

**Charity registration number 1151433**

**Company registration number 08389118 (England and Wales)**

**ALDEBURGH CINEMA TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# ALDEBURGH CINEMA TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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|-----------------------------|---|
| <b>Trustees</b>             | Charles Laughton-Scott - Chairman<br>Jill Green<br>Maryanne Nicholls<br>Sarah Turnbull<br>Stephen Barnard<br>Frederick Goetzen<br>Mary James<br>Janice Turner<br>Jennifer Hanlon<br>Alison Morrow |
| <b>Secretary</b>            | Stephen Barnard   |
| <b>Charity number</b>       | 1151433   |
| <b>Company number</b>       | 08389118  |
| <b>Registered office</b>    | 51 High Street<br>Aldeburgh<br>IP15 5AU   |
| <b>Independent examiner</b> | Carl Page<br>Blyth House<br>Rendham Road<br>Saxmundham<br>IP17 1WA  |

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# ALDEBURGH CINEMA TRUST

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# **ALDEBURGH CINEMA TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### ***FOR THE YEAR ENDED 31 MARCH 2023***

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The Trustees of the Aldeburgh Cinema Trust ("the Charity" and "the Trust") present their report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the financial statements and comply with the Charity's Articles of Association, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2016)

#### **Objectives and activities**

The Charity's charitable objects are to advance education in the arts and promote knowledge, understanding and appreciation in the arts (in particular in film and related arts) by providing and managing a cinema and associated facilities in Aldeburgh and in the surrounding area for the public benefit.

#### **Public benefit**

The Trustees have due regard to Charity Commission guidance on public benefit when planning and carrying out the Cinema's activities. The Trust endeavours to meet its objects through the Cinema's broad and varied programme (summarised below) and its educational outreach activities (see below) whilst never ignoring the need to provide high quality entertainment as stated in our motto 'inspirational, meaningful, fun'.

#### **The core programme**

The core programme consists of regular screenings of the best of world cinema, mainstream productions and English and foreign language films of an art house character. There are also live transmissions of opera from the Royal Opera House, drama from the National Theatre and elsewhere and other arts related events (such as Exhibition On Screen), making these events accessible at prices significantly lower than the live performances at the actual venues.

#### **Annual Documentary Festival**

The annual Aldeburgh Documentary Film Festival, established in 1995, continues to be a great success. The film screenings are usually supported by panel discussions which typically bring together the film-makers and others, often with particular experience and expertise in the area covered by the film.

#### **Cinema as a centre for community and arts related activities**

The Cinema makes its facilities available for local community events such as premieres of locally produced films, special screenings with regional relevance and charity shows. It has provided a venue for East Suffolk Arts Society lectures, film shows/presentations for the Aldeburgh Music Festival and Aldeburgh Literary Festival and screenings for the Aldeburgh Business Association. During the 2023 summer season, the cinema will be screening a trailer for Art for Cure Sculpture, which raises money for breast cancer causes. Later in the year, the cinema is hosting a charity screening of a travelogue film by a local resident in support of Save the Children Hospices. In October, the cinema is collaborating with, and hosting, the SHAKE Festival, a celebration of Shakespeare.

#### **Educational outreach**

The Trust is developing a range of activities to encourage filmmaking and film appreciation by people of all ages, with a particular focus on local educational institutions, including Aldeburgh Primary School. Documentaries made by pupils at the Primary School were screened in July 2023 with a further collaboration planned for Autumn 2023 - a filmmaking and literacy project, involving parents and meeting the school's Ofsted requirements.

# **ALDEBURGH CINEMA TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

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### **Achievements and performance**

At the start of the year the cinema played to socially distanced audiences. The restrictions were gradually reduced, although audience numbers were often greater when there was restricted seat availability. Like other cinemas across the country, numbers attending screenings remain below the pre-Covid levels. Special screenings, often including a discussion or commentary, are popular. The Desert Island Flicks have been a success, including an evening with Richard Curtis and Emma Freud and an evening with Griff Rhys Jones.

Taking advantage of the security of a longer lease (expiring in 2063), the Trust completed repairs to the building, including much needed work to the outside and roofs. The foyer has been redecorated and a new floor put down. The area of the upstairs Studio continues to be let on a short-term basis, bringing in useful income.

In January 2023 Mick McAloon was appointed General Manager. He has had considerable experience with Curzon cinemas and the cinema's screen programming is now done in house.

### **Financial review**

The Charity has maintained its relatively strong financial position due to the historical, relatively substantial reserves held.

The net overall result for the year was an operating deficit of £26,000 compared to the previous year's surplus of £32,000. Film income grew as restrictive trading conditions of the Covid years were removed, but the impacts of the conflict in Ukraine, inflationary pressures and cost of living crisis, dampened demand making this growth somewhat subdued. Support continued from the Friends of Aldeburgh Cinema, combined with other donations, to generate £37,000 of additional funds in the year. An insurance claim against the Business Interruption Hiscox policy, in place for the cinema for the initial Covid lock down, paid the Charity £20,000. As at 31 March 2023 the Charity had £253,000 of cash.

The Trustees consider it appropriate to continue the policy of maintaining a general reserve of an amount equivalent to three months overheads. With annual overheads of around £280,000 in a normal year the target reserve is £70,000.

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to these risks.

### **Unrestricted funds and Restricted funds**

The Charity holds both Unrestricted Funds (funds which are generally available for use by the Trustees) and Restricted Funds (funds which are subject to conditions by the donors). At 31 March 2023 the Charity had £41,000 of Restricted Funds (to be used for the purposes set out in Note 17) and £251,000 of Unrestricted Funds (of which £7,000 has been designated for the repair, maintenance and long-term security of the cinema building).

### **Future plans**

The Charity is concentrating on encouraging audiences to return to the Cinema after the enforced closures (and restricted capacity) during the Covid pandemic. Competition from Netflix and other services available at home will continue. Special screenings involving a discussion or presentation in the Cinema that cannot be replicated at home are likely to be of increasing importance. The Documentary Film Festival has quickly reestablished itself as the highlight of the year. The Exhibition on Screen of the Vermeer exhibition in Amsterdam was successful and similar screenings will be arranged.

### **Structure, governance and management**

Aldeburgh Cinema Trust is a charitable company limited by guarantee, incorporated on 5 February 2013 (in England & Wales) and registered as a charity on 27 March 2013. The Charity is governed by its Articles of Association which set out its objects and powers. In the event of the Charity being wound up the Members are required to contribute an amount not exceeding £1 each.

# ALDEBURGH CINEMA TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

***FOR THE YEAR ENDED 31 MARCH 2023***

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The Trustees of the Charity, of whom there must be at least five and not more than twelve, are its Members and also its Directors for the purposes of company law. One third (or the number nearest one third) of the Trustees must retire at each Annual General Meeting, those serving longest retiring first and the choice between any of equal service being made by drawing lots. A retiring Trustee may be reappointed.

Trustees are recruited from the local community and are selected to ensure that the Charity benefits from a broad range of relevant skills and expertise on the board.

The Trustees who served during the year were:

Charles Laughton-Scott (Chairman)  
Jill Green  
Maryanne Nicholls  
Sarah Turnbull  
Stephen Barnard (Company Secretary)  
Frederick Goetzen  
Mary James  
Janice Turner  
Jennifer Hanlon (Treasurer)  
Alison Morrow

The Trustees have ultimate responsibility for the governance and direction of the Charity and ensuring that it meets its charitable objects for the public benefit. They are also responsible for compliance with statutory and regulatory obligations. The day-to-day management of the Cinema is looked after by the General Manager.

The Trustees hold regular board meetings, attended by the General Manager, at which they agree strategic objectives, approve business plans and budgets, monitor financial and operational performance, and review staffing policies and provision. In addition, they review the risk register and amend risk management procedures where necessary. The General Manager is able to turn to individual Trustees with special responsibility for support in fund-raising, finance, staffing, programming and other fields.

# ALDEBURGH CINEMA TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### Trustees Responsibilities

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

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

In preparing these financial statements, the Trustees are required to:

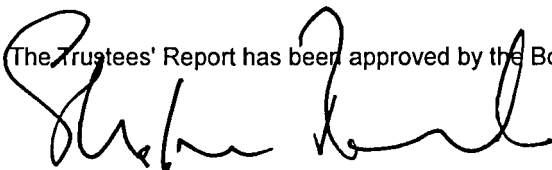
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

### Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The Trustees' Report has been approved by the Board of Trustees.



**Stephen Barnard**

Trustee

Dated: 22 July 2023

# ALDEBURGH CINEMA TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF ALDEBURGH CINEMA TRUST

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I report to the trustees on my examination of the financial statements of Aldeburgh Cinema Trust (the charity) for the year ended 31 March 2023.

#### **Responsibilities and basis of report**

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

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Since the 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 confirm that I am qualified to undertake the examination because I am a member of ICAEW, 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



**Carl Page**

Blyth House  
Rendham Road  
Saxmundham  
IP17 1WA

Dated: 07/11/2023

# ALDEBURGH CINEMA TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

|   |       | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ |
|---|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
|   | Notes |                                    |                                  |                    |                                    |                                  |                    |
| <b><u>Income from:</u></b>                    |       |                                    |                                  |                    |                                    |                                  |                    |
| Donations and grants                          | 3     | 37,379                             | -                                | 37,379             | 105,593                            | -                                | 105,593            |
| <b><u>Charitable activities</u></b>           |       |                                    |                                  |                    |                                    |                                  |                    |
| Films   |       | 129,815                            | -                                | 129,815            | 127,062                            | -                                | 127,062            |
| Alternative Content                           |       | 31,536                             | -                                | 31,536             | -                                  | -                                | -                  |
| Events  |       | 22,599                             | -                                | 22,599             | 17,331                             | -                                | 17,331             |
| Kiosk   |       | 37,609                             | -                                | 37,609             | 32,115                             | -                                | 32,115             |
| Friends subscriptions                         |       | 19,585                             | -                                | 19,585             | 19,584                             | -                                | 19,584             |
| Other trading activities                      | 4     | 46,234                             | -                                | 46,234             | 19,033                             | -                                | 19,033             |
| Investments                                   | 5     | 771                                | -                                | 771                | 464                                | -                                | 464                |
| <b>Total income</b>                           |       | <b>325,528</b>                     | <b>-</b>                         | <b>325,528</b>     | <b>321,182</b>                     | <b>-</b>                         | <b>321,182</b>     |
| <b><u>Expenditure on:</u></b>                 |       |                                    |                                  |                    |                                    |                                  |                    |
| Raising funds                                 | 6     | -                                  | -                                | -                  | 851                                | -                                | 851                |
| <b><u>Charitable activities</u></b>           |       |                                    |                                  |                    |                                    |                                  |                    |
| Cinema Expenses                               | 7     | 320,388                            | 30,915                           | 351,303            | 278,104                            | 10,084                           | 288,188            |
| <b>Total charitable expenditure</b>           |       | <b>320,388</b>                     | <b>30,915</b>                    | <b>351,303</b>     | <b>278,104</b>                     | <b>10,084</b>                    | <b>288,188</b>     |
| <b>Total expenditure</b>                      |       | <b>320,388</b>                     | <b>30,915</b>                    | <b>351,303</b>     | <b>278,955</b>                     | <b>10,084</b>                    | <b>289,039</b>     |
| Gross transfers between funds                 |       | -                                  | -                                | -                  | (4,750)                            | 4,750                            | -                  |
| <b>Net income/(expenditure) for the year/</b> |       |                                    |                                  |                    |                                    |                                  |                    |
| <b>Net movement in funds</b>                  |       | <b>5,140</b>                       | <b>(30,915)</b>                  | <b>(25,775)</b>    | <b>37,477</b>                      | <b>(5,334)</b>                   | <b>32,143</b>      |
| Fund balances at 1 April 2022                 |       | 245,987                            | 72,194                           | 318,181            | 208,510                            | 77,528                           | 286,038            |
| <b>Fund balances at 31 March 2023</b>         |       | <b>251,127</b>                     | <b>41,279</b>                    | <b>292,406</b>     | <b>245,987</b>                     | <b>72,194</b>                    | <b>318,181</b>     |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# ALDEBURGH CINEMA TRUST

## BALANCE SHEET

AS AT 31 MARCH 2023

|   | Notes | 2023<br>£      | £              | 2022<br>£      | £              |
|---|-------|----------------|----------------|----------------|----------------|
| <b>Fixed assets</b>                                   |       |                |                |                |                |
| Tangible assets                                       | 11    |                | 70,420         |                | 85,052         |
| Investments   | 12    |                | 1,000          |                | 1,000          |
|   |       |                | <u>71,420</u>  |                | <u>86,052</u>  |
| <b>Current assets</b>                                 |       |                |                |                |                |
| Stocks  | 13    | 2,805          |                | 2,533          |                |
| Debtors   | 14    | 21,090         |                | 41,343         |                |
| Cash at bank and in hand                              |       | 253,409        |                | 242,266        |                |
|   |       | <u>277,304</u> |                | <u>286,142</u> |                |
| <b>Creditors: amounts falling due within one year</b> | 15    | (56,318)       |                | (54,013)       |                |
| Net current assets                                    |       |                | <u>220,986</u> |                | <u>232,129</u> |
| <b>Total assets less current liabilities</b>          |       |                | <u>292,406</u> |                | <u>318,181</u> |
| <b>Income funds</b>                                   |       |                |                |                |                |
| Restricted funds                                      | 17    |                | 41,279         |                | 72,194         |
| <u>Unrestricted funds</u>                             |       |                |                |                |                |
| Designated funds                                      | 18    | 7,675          |                | 19,154         |                |
| General unrestricted funds                            |       | <u>243,452</u> |                | <u>226,833</u> |                |
|   |       |                | <u>251,127</u> |                | <u>245,987</u> |
|   |       |                | <u>292,406</u> |                | <u>318,181</u> |

# ALDEBURGH CINEMA TRUST

## BALANCE SHEET (CONTINUED)

**AS AT 31 MARCH 2023**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 22 July 2023

A handwritten signature in black ink, appearing to read 'Charles Laughton-Scott', followed by a period.

Charles Laughton-Scott - Chairman  
Trustee

Company registration number 08389118

# ALDEBURGH CINEMA TRUST

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **1 Accounting policies**

#### **Charity information**

Aldeburgh Cinema Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 51 High Street, Aldeburgh, IP15 5AU.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### **1.4 Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# ALDEBURGH CINEMA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT where this cannot be fully recovered, and is reported as part of the expenditure to which it related. Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities to its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                        |                     |
|------------------------|---------------------|
| Leasehold improvements | 2-10% straight line |
| Fixtures and fittings  | 12.5% straight line |
| Computers              | 33.3% straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Fixed asset investments

Investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses are recognised immediately in profit or loss.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# ALDEBURGH CINEMA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **1.12 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# ALDEBURGH CINEMA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 3 Donations and grants

|                                       | Unrestricted funds | Unrestricted funds |
|---------------------------------------|--------------------|--------------------|
|                                       | 2023               | 2022               |
|                                       | £                  | £                  |
| Donations and gifts                   | 37,379             | 96,892             |
| HMRC Coronavirus Job Retention Scheme | -                  | 8,701              |
|                                       | <u>37,379</u>      | <u>105,593</u>     |
| <b>Donations and gifts</b>            |                    |                    |
| General donations                     | 29,986             | 27,503             |
| Friends donations                     | 7,273              | 13,318             |
| Sale of Donated Clothing              | -                  | 15                 |
| Appeal Income                         | 120                | 688                |
| BFI Culture Recovery Fund             | -                  | 25,222             |
| Plan for the Future grant             | -                  | 19,479             |
| Other grants                          | -                  | 10,667             |
|                                       | <u>37,379</u>      | <u>96,892</u>      |

### 4 Other trading activities

|  | Unrestricted funds | Unrestricted funds |
|--|--------------------|--------------------|
|  | 2023               | 2022               |
|  | £                  | £                  |
| Advertising & Sponsorship income                         | 8,429              | 7,744              |
| Business Interruption Insurance proceeds                 | 19,548             | -                  |
| Lettings income  | 13,437             | 8,810              |
| Sale of Christmas Cards & other miscellaneous activities | 4,820              | 2,479              |
|  | <u>46,234</u>      | <u>19,033</u>      |
| Other trading activities                                 |                    |                    |

### 5 Investments

|                     | Unrestricted funds | Unrestricted funds |
|---------------------|--------------------|--------------------|
|                     | 2023               | 2022               |
|                     | £                  | £                  |
| Interest receivable | <u>771</u>         | <u>464</u>         |

# ALDEBURGH CINEMA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### 6 Raising funds

|                          | Total Unrestricted funds |           |
|--------------------------|--------------------------|-----------|
|                          | 2023<br>£                | 2022<br>£ |
| <u>Trading costs</u>     |                          |           |
| Other trading activities | -                        | 851       |
|                          | <hr/>                    | <hr/>     |
|                          | -                        | 851       |
|                          | <hr/>                    | <hr/>     |

# ALDEBURGH CINEMA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 7 Charitable activities

|   | Cinema<br>Expenses<br>2023<br>£ | Cinema<br>Expenses<br>2022<br>£ |
|---|---------------------------------|---------------------------------|
| Staff costs                             | 102,032                         | 91,942                          |
| Depreciation and impairment             | 24,703                          | 14,616                          |
| Films                                   | 53,116                          | 52,969                          |
| Alternative Content                     | 16,332                          | 6,374                           |
| Events                                  | 13,418                          | 7,800                           |
| Kiosk                                   | 16,187                          | 12,998                          |
| Programming                             | 7,333                           | 5,591                           |
| Marketing                               | 1,915                           | 2,081                           |
| Premises                                | 54,506                          | 64,698                          |
| Projection, sound, and other equipment  | 3,791                           | 5,267                           |
| Administration                          | 33,651                          | 23,852                          |
| Grant repayment                         | 24,319                          | -                               |
|   | <u>351,303</u>                  | <u>288,188</u>                  |
|   | <u>351,303</u>                  | <u>288,188</u>                  |
| <b>Analysis by fund</b>                 |                                 |                                 |
| Unrestricted funds                      | 320,388                         | 278,104                         |
| Restricted funds                        | 30,915                          | 10,084                          |
|   | <u>351,303</u>                  | <u>288,188</u>                  |
| <b>For the year ended 31 March 2022</b> |                                 |                                 |
| Unrestricted funds                      | 278,104                         |                                 |
| Restricted funds                        | 10,084                          |                                 |
|   | <u>288,188</u>                  |                                 |

Administration costs include £2,600 (2022: £2,525) payable to the Charity's Auditors in respect of independent examination fees, and a further £195 (2022: £1,295) in respect of non-audit work carried out.

### 8 Trustees

No Trustees were reimbursed for expenses during either the 2023 or 2022 years.

# ALDEBURGH CINEMA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 9 Employees

The average monthly number of employees during the year was:

|            | 2023<br>Number | 2022<br>Number |
|------------|----------------|----------------|
| Part time  | 10             | 11             |
| Volunteers | -              | 15             |
| Total      | 10             | 26             |

| Employment costs      | 2023<br>£ | 2022<br>£ |
|-----------------------|-----------|-----------|
| Wages and salaries    | 100,410   | 90,428    |
| Social security costs | 281       | 302       |
| Other pension costs   | 1,341     | 1,212     |
|                       | 102,032   | 91,942    |

Key management personnel of the charity for both the year ended 31 March 2023, and the previous year, comprised the General Manager, Deputy Manager and Finance Officer.

The total employee benefits of the key management personnel for the year were £69,456 (2022: £56,002).

There were no employees whose annual remuneration was more than £60,000.

### 10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# ALDEBURGH CINEMA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 11 Tangible fixed assets

|                                    | Leasehold<br>improvements<br>£ | Fixtures and<br>fittings<br>£ | Computers<br>£ | Total<br>£ |
|------------------------------------|--------------------------------|-------------------------------|----------------|------------|
| <b>Cost</b>                        |                                |                               |                |            |
| At 1 April 2022                    | 48,665                         | 73,702                        | 67,275         | 189,642    |
| Additions                          | 10,375                         | 216                           | 534            | 11,125     |
| Disposals                          | -                              | (4,939)                       | -              | (4,939)    |
| At 31 March 2023                   | 59,040                         | 68,979                        | 67,809         | 195,828    |
| <b>Depreciation and impairment</b> |                                |                               |                |            |
| At 1 April 2022                    | 11,817                         | 64,454                        | 28,320         | 104,591    |
| Depreciation charged in the year   | 5,719                          | 4,098                         | 14,886         | 24,703     |
| Eliminated in respect of disposals | -                              | (3,886)                       | -              | (3,886)    |
| At 31 March 2023                   | 17,536                         | 64,666                        | 43,206         | 125,408    |
| <b>Carrying amount</b>             |                                |                               |                |            |
| At 31 March 2023                   | 41,504                         | 4,313                         | 24,603         | 70,420     |
| At 31 March 2022                   | 36,848                         | 9,248                         | 38,956         | 85,052     |

### 12 Fixed asset investments

|                                 | Unlisted<br>investments<br>£ |
|---------------------------------|------------------------------|
| <b>Cost or valuation</b>        |                              |
| At 1 April 2022 & 31 March 2023 | 1,000                        |
| <b>Carrying amount</b>          |                              |
| At 31 March 2023                | 1,000                        |
| At 31 March 2022                | 1,000                        |

### 13 Stocks

|                                     | 2023<br>£ | 2022<br>£ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 2,805     | 2,533     |

# ALDEBURGH CINEMA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 14 Debtors

|                                      | 2023          | 2022          |
|--------------------------------------|---------------|---------------|
|                                      | £             | £             |
| Amounts falling due within one year: |               |               |
| Trade debtors                        | 5,898         | 2,103         |
| Other debtors                        | 8,366         | 27,104        |
| Prepayments and accrued income       | 6,826         | 12,136        |
|                                      | <u>21,090</u> | <u>41,343</u> |

### 15 Creditors: amounts falling due within one year

|                                    | 2023          | 2022          |
|------------------------------------|---------------|---------------|
|                                    | £             | £             |
| Other taxation and social security | 6,909         | 953           |
| Payments received on account       | 21,879        | 16,010        |
| Trade creditors                    | 4,574         | 10,121        |
| Accruals and deferred income       | 22,956        | 26,929        |
|                                    | <u>56,318</u> | <u>54,013</u> |

Deferred income as at the 31 March 2023 year-end relates to ticket sales for screenings and auditorium hire due to take place after the year-end, along with income from advertising and rental arrangements covering a period after the year-end. Of the deferred income as at the previous year-end, this has all been released as Income in the current year.

### 16 Retirement benefit schemes

#### Defined contribution schemes

The charity contributes to a defined contribution pension scheme for all qualifying employees.

The charge to profit or loss in respect of defined contribution schemes was £1,341 (2022: £1,212). At the balance sheet date, contributions amounting to £nil (£nil) were outstanding.

# ALDEBURGH CINEMA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

|                            | Balance at<br>1 April 2021<br>£ | Resources<br>expended<br>£ | Transfers<br>£ | Balance at<br>1 April 2022<br>£ | Resources<br>expended 31 March 2023<br>£ | Balance at<br>31 March 2023<br>£ |
|----------------------------|---------------------------------|----------------------------|----------------|---------------------------------|--|----------------------------------|
| Documentary Festival Funds | 4,048                           | (4,048)                    | -              | -                               | -  | -                                |
| Cinema Development Funds   | 43,531                          | (5,912)                    | -              | 37,619                          | (5,032)                                  | 32,587                           |
| Studio Projector Fund      | 380                             | (124)                      | -              | 256                             | (256)                                    | -                                |
| Educational Outreach Fund  | 28,319                          | -                          | -              | 28,319                          | (25,627)                                 | 2,692                            |
| Studio Seating Fund        | 1,250                           | -                          | (1,250)        | -                               | -  | -                                |
| New Projector Fund         | -                               | -                          | 6,000          | 6,000                           | -  | 6,000                            |
|                            | <u>77,528</u>                   | <u>(10,084)</u>            | <u>4,750</u>   | <u>72,194</u>                   | <u>(30,915)</u>                          | <u>41,279</u>                    |

Restricted funds have been established with the following purposes:

Cinema Development Fund - To support the ongoing development of the Cinema.

Studio Projector Fund - To support the new projector purchased in 2017.

Educational Outreach Fund - To support year-round educational work with young people. During the year £24,319 was repaid to an original funder, to reflect the changing activities now undertaken by the Trust.

New Projector Fund - To support the purchase of a replacement projector for the auditorium.

The Documentary Festival Fund and Studio Seating Fund were closed in the previous year.

# ALDEBURGH CINEMA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

|                              | Movement in funds               |                            |                            |                                 |                            |                                  |
|------------------------------|---------------------------------|----------------------------|----------------------------|---------------------------------|----------------------------|----------------------------------|
|                              | Balance at<br>1 April 2021<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Balance at<br>1 April 2022<br>£ | Resources<br>expended<br>£ | Balance at<br>31 March 2023<br>£ |
| Repair & Maintenance<br>Fund | 59,605                          | 20,167                     | (60,618)                   | 19,154                          | (11,479)                   | 7,675                            |
|                              | <u>59,605</u>                   | <u>20,167</u>              | <u>(60,618)</u>            | <u>19,154</u>                   | <u>(11,479)</u>            | <u>7,675</u>                     |

The Repairs & Maintenance Fund is used for the repair, maintenance and long term security of the cinema building

### 19 Analysis of net assets between funds

|  | Unrestricted<br>Funds<br>2023<br>£ | Restricted<br>Funds<br>2023<br>£ | Total Unrestricted<br>Funds<br>2023<br>£ | Restricted<br>Funds<br>2022<br>£ | Total<br>2022<br>£ |
|--|------------------------------------|----------------------------------|--|----------------------------------|--------------------|
| Fund balances at 31<br>March 2023 are<br>represented by: |                                    |                                  |  |                                  |                    |
| Tangible assets  | 38,278                             | 32,142                           | 70,420                                   | 47,622                           | 85,052             |
| Investments  | 1,000                              | -                                | 1,000                                    | 1,000                            | 1,000              |
| Current assets/(liabilities)                             | 211,849                            | 9,137                            | 220,986                                  | 197,365                          | 232,129            |
|  | <u>251,127</u>                     | <u>41,279</u>                    | <u>292,406</u>                           | <u>245,987</u>                   | <u>318,181</u>     |

### 20 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

|                            | 2023<br>£      | 2022<br>£      |
|----------------------------|----------------|----------------|
| Within one year            | 6,503          | 5,730          |
| Between two and five years | 26,012         | 22,920         |
| In over five years         | 227,605        | 206,280        |
|                            | <u>260,120</u> | <u>234,930</u> |

### 21 Related party transactions

# ALDEBURGH CINEMA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **21 Related party transactions**

**(Continued)**

During the year, the Trust received £nil (2022: £nil) in restricted donations, and £13,750 (2022: £25,000) in unconditional donations from Trustees, inclusive of gift aid where available.