a more complex mature organisation.

Steps being taken to address these strategic risks are:

- to continually evaluate the films and events the cinema shows as well as continued dialogue with the service users to ensure the right service is being provided to the community
- a rolling programme agreed with SWCHS of seat refurbishment which is ongoing; and we now offer wine and beer on Friday and Saturday evenings and at selected "Event Cinema" screenings to enhance the cinema experience as a night out;
- to continue to have a good relationship with SWCHS and are liaising with them and with Saffron Hall;
- to continue to assess opportunities to develop the cinema further.

FUTURE PLANS

In the short term, the cinema will continue to operate at its current location and offer the same service to the community. However, the current facilities the cinema operates from are a limiting factor in expanding and improving our offering, which is vital for the future of the charity. Our attempts to find suitable alternative premises in or around Saffron Walden which would both meet the needs of our core audience and be commercially viable remains a challenging objective. We continue to look at various options and are working closely with both the Uttlesford District Council and the Saffron Walden Town Council.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 17 November 2005, registered as a charity on 14 March 2006, which commenced trading on 20 May 2006. The company was established under a Memorandum of Association dated 31 October 2005 which established the objects and powers of the charitable company and is governed under its Articles of Association, also dated 31 October 2005. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and appointment of new trustees

The initial Trustees of the Charity were recruited from the committee formed to start a cinema in Saffron Walden; subsequently vacancies have been advertised as required. The Board continue to monitor the requirement of new Trustees and appoint where a skills gap is recognised. One of SWCHS' Senior Staff participates as an observer in Board discussions to assist deliberations on maximising educational opportunities from the cinema's programming schedule.

Under the requirements of the Memorandum and Articles of Association, one-third of the directors retire at each annual general meeting and may stand for re-election. Two directors retired during 2020 and were re-elected. One director resigned in April. A new trustee was recruited and appointed.

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Trustees are responsible for the management of the charity, including proper use of its funds. The Trustees delegate the powers for the day-to-day running of the cinema to the management committee. The Trustees meet quarterly to review the actions of the management committee and make strategic decisions.

Induction and training of new trustees

Our Trustees bring a wide range of skills to the charity including cinema programming, marketing, finance, human resources, legal, and business management. As the organisation develops and as the external environment changes, we keep under review the skills we need. To ensure this is up to date we carried out a skills audit at the start of 2019. When we recruit, we utilise the results of the skills audit to identify the qualities sought in potential candidates. Opportunities are advertised and the Human Resources sub-committee manages the recruitment process, resulting in recommendations to the full Board. Potential new Trustees are invited to meet with existing Trustees and key management personnel to gain an understanding of their respective roles and the part they play in the decision-making processes, and are provided with appropriate background documentation (e.g. the business plan, recent financial performance, and Memorandum and Articles of Association) together with access to Charity Commission guidance notes. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Key management remuneration

The directors of Saffron Walden Community Cinema Limited are the charity's Trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give their time freely except where their specialist skills are required. Details of directors' expenses plus related party transactions are disclosed in note 8 to the financial statements.

The pay of all staff is reviewed annually and normally increased in line with inflation. In view of the nature of the charity, the directors benchmark against pay levels in other provincial cinemas of a similar size.

Related parties

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with a production company, distributor, performer or exhibitor must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year, no such related party transactions were reported.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05626997 (England and Wales)

Registered Charity number

1113259

Registered office

Market House
10 Market Walk
Saffron Walden
Essex
CB10 1JZ

Saffron Walden Community Cinema Limited

Report of the Trustees
for the Year Ended 31 December 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

B P Willmott	Chair	
Ms C R Sawford	Deputy Chair	
D A Early FCCA	Finance Director	
Ms A J Lightstone		- resigned 9.4.20
S Inkley		
Mrs K A Reed		- appointed 20.3.20

Company Secretaries

Ms C R Sawford

Independent examiner

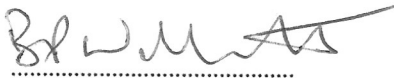
Mr Simon David Needham FCCA
Association of Chartered Certified Accountants

Bankers

Barclays Bank UK plc
10 Market Walk
Saffron Walden
Essex
CB10 1JZ

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 5th Aug 2021 and signed on its behalf by:



.....
B P Willmott - Trustee

**Independent Examiner's Report to the Trustees of
Saffron Walden Community Cinema Limited**

Independent examiner's report to the trustees of Saffron Walden Community Cinema Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Association of Chartered Certified Accountants which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached



Mr Simon David Needham FCCA
Association of Chartered Certified Accountants

Date: 25.08.21

Saffron Walden Community Cinema Limited

**Statement of Financial Activities
for the Year Ended 31 December 2020**

		Unrestricted funds	Restricted funds	31.12.20 Total funds	31.12.19 Total funds
	Not es	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies		15,767	-	15,767	9,901
Charitable activities					
Cinematic operations		225,148	45,867	271,015	393,602
Investment income	2	<u>1,575</u>	<u>-</u>	<u>1,575</u>	<u>2,564</u>
Total		242,490	45,867	288,357	406,067
 EXPENDITURE ON					
Raising funds		21,205	-	21,205	28,522
Charitable activities					
Cinematic operations		144,570	46,935	191,505	295,868
Other		<u>70,749</u>	<u>1,268</u>	<u>72,017</u>	<u>96,540</u>
Total		236,524	48,203	284,727	420,930
 NET INCOME/(EXPENDITURE)					
		5,966	(2,336)	3,630	(14,863)
Transfers between funds	11	<u>(3,000)</u>	<u>3,000</u>	<u>-</u>	<u>-</u>
Net movement in funds		2,966	664	3,630	(14,863)
 RECONCILIATION OF FUNDS					
Total funds brought forward		136,171	43,940	180,111	194,974
TOTAL FUNDS CARRIED FORWARD		<u><u>139,137</u></u>	<u><u>44,604</u></u>	<u><u>183,741</u></u>	<u><u>180,111</u></u>

The notes form part of these financial statements

Saffron Walden Community Cinema Limited

**Balance Sheet
At 31 December 2020**

	Not es	Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
FIXED ASSETS					
Tangible assets	6	13,668	-	13,668	18,160
CURRENT ASSETS					
Stocks	7	1,250	-	1,250	1,250
Debtors	8	3,063	-	3,063	30,626
Investments	9	74,956	-	74,956	118,434
Cash at bank		<u>70,991</u>	<u>44,604</u>	<u>115,595</u>	<u>83,763</u>
		150,260	44,604	194,864	234,073
CREDITORS					
Amounts falling due within one year	10	(24,791)	-	(24,791)	(72,122)
NET CURRENT ASSETS		<u>125,469</u>	<u>44,604</u>	<u>170,073</u>	<u>161,951</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>139,137</u>	<u>44,604</u>	<u>183,741</u>	<u>180,111</u>
NET ASSETS		<u>139,137</u>	<u>44,604</u>	<u>183,741</u>	<u>180,111</u>
FUNDS	11				
Unrestricted funds				139,137	136,171
Restricted funds				<u>44,604</u>	<u>43,940</u>
TOTAL FUNDS				<u>183,741</u>	<u>180,111</u>

The notes form part of these financial statements

Saffron Walden Community Cinema Limited

Balance Sheet - continued
At 31 December 2020

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

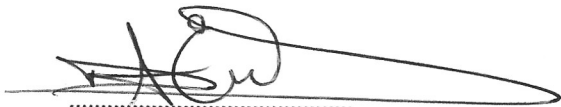
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

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 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 on15 July 2021..... and were signed on its behalf by:



.....
D A Early FCCA -Trustee

Saffron Walden Community Cinema Limited

Notes to the Financial Statements
for the Year Ended 31 December 2020

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 2015)', 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.

Going Concern

The trustees have assessed whether the use of going concern is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

Income

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

Income from government and other grants, whether capital grants or revenue 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 a cinematic performance is deferred until the criteria for income recognition are met.

Income from cinematic operations is the amount derived from the provision of goods and services, net of VAT.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Expenditure

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Projection equipment	- 20% on cost and 10% on cost
Seating and screen	- over the life of the license
Fixture, fittings & computers	- 25% on cost and 33% on cost
Motor vehicles	- 25% on cost

The notes form part of these financial statements

Saffron Walden Community Cinema Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

1. ACCOUNTING POLICIES – continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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

2. INVESTMENT INCOME

	31.12.20	31.12.19
	£	£
Deposit account interest	<u>1,575</u>	<u>2,564</u>

3. NET INCOME/(EXPENDITURE)

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

	31.12.20	31.12.19
	£	£
Depreciation - owned assets	<u>7,058</u>	<u>7,870</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

Travel costs and expense reimbursements amounting to £nil (2019: £555) were paid to nil (2019: 1) Trustees.

No Trustee, except Mr. B. P. Willmott, or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, during the year. Distinctive Consulting Limited, a company which Mr. B. P. Willmott has significant control of, was paid £nil (2019: £899) during the year for specialist technical services.

5. STAFF COSTS

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

	31.12.20	31.12.19
Administration and front of house	<u>22</u>	<u>20</u>

No employees received emoluments in excess of £60,000.

Saffron Walden Community Cinema Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

6. TANGIBLE FIXED ASSETS

	Projection equipment £	Seating and screen £	Fixture, fittings & computers £	Motor vehicles £	Totals £
COST					
At 1 January 2020	169,371	43,851	18,507	7,880	239,609
Additions	<u>-</u>	<u>1,068</u>	<u>1,498</u>	<u>-</u>	<u>2,566</u>
At 31 December 2020	<u>169,371</u>	<u>44,919</u>	<u>20,005</u>	<u>7,880</u>	<u>242,175</u>
DEPRECIATION					
At 1 January 2020	164,749	38,579	15,823	2,298	221,449
Charge for year	<u>1,515</u>	<u>1,620</u>	<u>1,953</u>	<u>1,970</u>	<u>7,058</u>
At 31 December 2020	<u>166,264</u>	<u>40,199</u>	<u>17,776</u>	<u>4,268</u>	<u>228,507</u>
NET BOOK VALUE					
At 31 December 2020	<u>3,107</u>	<u>4,720</u>	<u>2,229</u>	<u>3,612</u>	<u>13,668</u>
At 31 December 2019	<u>4,622</u>	<u>5,272</u>	<u>2,684</u>	<u>5,582</u>	<u>18,160</u>

7. STOCKS

	31.12.20 £	31.12.19 £
Stocks	<u>1,250</u>	<u>1,250</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20 £	31.12.19 £
Trade debtors	13	17,642
Other debtors	592	5,234
Prepayments	<u>2,458</u>	<u>7,750</u>
	<u>3,063</u>	<u>30,626</u>

9. CURRENT ASSET INVESTMENTS

	31.12.20 £	31.12.19 £
At 1 year's notice	-	65,000
95 days' notice	54,355	53,434
35 days' notice	<u>20,601</u>	<u>-</u>
	<u>74,956</u>	<u>118,434</u>

Saffron Walden Community Cinema Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Deferred ticket income	2,039	21,273
Trade creditors	3,220	20,650
Social security and other taxes	1,597	3,128
VAT	(1,735)	10,551
Other creditors	50	595
Other deferred income	14,808	7,410
Accrued expenses	<u>4,812</u>	<u>8,515</u>
	<u>24,791</u>	<u>72,122</u>

11. MOVEMENT IN FUNDS

	At 1.1.20	Net movement in funds	Transfers between funds	At 31.12.20
	£	£	£	£
Unrestricted funds				
General fund	110,935	5,966	(3,000)	113,901
Designated fund	<u>25,236</u>	<u>-</u>	<u>-</u>	<u>25,236</u>
	136,171	5,966	(3,000)	139,137
Restricted funds				
Digital equipment	7,905	(1,268)	-	6,637
Auditorium fund	36,035	(1,068)	3,000	37,967
BFI Safety Grant	-	-	-	-
BFI Sustainability Grant	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	43,940	(2,336)	3,000	44,604
	<u>180,111</u>	<u>3,630</u>	<u>-</u>	<u>183,741</u>
TOTAL FUNDS	<u>180,111</u>	<u>3,630</u>	<u>-</u>	<u>183,741</u>

Saffron Walden Community Cinema Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

11. 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	242,490	(236,524)	5,966
Restricted funds			
Digital equipment	-	(1,268)	(1,268)
Auditorium fund	-	(1,068)	(1,068)
BFI Safety Grant	8,824	(8,824)	-
BFI Sustainability Grant	<u>37,043</u>	<u>(37,043)</u>	<u>-</u>
	45,867	(48,203)	(2,336)
	<u>288,357</u>	<u>(284,727)</u>	<u>3,630</u>

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted Funds				
General fund	125,669	(11,734)	(3,000)	110,935
Designated fund	<u>25,236</u>	<u>-</u>	<u>-</u>	<u>25,236</u>
	150,905	(11,734)	(3,000)	136,171
Restricted Funds				
Digital equipment	10,122	(2,217)	-	7,905
Auditorium fund	33,347	(312)	3,000	36,035
Dementia Action Alliance	<u>600</u>	<u>(600)</u>	<u>-</u>	<u>-</u>
	44,069	(3,129)	3,000	43,940
	<u>194,974</u>	<u>(14,863)</u>	<u>-</u>	<u>180,111</u>

Saffron Walden Community Cinema Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

11. MOVEMENT IN FUNDS – continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	401,234	(412,968)	(11,734)
Restricted funds			
Digital equipment	-	(2,216)	(2,216)
Dementia Action Alliance	-	(313)	(313)
Young Programmers	333	(933)	(600)
Auditorium fund	<u>4,500</u>	<u>(4,500)</u>	<u>-</u>
	4,833	(7,962)	(3,129)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>406,067</u>	<u>(420,930)</u>	<u>(14,863)</u>

The Digital equipment fund represent funds specifically raised to acquire digital equipment. Expenditure represents the depreciation of the equipment.

The Auditorium fund represents the maintenance of the fabric of the auditorium and lobby, as agreed with Saffron Walden County High School, This fund represents Saffron Screen’s annual contribution net of expenditure.

The Dementia Action Alliance fund represents funding for the provision of dementia friendly film screenings for people living with dementia in Saffron Walden.

The Young Programmers fund represents a grant from the Independent Cinema Office to provide a facilitated group of 16-30 year olds who meet on a regular basis to increase their knowledge of independent film and to programme, plan, market and present regular screenings, sharing their voice with a wider audience, in an independent cinema setting.

The BFI Safety Grant represents funding for the provision of safety equipment and consumables to allow our operating premises to be COVID-19 secure, in line with government guidance.

The BFI Sustainability Grant represents funding for allowable costs to be covered by the Cultural Recovery Fund, a central government funding program operated by the British Film Institute. The fund is to cover losses incurred while the organisation operates at reduced capacity due to social distancing and restricted attendance.

Designated fund represents set aside for any exceptional costs of creating a sustainable future.

Transfers between funds

As per a licence agreement between Saffron Walden Community Cinema Limited and Saffron Walden County High School, dated 17 January 2013, there is a requirement for each organisation to contribute £3,000 per annum into a fund for the maintenance of the fabric of the auditorium and lobby. The transfer of £3,000 between unrestricted and restricted funds for the year ended 31 December 2020 is the agreed allocation of funds to meet future costs in relation to this agreement. Details of the restricted fund can be found in the note for restricted funds.

Saffron Walden Community Cinema Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2020.

Saffron Walden Community Cinema Limited

Detailed Statement of Financial Activities
for the Year Ended 31 December 2020

	31.12.20	31.12.19
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Friends of Saffron Screen	7,947	8,754
Other donations	<u>7,820</u>	<u>1,147</u>
	15,767	9,901
Investment income		
Deposit account interest	1,575	2,564
Charitable activities		
Income from admission charges	124,810	307,395
Refreshments	13,959	50,408
Sponsorship and advertising	7,875	17,348
Fundraising events	546	6,101
Grants	123,037	7,033
Other income	<u>788</u>	<u>5,317</u>
	<u>271,015</u>	<u>393,602</u>
Total incoming resources	288,357	406,067
EXPENDITURE		
Raising donations and legacies		
Marketing wage costs	21,205	28,522
Charitable activities		
Cinematic operation wage costs	117,531	117,872
Refreshment purchases	8,100	25,100
Distributor fees	48,835	127,371
IT software charges	4,732	7,575
Additional booking fees	6,240	8,456
Event and course costs	699	5,944
Equipment repairs	<u>5,368</u>	<u>3,717</u>
	191,505	296,035
Support costs		
Management		
Management wage costs	23,408	25,557
Insurance	1,705	2,735
Telephone	1,147	735
Postage and stationery	544	2,260
Advertising and marketing	10,533	19,701
Carried forward	37,337	50,988

This page does not form part of the statutory financial statements

Saffron Walden Community Cinema Limited

Detailed Statement of Financial Activities
for the Year Ended 31 December 2020

	31.12.20	31.12.19
	£	£
Management		
Brought forward	37,337	50,988
Sundries	699	1,650
IT costs	1,476	1,637
Travel and entertainment	662	1,747
Office expenses	4,314	6,847
Subscriptions and licence fees	2,027	2,526
Van running costs	<u>1,175</u>	<u>1,246</u>
	47,690	66,641
Finance		
Bank charges	8,028	14,290
Other		
Depreciation	7,058	7,871
Governance costs		
Professional fees	7,741	6,071
Accountancy fees	<u>1,500</u>	<u>1,500</u>
	<u>9,241</u>	<u>7,571</u>
Total resources expended	284,727	420,930
	_____	_____
Net expenditure	<u><u>3,630</u></u>	<u><u>(14,863)</u></u>

This page does not form part of the statutory financial statements