

c/o Artlink Centre for Community Arts

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HULL INDEPENDENT CINEMA PROJECT

(A CHARITABLE INCORPORATED ORGANISATION)

Report and Financial Statements

Year ending 30 September 2022

Charity number: 1163544

Hull Independent Cinema Project, operating as Hull Independent Cinema, is a Charitable Incorporated Organisation (registration no 1163544) and is recognised as a charity for tax purposes by HM Revenue and Customs.

HIC is proudly supported by Film Hub North, part of the BFI Film Audience Network.

Film Hub **North**



## **HULL INDEPENDENT CINEMA PROJECT**

### **Trustees' annual report for the year ending 30 September 2022**

The trustees are pleased to present their annual trustees' report together with the consolidated financial statements of the charity for the year ending 30 September 2022.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association (The Constitution) and *Accounting and Reporting by Charities: Statement of Recommended Practice* (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

#### **Chair's Report**

Hull Independent Cinema ceased screening films in March 2020 because of the Covid-19 pandemic. We returned in late November 2021 with a short season of films before returning to our usual three-month seasons of weekly film programming.

As well as our core programme of the best of independent English-language films and world cinema we relaunched our long-running series of screenings of classic silent films in partnership with Yorkshire Silent Film Festival. Sadly, our screening of BEGGARS OF LIFE in June 2022 was our final YSFF screening, as they are moving on to explore other avenues for delivering their work in Hull. Our relationship with Jonny and his YSFF team goes back almost to the very beginning of HIC and it's been a huge pleasure working with them. We wish them all the best.

In May 2022 we worked with Doc N' Roll Film Festival to screen three fantastic music documentaries over three nights in three different venues. We first worked with Doc N' Roll during the 2017 City of Culture year and it's always been great to bring their fantastic programming to Hull. In July we were delighted to be one of eight UK hosts for the tenth anniversary of the SAFAR festival of Arab cinema, organised by Arab-British Council. This was the first time that SAFAR had taken place outside of its usual London venue and brought three excellent films to Hull audiences. We are hoping to host this fabulous festival again in 2023.

The experience and skills available to the Trustee Board have been enhanced in the period covered by this report by the recruitment of several new Trustees. The appointments of Laura Beddows, Tasha Pert, Lauren Wilson, Matthew Smith and Philip Stevens were confirmed at the 2022 AGM, and they have all played a vital role in the work of HIC over the last year. They have filled important skills gaps on the Trustee Board, allowing us to explore new opportunities and areas of work. And simply having more pairs of hands in the team has enabled us to manage the team's workload much better, a key element of maintaining the ability of the Board to carry out its work. Unfortunately Lauren has since had to step down from the Board because of other commitments, and we would like to put on record our thanks for her contribution.

Since the 2022 AGM we have made one further appointment to the Board, and I would like to take this opportunity to welcome Sam Sims to the team.

Finally, on behalf of the HIC Trustee Board, I want to thank our audiences, members and volunteers for your continuing support. Nothing HIC does would be possible without you. Thank you.

**James Russell**  
Chair of Trustees

## Our purposes and activities

The purposes of the charity are:

To advance the education of the public in the knowledge, understanding and appreciation of the art of film, in particular but not exclusively by:

- (a) the screening of films of artistic merit and educative value in and around the city of Kingston Upon Hull; and
- (b) establishing, maintaining and providing educational programmes, exhibition space and production facilities.

Our charity has considered its public benefit aims as a charity; we undertake screenings and work to further the understanding and appreciation of world, independent and art-house cinema on a non-profit basis. Our programming provides Hull audiences with the opportunity to see great films that would otherwise not be shown in the city. Our film screenings are priced so as to be as accessible as possible whilst covering the costs of screenings and enabling the charity to maintain reserves to provide financial resilience. We introduced a new Audience Choice screening this year to engage our audiences more directly with our programming. At SAFAR Film Festival in July we made several free tickets available for each screening to community groups working with and representing people from Hull's Arab and North African communities, enabling new audiences to engage with our work and reduce financial barriers to great film.

On 2 November 2021, we re-started a regular programme of film screenings at Vue Cinema, Hull and at Hull Truck Theatre since having to cease screenings on 20 March 2020. We waited to the point that all Covid-19 restrictions had been lifted and mainstream cinemas had been back open for some time, in order to test public confidence in returning to cinema screenings. We continued to undertake Covid-19 secure measures and this was appreciated by our audience.

The screening figures for 2021-22 are as follows:

Screening type	No. of films/screenings	Total audience attendance
Full-length world, independent and art-house cinema film (including YSFF, Doc N' Roll Film Festival and SAFAR Film Festival screenings)	52	2,653
<b>Total</b>	<b>52</b>	<b>2,653</b>

Our screenings from 1 October 2019 – 20 March 2020 were as follows:

Screening type	No. of films/screenings	Total audience attendance
Full-length world, independent and art-house cinema film	29	1,809
<b>Total</b>	<b>29</b>	<b>1,809</b>

For comparison, the last full financial year before the Covid-19 pandemic 1 October 2018 – 30 September 2019 figures were as follows:

Screening type	No. of films/screenings	Total audience attendance
Full-length world, independent and art-house cinema film	64	5,136
Short film screenings	3	102
Hull Film Festival 2018	16	424
Dead of Night - Hull Horror Film Festival 2018	8	403
<b>Total</b>	<b>91</b>	<b>6,065</b>

Of the 2021-22 screenings, three were in partnership with Doc’N’Roll to bring music documentaries and revive a partnership that had commenced during Hull UK City of Culture 2017. We started a new partnership with the British Arab Council and became a screening partner for the SAFAR film festival, which brought three films to Hull, as well as a supported ticket scheme so that people from Arabic and Middle Eastern communities in Hull could attend these film screenings with fewer barriers. From the core programme, Doc’N’Roll and SAFAR film screenings we brought three Q&A sessions to the film screenings including talent of the film directors, writers, producers and/or actors, which were all very well received. We also screened three silent films together with Yorkshire Silent Film Festival, and finally we started an Audience Choice film screening element to the quarterly core film screening programme.

### **Financial review**

In the current financial year our accounts show a deficit position in respect of outgoings against income in-year. However, the accounts are in surplus taking account of historic reserves. With the re-start of film screening activity, and not knowing how the public would react to being back in cinemas, the Trustees agreed to use reserves if necessary to cover the costs of 12 months of screenings. Between available cash in the current account and transferring £2,000 from the organisation’s reserve account, plus income received during the year, the organisation was able to cover its costs but the accounts show that drawing on reserves was necessary.

The organisation retains over £5,000 in its reserve account, which will cover the costs of two further film screening seasons, assuming similar deficits continue. Going in to financial year 2022/23, Hull Independent Cinema Project has applied for and won funding from Film Hub North for two film screening projects, one of which is part of getting audiences back to cinemas. These will ensure some core screening costs are covered for one big screening project and core programming from November 2022 to February 2023, safeguarding financial reserves.

### **Reserves policy and going concern**

Our current reserves policy is to retain an amount sufficient to cover the costs of running the organisation and our regular weekly film programme for a period of six months. The benefits of such a policy were clearly demonstrated during the pandemic shutdown, when we had had no income beyond a small number of donations but were able to use reserves to cover our ongoing overhead. These reserves also ensured enough cash in hand to be able to resume film screenings during this financial year, where outlay of costs is necessary before receipt of income (notably rental of the cinema space at Vue cinema).

This policy is kept under review by the Trustees. The charity has sufficient income and reserves after liabilities to prepare the accounts on a going concern basis.

### **Plans for the future period**

We have looked to source some grant funding to support a specific screening project and to support the regular screening programme; reviewing the finances for the year just closed, while members of the public have started to return to cinema screenings, tickets sales are not as strong as the years before the Covid-19 pandemic and we can anticipate further financial losses without making some changes, such as grant funding to cover some or most screening costs, or changing the financial model for film screenings. The Trustees are discussing this regularly to agree a plan to continue to meet its organisational purposes.

We have expanded the number and skills set of Trustees, which has brought enormous benefit to the organisation; this includes business strategy and organisational development talent and capacity, as well as marketing, audience engagement and programming capacity, which is most welcome as we look to develop Hull Independent Cinema Project’s offer to the public, as well as developing the organisation itself.

### **Reference and administrative details**

Charity number: 1163544

Registered office: C/O Artlink, 87 Princes Avenue, Hull, HU5 3QP

Bankers: The Co-operative Bank, 1 Balloon Street, Manchester, M60 4EP  
Hull and East Yorkshire Credit Union, 38 Brook Street, Hull, HU2 8LA

### **Trustees at 30 September 2022**

Chair	James Russell (Chair of Trustees)
Trustees	Ellie Irwin
	Carla Ramsay (Honorary Treasurer and Company Secretary)
	Paul Terry
	Philip Stevens
	Laura Beddows
	Tasha Pert
	Lauren Wilson
	Matthew Smith
	Philip Stevens
	Samuel Sims

Hull Independent Cinema did not have any employees during 2021-22.

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

HIC is governed by its Constitution and managed by a Trustee Board of up to twelve. Trustees may be elected or appointed by the Trustee Board with that appointment confirmed by the members at the next AGM.

The Trustees are volunteers and do not receive any remuneration for their role as Trustees. They are paid expenses in accordance with HIC's Expenses Policy for any out of pocket expenses incurred as part of their duties.

At the 2022 AGM, Trustees Damien Greco and Molly Hollinsworth stood down from the organisation and left with our sincere thanks for their time, dedication and expertise. At the 2022 AGM, Trustee James Russell retired by rotation and was re-elected. Trustees Laura Beddows, Tasha Pert, Lauren Wilson, Matthew Smith and Philip Stevens had been appointed since the last AGM at Trustee meetings and their appointments were confirmed at the 2022 AGM. Samuel Sims was appointed at in June 2022.

Trustee terms of office will expire according to the process set out in Clause 12 of our Constitution.

### **Trustees' responsibilities in relation to the financial statements**

The charity Trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The charity Trustees are required to prepare financial statements for each year that are a true and fair view of the state of affairs of the charitable organisation and the incoming resources and the application of those resources, including income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the Charities Commission 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
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its business

The Trustees are responsible for keeping proper 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**Statement as to disclosure**

In so far as the Trustees are aware at the time of approving our annual report:

- There is no relevant information discovered in preparing this report that is not disclosed in this document and
- The Trustees, having made enquiries of each other, have taken all steps that they are obliged to take as a Trustee in order to make themselves aware of any relevant information and to establish that they are aware of that information

By order of the board of trustees.

Signed:

A handwritten signature in black ink, appearing to read 'James Russell', written over a light beige rectangular background.

**James Russell (Chair)**, Sunday 26 March 2023

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CHARITY COMMISSION  
FOR ENGLAND AND WALES

Hull Independent Cinema Project	No 1163544
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## Receipts and payments accounts

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For the period from	01-Oct-2021	To	30-Sep-2022
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### Section A Receipts and payments

	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £	Total funds to nearest £	Last year to nearest £
<b>A1 Receipts</b>					
Donations and legacies	0	-	-	0	46
Grants	0	-	-	0	-
<i>Income from charitable activities</i>		-	-		
Film screenings and membership	12,793	-	-	12,793	481
Income from other sources	0	-	-	0	73
Investment income	0	-	-	0	-
<b>Sub total (Gross income for AR)</b>	12,793	-	-	12,793	600
<b>A2 Asset and investment sales</b>	-	-	-	-	-
<b>Total receipts</b>	12,793	-	-	12,793	600



**A3 Payments**

Salaries and staff costs	0	-	-	0	-
Screening expenditure	18,122	-	-	18,122	-
Core costs	1,018	-	-	1,018	1,318
Business development	0	-	-	0	-
<b>Sub total</b>	<b>19,140</b>	<b>-</b>	<b>-</b>	<b>19,140</b>	<b>1,318</b>

**A4 Asset and investment purchases**

-	-	-	-	-
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<b>Total payments</b>	<b>19,140</b>	<b>-</b>	<b>-</b>	<b>19,140</b>	<b>1,318</b>
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<b>Net of receipts/(payments)</b>	<b>(6,347)</b>	<b>-</b>	<b>-</b>	<b>(6,347)</b>	<b>718</b>
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<b>A5 Transfers between funds</b>	<b>2,000</b>	<b>-</b>	<b>-</b>	<b>2,000</b>	<b>-</b>
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<b>A6 Cash funds last year end</b>	<b>12,895</b>	<b>-</b>	<b>-</b>	<b>12,895</b>	<b>-</b>
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<b>Cash funds this year end</b>	<b>8,548</b>	<b>-</b>	<b>-</b>	<b>8,548</b>	<b>1,318</b>
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## Section B Statement of assets and liabilities at the end of the period

Categories	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
<b>B1 Cash funds</b>	<div>Co-operative Bank (current account)</div> <div>Hull and East Yorkshire Credit Union (reserve account)</div> <div>Paypal</div> <div><b>Total cash funds</b></div> <div>(agree balances with receipts and payments account(s))</div>	<div>3163</div> <div>5385</div> <div></div> <div>8548</div> <div>OK</div>	<div>-</div> <div>-</div> <div>-</div> <div>-</div> <div>OK</div>	<div>-</div> <div>-</div> <div>-</div> <div>-</div> <div>OK</div>
<b>B2 Other monetary assets</b>	<div>Details</div> <div>None</div>	<div>Unrestricted funds to nearest £</div> <div>-</div>	<div>Restricted funds to nearest £</div> <div>-</div>	<div>Endowment funds to nearest £</div> <div>-</div>
<b>B3 Investment assets</b>	<div>Details</div> <div>None</div>	<div>Fund to which asset belongs</div> <div></div>	<div>Cost (optional)</div> <div>-</div>	<div>Current value (optional)</div> <div>-</div>
<b>B4 Assets retained for the charity's own use</b>	<div>Details</div> <div>None</div>	<div>Fund to which asset belongs</div> <div></div>	<div>Cost (optional)</div> <div>-</div>	<div>Current value (optional)</div> <div>-</div>
	<div>Details</div> <div></div>	<div>Fund to which liability relates</div> <div></div>	<div>Amount due (optional)</div> <div></div>	<div>When due (optional)</div> <div></div>

**B5 Liabilities**


None

Signed by one or two trustees on behalf  
of all the trustees

Signature

Print Name

Date of  
approval



James Russell

28 March 2023

## Notes on the accounts

### 1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation or uncertainty in the preparation of the financial statements are as follows:

#### a) Basis of preparation

The financial statements have been prepared in accordance with the *Accounting and Reporting by Charities: Statement of Recommended Practice* applicable to charities preparing their accounts in accordance with the Financial Reporting Standards for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policies note(s).

#### b) Preparation of the accounts on a going concern basis

The trustees are of the view that the trading and cash position of the organisation have secured the immediate future of the organisation for the next 12 to 18 months and on this basis the assessment of the trustees is that the charity is a going concern.

#### c) Income recognition policies

Items of income are recognised and are included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds
- Any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity
- There is sufficient certainty that receipt of the income is considered probable, and
- The amount can be measured reliably

#### d) Donated services and facilities

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

#### e) Interest receivable

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

#### f) Fund accounting

Unrestricted funds are available to expend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations or funding that the donor has specified are to be solely used for particular areas of the charity's work or specific artistic projects being undertaken by the organisation.

#### g) Expenditure

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

- Expenditure on charitable activities – includes the costs of film screenings and other activities undertaken to further the purposes of the charity

- Expenditure of organisational operations – these are the support costs that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, insurance, governance, etc, which support the charity’s charitable activities. The basis of support costs has been set out at note 10.

The charity’s turnover is not sufficient to be VAT registered. The charity pays VAT on all services received and goods purchased, except for a small number of exemptions on goods purchased as allowed by current VAT treatment set by HMRC.

**h) Tangible fixed assets**

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

<b>Asset category</b>	<b>Annual rate</b>
Equipment	33%
Cabling and discs	50%

**i)** Any stock is included at cost or net realisable value. Donated items of stock are recognised on receipt at fair value, which is the amount the charity would have been willing to pay for the items on the open market.

**j) Debtors**

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

**k) Cash at bank and in hand**

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

**l) Creditors and provisions**

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

**m) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

## **2 Legal status of the organisation**

Hull Independent Cinema Project is a Charitable Incorporated Organisation, registered with and regulated by the Charity Commission. It trades as Hull Independent Cinema. It was incorporated on 13 September 2015.