

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

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for the Year Ended 31 December 2020

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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

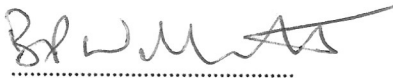
Mr Simon David Needham FCCA
Association of Chartered Certified Accountants

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 £
	Notes				
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>139,137</u>	<u>44,604</u>	<u>183,741</u>	<u>180,111</u>

The notes form part of these financial statements

Saffron Walden Community Cinema Limited

**Balance Sheet
At 31 December 2020**

		Unrestricted funds £	Restricted funds £	31.12.20 Total funds £	31.12.19 Total funds £
	Notes				
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.

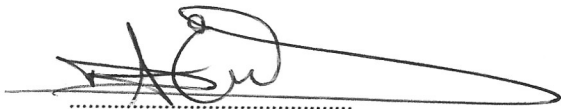
The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

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 on 15 July 2021 and were signed on its behalf by:

A handwritten signature in dark ink, appearing to be 'D A Early', written over a horizontal dotted line.

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	Transfers	At 31.12.20
	£	in funds	between funds	£
		£	£	
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> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<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> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<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	4,500	(4,500)	-
	4,833	(7,962)	(3,129)
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	<u>37,337</u>	<u>50,988</u>

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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
	<hr/>	<hr/>
Net expenditure	<u><u>3,630</u></u>	<u><u>(14,863)</u></u>

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