

Harborough Cinema

Registered Charity No 1133139

Trustees' Annual Report For The Period 1st September 2023 to 31st August 2024

1 Reference and Administrative Details

- 1.1 The name of the charity is Harborough Cinema (HC) which was changed from Octagon Films in August 2022.
- 1.2 The charity registration number is 1133139
- 1.3 Operating venue: Harborough Theatre, Church Square, Market Harborough LE16 7NB
- 1.4 The names of the charity trustees who manage the charity are:
- | | |
|------------------|--|
| Peter Mitchell | (Chair) |
| Edward Coveney | (Vice chair until the 25th March 2024) |
| Alastair Upcraft | (Vice chair from the 25th March 2024) |
| Graham Powell | (Treasurer) |
| Muriel Bibby | (Secretary) |
| Ann Height | |
| Michael Lee | |
| Bob Morris | |
| Avril Pell | |
| Maggie Shutter | |
| Michael Taylor | |
- 1.5 The name and address of relevant organisations are:
- | | |
|-----------------------|---|
| Bankers: | Nat West, 16, High Street, Kettering, NN16 8SZ |
| Independent Examiner: | Gerald Mitchell, 11, Sutton Road, Great Bowden, Market Harborough, LE16 7HW |
- 1.6 Harborough Cinema operates from Harborough Theatre which is owned and operated by The Market Harborough Drama Society (MHDS), a charitable incorporated organisation.

2 Structure, Governance and Management

- 2.1 Harborough Cinema (HC) is an unincorporated organisation and the governing document is the charity's constitution adopted on the 10th June 2009.
- 2.2 The average membership during the year ending 31st August 2024 stood at 695.
- 2.3 Trustees are appointed or reappointed annually at the Annual General Meeting.
- 2.4 Harborough Cinema is a member of The UK Cinema Association.
- 2.5 All trustees give their time voluntarily and receive no remuneration or other benefits.

3 Objectives and Activities

3.2 An extract from Harborough Cinema's constitution states:

The Society's objects are to advance education in the knowledge, understanding and appreciation of the arts, particularly the art of film and allied visual techniques for the benefit of the community in the Market Harborough area. Activities to achieve the objects are, but are not limited to:

- *the exhibiting of films and the provision of lectures, conferences, workshops, festivals and similar educational events related to film watching and film making.*
- *the establishment or furthering of the work of other charitable institutions with similar objects and compatible activities.*
- *the provision of means for bringing to the attention of the public, the work of creative people in film making in all its forms.*
- *the provision of digital transmissions of live performances including music concerts, ballet, opera and drama productions.*

3.3 The main Activities Undertaken For The Public Benefit In Relation To These Objects

This financial year represents the first full year that HC has shown newly released films, within 3 – 6 weeks of the release date in the UK, using its newly installed projection equipment.

Based on its operational experience during the year, it's been discovered that demand for watching newly released films has not been as great as originally anticipated to such an extent that of the 17 showings during May, June and July, 14 were loss making.

The choice of suitable films to show at HC has been restricted by the Hollywood screenwriters strike. This resulted in the postponement of releases with over 47 films and shows being delayed. Nevertheless, HC has had a successful year of film showings.

HC has also further streamlined its operational procedures, relating to membership renewals and applications for new memberships.

A Marketing Committee has been formed to promote the existence of HC, comprising 4 members of the board of trustees. The purpose of this committee includes, but is not limited to, publicity activities that help raise awareness of HC, drive ticket sales and increase membership numbers. This is being done using both digital and non-digital channels. For example, by the use of Facebook and Instagram and advertising in local publications as well as organizing leaflet drops.

These initiatives are described in more detail below.

3.3.1 Film Showings During The Year

73 different films involving 95 showings took place during the year. A total of 5236 admissions were recorded with an average attendance of 71.7 for each film. This compares to the previous year, with showings of 78 different films represented by 4147 admissions with an average attendance of 53.4 for each film. Overall, film attendances are 34% higher compared to the previous year. This is primarily due to having much higher attendances at each film showing.

In total, HC had 95 film showings (excluding films shown at two volunteer events) due to the high demand by patrons to watch the films selected. The 22 extra showings consisted of 15 films which were shown twice, 2 films which were shown three times and 1 film which was shown 4 times. This compares to the previous year when 11 films were shown twice and one film shown 3 times.

The 73 films that were programmed during the year included 1 dementia film showing

Also included, was a French Film Evening at which two different films were shown, together with a French style buffet which was attended by 52 people excluding volunteers.

Event cinema is the screening of live or pre-recorded entertainment in cinemas, such as plays, concerts, operas, ballets, and more. It's distinguished from Live Broadcasts in that these events are

never shown 'live' in cinemas so they are basically film showings. However, they command a higher ticket price than normal film showings.

HC launched its first Event Cinema showing of *The Prince Of Egypt* which was shown twice and attended by 62 people.

The best attended films during the year were: 1st, *One Life*, which was shown four times and had 354 attendees, 2nd with 257 attendees was *Oppenheimer* and 3rd was *Indiana Jones & The Dial Of Destiny* with 229 attendees.

HC participated in National Cinema Day (NCD) this year, which was held on Saturday 2nd September 2023, at which there were two showings of *Indiana Jones*, both sell outs. NCD was developed by Cinema First, the industry body charged with the promotion of UK cinema going, with the support of the Film Distributors' Association and the UK Cinema Association (UKCA) of which HC is a member., NCD was launched in September 2022 and was an immediate success. The main aim of NCD is to encourage people to return to cinemas and to acknowledge the role of cinemas in the entertainment and culture of the country. The day was coordinated by the UKCA whereby all participating cinemas offered tickets at the discounted price of £3.00 per ticket. The day was a stunning national success which on the day saw over 1 million admissions at over 630 cinemas across the UK.

The opinion of the audience is sought relating to each film showing at HC by asking each person in the audience to record what they thought of the film. Asking every individual for their opinion of a film makes them think about the film they've just seen in a critical way so it has an educational aspect and it obviously helps HC gather information for future programming. This individual information is collated so that an overall 'reaction index' (RI) for a film viewing can be calculated. The maximum score achievable for any film is 100% and the lowest 0.00%. The average rating for all the film showings during the year ending 31st August 2024 was 84.5%. The lowest RI of 60.00% was for the two showings of *Challengers* and the highest at an RI of 98.4% was for the four showing of *One Life*. The overall average RI of 84.5% was 1.0 point higher than that recorded last year and is the highest average RI that we have ever recorded.

This shows that the film programming sub-committee continues to do an excellent job even when it's not always possible for members of the committee to preview all films that are shown due to the fact that most films now shown are newly released. This is particularly so when HC has had more film showings than ever before.

Members of the committee attend at least two industry screenings each year. These are now two day events for live showings. However, most films are available to watch at home until the following Sunday after the in-person screening days weekend. The committee makes a point of trying to watch every film at these sessions as they are very important in helping the committee to personally review over 40 films each year including films that are never shown at multiplex cinemas.

3.3.6.1 Young Person's Film Festival

The other major activity is related to HC's participation in the young persons' film festival in November which was organised by the national charity, Into Film. This event is the biggest of its kind in the world and has been running for 23 years under different organisations. The Festival took place nationwide over three weeks in November 2023 when over 330,000 young people and their educators attending special screenings across the UK.

Like all cinemas that have signed up to the project, HC provided film showings free of charge to local school children and their teachers. In November 2023, Harborough Cinema's participation extended over 5 school days between Thursday 9th and Wednesday 22nd of November. These film showings are supported by teacher notes that enable lessons to be created around the underlying subject matter of the films. This is the fifteenth year that Harborough Cinema has participated in such a festival and this year Harborough Cinema was able to accommodate 318 children and their educators. Numbers were down on last year when the total attendance was 350.

3.3.6.2 Dementia Friendly Film Screenings

This is the third dementia friendly film screening that HC has organised. This year, HC showed *Calamity Jane* on Wednesday 31st January 2024 which was attended by 53 people. This event was free of charge and supporting HC were Market Harborough Drama Society (MHDS) which waived

its rental fee, Dementia Harborough and, this year, Leicester Musical Memory Box. This organisation is not-for-profit and delivers and facilitates interactive singing and music based sessions for those living with dementia.

3.3.7 Live Broadcasts

HC is now in its 13th year of providing live broadcast events to the community which currently includes the regular content providers comprising, The National Theatre, and Royal Ballet & Opera .

A breakdown of the live broadcast programme in the year ending 31st August 2024 is shown below::

Content Provider	Productions	Ticket Sales (Nos)	Tickets Sales (£)	Average/ production (Nos)
NT Live	7	608	7795	87
RBO	9	458	5786	51
TOTAL	16	1066	13581	67

As can be seen, 1066 people attended 16 productions with an average attendance of 67 for each production. In the previous year, HC showed 19 productions with a total attendance of 954 and an average attendance per production of 50.

Although the number of live productions is fewer than the previous year, overall attendance increased by 11%. It should be noted that the Royal Shakespeare Company have stopped live broadcasts to cinemas and has no plans to reinstate these

3.4 Additional Details Of Objectives And Activities

3.4.1 HC's activities are run by over 50 unpaid volunteers without whom HC could not exist in its present form. Their contributions included membership administration, front of house duties, film projecting, publicity (via posters and local newspaper editorial) and HC's website (harboroughcinema.uk)), ticket production and management.

3.4.2 HC believes that it can better meet the needs of the community by operating as a community cinema, run by volunteers and requiring a membership. The membership has the opportunity to suggest the films that it would like to see and because HC knows who its audience is, it can send out the occasional questionnaire to better understand members' requirements and to assess how it is satisfying those needs.

3.4.3 HC is an active member of Creative Harborough (CH) which is a network of local arts and cultural organisations who all believe that art and creativity help people to lead happier and healthier lives.

CH wants to make it easier for anyone living in, or visiting Market Harborough to access and benefit from a creative life. CH believes anyone can sing, dance, act, draw, paint, film, make, write, read, watch or enjoy creative activities. It does this by, amongst other things, operating a website (creativeharborough.org) that describes all the member organisations with links to their websites.

4 Achievements And Performance

Overall, HC made a surplus of £7,563 compared to a loss of £32,765 in the previous year. The loss last year was due to the cost of the new equipment that was installed that allows HC to show recently released films..

- 4.1 The average membership during the year ending 31st August 2024 stood at 695 compared to the previous year of 645.

5 Financial Review

- 5.1 The accounts for the year are presented using an income and expenditure format following the requirements of The Charity Commission.
- 5.2 The showing of films made a profit of £5,215 this year and Live broadcasts made a profit of £3,074. Membership fees give Harborough Cinema financial security with an income of £4,352..
The overall surplus for the year amounted to £7,563. This compares to an operating loss in the year before of £32,765.
- 5.3 The policy on reserves is to maintain sufficient funds to upgrade existing equipment and to maintain continuity of operation if the theatre became unusable due to unexpected damage to the building which would require HC to relocate equipment to an alternative venue. HC would wish to be able to contribute to other local organisations relating to the making of films, the sponsorship of film festivals and to organisations that might want to show films to raise money for local charities and, if appropriate, to make charitable donations to other national charitable organisations with similar objects to its own.
- 5.4 HC's reserves are at a £11,590 which is a big improvement on the previous year of £4,027. The relatively low level of the reserves relates to the cost of installing the new projection equipment. For security, it endeavours to maintain a balance of a year's turnover which is currently £50,000. However, HC has few fixed or recurring costs so that it should build up its reserves to the required level without any operating problems.

6.0 Future Plans

HC is continuing to explore how it can widen accessibility to other groups within the local community who cannot so easily or comfortably attend screenings available to the wider membership.

The redundant Panasonic projector that was used for showing DVD/Blu-ray format films is now permanently installed, hung from the ceiling alongside the new DCP projector in the theatre auditorium. Rather than dispose of this projector, HC prefers to help other volunteer led organisations, particularly The Arts Society Harborough (TASH) which has monthly events where members enjoy expert lecturers who share their specialist knowledge about the arts. These lectures are illustrated by showing slides which are projected onto a screen. TASH's original projector was not high definition and so a formal agreement has been entered with HC to use HC's spare high definition projector. The rental fee covers the cost of the lamp replacement when required.

Approved by the Trustee Members of the Executive Committee at their meeting on Monday 20th January 2025

Signed by Peter Mitchell, Chair

A handwritten signature in black ink, reading 'P J Mitchell', with a horizontal line underneath.

HARBOROUGH CINEMA

Established in 2002 - Registered Charity Number 1133139



Statement of Financial Activities for the Year Ended 31st August 2024

<u>2023</u>	<u>£</u>			<u>2024</u>	<u>£</u>
		Incoming Resources	Notes		
4,568		Membership Fees	1	4,352	
26,310		Film Showings	2	35,204	
11,531		Live Performance Showings	3	12,605	
237		Quiz Night	4	0	
0		DVD & Equipment sales		398	
200		Equipment Rental Income		366	
0		Interest received		61	
	42,846	TOTAL INCOME			52,986
		Resources Expended			
25,293		Film showing costs	2	29,989	
9,451		Live Performance showing costs	3	9,531	
321		Quiz Night		0	
144		Film & Cinema Society Memberships		147	
29,368		Equipment Upgrades & Repairs		537	
656		Insurance		863	
751		Ticketing		286	
2,358		Marketing Costs	4	1,015	
3,110		Programming Costs		1,134	
218		Bank Charges & Fees		170	
3,941		General Administration	5	1,468	
0		Charitable Expenditure	6	283	
	75,611	TOTAL EXPENDITURE			45,423
	-32,765	NET SURPLUS /(2023 DEFICIT)			7,563
	36,792	Balance brought forward			4,027
	<u>4,027</u>	Balance carried forward			<u>11,590</u>
		Represented by:			
5,871		NatWest Current Account		2,676	
0		NatWest Business Reserve		9,061	
0		Debtors		28	
170		Cash Floats		170	
6,041				11,935	
2,014		less: Creditors		345	
	<u>4,027</u>				<u>11,590</u>

Notes

- 1 Average membership 695 comprising Adult 644, Family 47, Curtain Raisers 4 (2023 – 645)
- 2 There were 95 films shown during the year (excluding two volunteer parties and the National Film Festival) (2023 -91)
- 3 There were 16 live performances during the year by NT Live & Royal Opera House (2023 – 18)
- 4 Marketing expenditure made members and the public aware of the new digital film showings and greatly increased membership numbers.
- 5 Administration covers membership applications & renewals, programme production and distribution, and sundry running costs.
- 6 Films shown for Dementia audience (£216) and National Schools Film Festival (£67)

Signed on behalf of the trustees on

2024

P Mitchell

G R Powell

**Independent Examiner's Report
on the Accounts of Harborough Cinema
for the year ended 31st August 2024**
Charity number 1133139

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- follow the procedures laid down in the general Directions given by the Charity Commissioners (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair" view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act;
 - to prepare account which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Dated: 13th November 2024

G Mitchell
11 Sutton Road
Great Bowden
LE16 7HW