

Charity number: 288309 Company number: 00888435

**THE SIR JOHN HURT FILM TRUST LIMITED (FORMERLY CINEMA CITY
LIMITED)**

(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

THE SIR JOHN HURT FILM TRUST LIMITED
(A company limited by guarantee)

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THE SIR JOHN HURT FILM TRUST LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

Trustees

Philip Easter, Chair
Jean Hogg (resigned 23 June 2020)
Michael Hutchinson
Jaan Larner
Julian Swainson
Lady Anwen Hurt
Andrew Newman
Andrew Taylor (resigned 30 October 2019)

Company registered number

00888435

Charity registered number

288309

Registered office

Cinema City, St Andrew's Street, Norwich, Norfolk, NR2 4AD

THE SIR JOHN HURT FILM TRUST LIMITED
(A company limited by guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2020

The chairman presents his statement for the period.

Summary

As with all organisations, the year 2019/20 (ending 30th September 2020) was a year like no other, overshadowed by a global pandemic which brought to an abrupt halt much of the Trust's activities, and which has had a significant impact on our income and our ability to fundraise.

But the year was not all negative. November 2019 saw the extremely successful public launch of the Sir John Hurt Film Trust name, with a packed public event hosted by Mark Kermode and our own Trustee Anwen Lady Hurt, a gala screening of Bong Joon-ho's masterpiece 2013 film *Snowpiercer* (including a specially filmed message of support from Bong himself). The event received much media, social media and public attention, and raised a meaningful sum towards the charity's aims, helped greatly by a generous sponsorship from Barclays Bank.

The launch of the Trust, which carries on the work of the charity from when it operated under the Cinema City name was the culmination of two years of hard work from Trustees and supporters, and marked a new beginning not just in the scope of what the charity is seeking to achieve, with a much wider ambition across the whole county, but also the moment when it arrived on a firm financial footing after a number of years of significant challenges in that direction.

This healthy financial position has proven timely: with the decision of Cineworld/Picturehouse to close Cinema City completely (including during periods when it could have legally operated), coupled with the company's refusal to pay even the small base rent, has meant that our income has almost completely dried up.

It is only because of the considerable effort made since 2017 in putting the charity on an even financial keel, and our ability to constrain costs thanks to the voluntary input of our Trustees, that I am able to report that we end the year in a strong position, despite the ongoing economic challenges posed by the pandemic.

For the first time in some years, we end the year completely debt-free, having paid off the generous loans provided by supporters to tide us over the period during which the charity finally paid off the Cineworld equipment at Cinema City.

In the first half of the year, the Trust embarked on a good level of activity across our four areas of focus (acting as custodians of the Cinema City building; promoting screenings of great cinema; nurturing film-makers; education). Unsurprisingly, the arrival of Covid-19 in the UK forced an almost total suspension of those activities, although I am pleased to say that we were able to reinstate some of them on an online basis relatively quickly.

The year ended with another lockdown in prospect, which as it turned out has lasted some six months into the year 2020/21.

The financial position for all charities has been impacted severely by the pandemic. Not only is traditional fundraising much more difficult, there is a considerably greater call on those funds (such as those available from Trusts and Foundations, and Statutory Funds) which remain available.

Despite this, the Trust remains in a strong position, thanks in no small measure to the help of a small number of freelance consultants (some of whom have offered their services at a less than commercial rate, and even pro-bono) and a greater day-to-day input from Trustees, for which as Chairman I am very grateful.

Finance

Despite the prevailing economic climate, and the refusal of our tenant to pay even the most basic rent to us, we end the year with a surplus of £25,000, which compares favourably with a surplus of £14,000 at the end of 2018/19, and very favourably with a deficit of £55,000 at the end of the year 2017/18.

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CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2020

All outstanding loans were repaid during the year, together with accrued interest. We ended the year with a substantial debtor, Cineworld/Picturehouse who owed some £9,000. This has continued to grow during the current year, and the Trustees are pursuing this vigorously.

Discussions continued with another charity with a view to them basing their activities in the Sir John Hurt Centre, which would have provided another ongoing income which was not directly dependent on the vicissitudes of Cineworld/Picturehouse, and whose activity would have been complementary to our own. Unfortunately the Covid-19 pandemic meant that this arrangement did not happen, but we remain engaged with the potential tenant, and hope that once the pandemic is over, that we may be able to revisit this proposal – or at least to find some way of collaborating to our mutual benefit.

Picturehouse Cinemas (Norwich) Ltd

The commercial undertakings of the cinema operation, bar and restaurant are sub-contracted to Picturehouse Cinemas Limited (Norwich), under a service level agreement with the charity. The Trust receives a less-than-commercial rental income from Picturehouse.

Despite the low overhead costs it enjoys, and the fact that Picturehouse is subsumed with cinema giant Cineworld (the second largest cinema group in the world), the Trustees are disappointed to note once again that Picturehouse has failed to engage with the Trust, performed poorly when the cinema was open, and unilaterally closed the cinema without consulting us (or indeed its employees, many of whom learnt of the decision from the media).

Prior to the closure, the company continued to perform poorly in terms of compliance with the artistic and cultural requirements of the SLA, in maintenance and investment in the cinema, and in a reluctance to engage constructively with the Trust.

Following the closure, Cineworld/Picturehouse made it clear that they intended to default completely on the rent due. This is despite the arrangement we have whereby a small base rent is payable, and the remainder of their rent is based on the turnover of the cinema and its associated activities (eg bar and restaurant) – an arrangement which effectively provides a contingency for enforced closure. The Trustees do not accept Cineworld/Picturehouse's position, and continue to pursue the outstanding rent due.

The lack of communication from Cineworld/Picturehouse about the closure – and refusal to engage with the Trust in any way at all, despite repeated attempts by us to do so – leads us to question Cineworld/Picturehouse's commitment to delivering the SLA for the long term.

We also note reports that Barclays Bank has taken a debenture over all of Cineworld's UK business, which presumably includes Cinema City. We have sought clarity from Cineworld/Picturehouse about what this means in practice, but have so far received no response.

We continue to press Picturehouse and its parent company to fulfil their cultural brief under the terms of the Service Level Agreement, to pay the rent which is due, to engage with the Trust, and to act in a manner which would suggest they are committed to the sustainability and success of the cinema.

Activity

With the Covid pandemic hitting just three months after the launch of the Trust, the opportunities to deliver activities have been much reduced during the year. However, some programmes were able to be delivered, both face-to-face where possible, and via online channels where this was not possible.

These included:

- Positive Cinema, a film project aimed at helping disadvantaged young people in Norfolk, which was launched in January 2020, and which was able to embrace Zoom and WhatsApp, as well as filming monologues using local actors.
- Various 'Norfolk Goes to the Pictures' local cinema history presentations delivered by members of the Trust to audiences in the county.

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**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

- The Trust supported the Holt Film Festival in February 2020.
- The Moving Memories project, working with people with dementia, was delivered in the early part of the year, including dementia-friendly screenings.
- A directing masterclass with help from director Richard Bracewell.
- The Trust worked with adult learning charity Workers Educational Association to create a ten session 'Introduction to European Cinema' course, although this sadly had to be cancelled due to the first lockdown.

Future Prospects

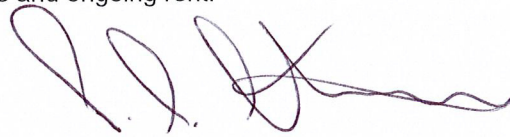
As we write, our operations, like so many others, are still hampered by the effects of the coronavirus pandemic. At the time of writing (May 2021), the roadmap out of lockdown remains on course, and we hope that this will enable us to resume many of our charitable activities before the end of the current year (September 2021).

Despite the issue of non-payment of rent, the Trust remains in a strong financial position, which will stand us in good stead as we seek to rebuild our activity as the pandemic recedes.

A key priority will be to ensure the cinema becomes fully operational once again, that the operator fulfils its artistic and operational obligations by delivering against the SLA, and that it fulfils its financial obligations by paying in full the overdue and ongoing rent.

Name Philip Easter
Chairman

Date


17th June 2021

THE SIR JOHN HURT FILM TRUST LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2020

The Trustees present their annual report together with the financial statements of the charity for the 1 October 2019 to 30 September 2020. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required

Objectives and Activities

a. Policies and objectives

The objectives of the charity are to advance the education of the public in film and the moving image as an art and as a medium for information, education and social enlightenment. The charity seeks to provide the public of Norwich and the surrounding area with the opportunity to experience a wide ranging programme of cultural cinema and related activities with the aim of enhancing the audience's appreciation, enjoyment and understanding of film.

The Sir John Hurt Film Trust Limited is a charitable organisation in Norfolk that uses the popular medium of the moving image to engage, educate, enrich and inspire the Norfolk community.

The trustees confirm that they have complied with the duty in section 17 of the charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Achievements and performance

a. Key financial performance indicators

See Chair's report.

Financial review

a. Going concern

The financial position of the charity has again been challenging for the last 12 months, however there are considerable reasons for optimism as to its financial sustainability for the coming year. Ongoing costs have continued to be almost eliminated. The charity runs almost entirely on a voluntary basis, with Trustees assuming roles which had in previous years been undertaken on a paid basis.

Following the repayment of the ten year Capital Debt to Cineworld/Picturehouse for the Cinema Equipment, we were entitled to 100% of the Turnover rent during this period. However, as already explained our Tenant, Cineworld/Picturehouse has refused to pay most of the base and turnover rents due. Notwithstanding this, we have used our resources to repay all of the outstanding balances and accrued interest.

At the beginning of this period we were optimistic we could finally expand the charity and use the facilities in the John Hurt Centre to enable the charity to meet its objectives and increase the ongoing income from these valuable resources. However, the cinema and its facilities were understandably drastically impacted by the pandemic and as the charity's income is heavily reliant on the success of the cinema operations run by Cineworld/Picturehouse, this was out of our control and use of the John Hurt Centre was restricted.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

The Trustees have eliminated many of the cost uncertainties, which means that the impact of the unpaid rental income from Cineworld/Picturehouse has largely been mitigated. The pandemic has also had a significant impact on grants from Trusts and Foundations, and Statutory Funds.

The trustees are of the view that the actions they have taken in the past three years have secured the immediate future of the charity and that on this basis the charity is a going concern.

As we write, our operations, like so many others, have continued to be negatively impacted by the Coronavirus Pandemic. However, with the skilful management of the Board of Trustees, we remain in a robust financial position. Our projections show that we can continue as a going concern and remain solvent even in the unlikely event of no income at all, at least through to September 2023.

b. Financial risk management objectives and policies

Total incoming resources for the year were £103,818 compared to £116,311 for the 12 months ended 30 September 2019. Total resources expended, excluding depreciation, decreased by £23,367 from £93,135 in the 12 month period compared to £69,768 for the current year.

The charity reports net incoming resources from the pursuit of ordinary charitable activities of £24,772 for the year ended 30 September 2020 compared to net incoming resources of £13,898 in the period ended 30 September 2019.

The statement of funds in note 13 shows the movement in the Charity's funds in the year. An explanation of the nature and purpose of each restricted fund is also given in note 13.

c. Reserves policy

Given the reasons explained above in the Chair's report, the charity does not currently have surplus funds to maintain a reserve, but as explained the charity is addressing its financial situation and the Trustees are confident that they have sufficient resources to remain in a stable position.

d. Principal funding

The charity's principal revenue funding resources for the year should have been the rental income from Cineworld/Picturehouse to manage the cinema operation, bar and restaurant at Cinema City on the charity's behalf. As explained the charity is still pursuing outstanding rent from the Tenant.

Structure, governance and management

a. Constitution

The company is a registered charity and company limited by guarantee and was set up on 26 September 1966 as Norfolk and Norwich Film Theatre Limited. In August 2014, the charity changed its name to Cinema City Limited. In November 2019 (shortly after the reporting period) the charity relaunched as The Sir John Hurt Film Trust Limited. Assuming a wider role in promoting great cinema right across Norfolk. It is governed by a Memorandum and Articles of Association.

The charitable company has no share capital and is limited by guarantee. Each member is liable to contribute £1 to the assets of the company in the event of its winding up and total members may not exceed 50. At 30 September 2019 the company has 8 such members.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

In the event of the charitable company being wound up with surplus funds, no member shall be entitled to participate in the distribution of this surplus. The funds remaining after settlement of all debts and liabilities will be transferred to organisations pursuing similar objectives to those of this charity.

b. Method of appointment or election of Trustees

Trustees are appointed at a general meeting of the organisation in accordance with the Memorandum and Articles of Association.

c. Organisational structure and decision making

The charity delivers its charitable aims and objectives effectively and actively through the Board of Trustees, who operate on a voluntary basis. They are well supported by a small part-time administration team.

The cinema, restaurant and bar operations at Cinema City are undertaken on behalf of the Trustees by Cineworld/Picturehouse under a management contract. The Sir John Hurt Film Trust Limited Board monitors the performance of Cineworld/Picturehouse according to the terms of the Service Level Agreement and is responsible for seeing the agreed operating standards are met.

d. Risk management

The Board reviews the risks of the charitable company on a regular basis and has implemented policies and procedures to mitigate exposure to these risks. In addition, a review of all financial risks is undertaken on a regular basis.

Plans for future periods

a. Future developments

In a climate of ongoing cuts to funding and increasing competition for grants, the Board of Trustees are aware that in order to operate successfully and achieve educational aims and objectives, The Sir John Hurt Film Trust Limited must become less reliant on grants and increase its earned income. The development of The John Hurt Centre is a key factor in helping us to do this and, as stated in the Chair's report, the Board continues to review its relationship with Cineworld/Picturehouse. As we move through this process, the organisation has used its skills and strengths to preserve a healthy financial position.

Trustees' responsibilities statement

The trustees (who are also directors of The Sir John Hurt Film Trust Limited for the purposes 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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;

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees, on 17 June 2021 and signed on their behalf by:



.....
Philip Easter
Chair of The Sir John Hurt Film Trust Ltd

THE SIR JOHN HURT FILM TRUST LIMITED
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**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

Independent examiner's report to the Trustees of The Sir John Hurt Film Trust Limited (the 'charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 30 September 2020.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

Signed:  Dated: 23 June 2021

Julie Grimmer FCA DChA

Larking Gowen LLP
Chartered Accountants
King Street House
15 Upper King Street
Norwich
NR3 1RB

THE SIR JOHN HURT FILM TRUST LIMITED
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	2	48,000	2,000	50,000	71,151
Charitable activities	3	3,247	-	3,247	6,726
Other trading activities	4	50,571	-	50,571	38,434
Total income		101,818	2,000	103,818	116,311
Expenditure on:					
Raising funds		-	-	-	12,000
Charitable activities		65,879	13,167	79,046	90,413
Total expenditure	7	65,879	13,167	79,046	102,413
Net income / (expenditure) before transfers		35,939	(11,167)	24,772	13,898
Transfers between Funds	13	(9,651)	9,651	-	-
Net income / (expenditure) before other recognised gains and losses		26,288	(1,516)	24,772	13,898
Net movement in funds		26,288	(1,516)	24,772	13,898
Reconciliation of funds:					
Total funds brought forward		(15,084)	344,709	329,625	315,727
Total funds carried forward		11,204	343,193	354,397	329,625

The notes on pages 12 to 21 form part of these financial statements.

THE SIR JOHN HURT FILM TRUST LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 00888435

BALANCE SHEET
AS AT 30 SEPTEMBER 2020

	Note	£	2020 £	£	2019 £
Fixed assets					
Tangible assets	9		331,591		340,869
Current assets					
Debtors	10	8,651		-	
Cash at bank and in hand		21,169		16,236	
		<u>29,820</u>		<u>16,236</u>	
Creditors: amounts falling due within one year	11	(7,014)		(2,726)	
Net current assets			<u>22,806</u>		<u>13,510</u>
Total assets less current liabilities			<u>354,397</u>		<u>354,379</u>
Creditors: amounts falling due after more than one year	12		-		(24,754)
Net assets			<u>354,397</u>		<u>329,625</u>
Charity Funds					
Restricted funds	13		343,193		344,709
Unrestricted funds	13		11,204		(15,084)
Total funds			<u>354,397</u>		<u>329,625</u>

The charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees 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 financial statements were approved and authorised for issue by the Trustees on 17 June 2021 and signed on their behalf, by:



Philip Easter

The notes on pages 12 to 21 form part of these financial statements.

THE SIR JOHN HURT FILM TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Sir John Hurt Film Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Going concern

As detailed more fully on pages 5 and 6 of the Trustees' report, the trustees have considered the charity's ability to continue to operate despite the continuing restrictions imposed by the Coronavirus Pandemic. Taking into account of the measures taken to stabilise the position, detailed control exercised by Trustees and the cash resources available, the trustees remain confident that the charity remains solvent and can continue for the foreseeable future, as such the Trustees conclude it remains appropriate for the financial statements to be prepared on a going concern basis.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. Accounting policies (continued)

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Voluntary income includes grants that provide core funding or are of a general nature. These are recognised when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income from activities for generating funds is recognised as earned (as the related goods and services are provided).

Investment income is recognised on a receivables basis.

Income from charitable activities is recognised as earned (as the related goods and services are provided).

Capital development grants and donations are credited to a restricted purpose capital fund within the statement of financial activities. They are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Rental income is recognised on a receivables basis.

Where services and gifts are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements as an estimate based on the value of the contribution to the charity.

1.5 Volunteers

The value of services provided by volunteers is not incorporated into these financial statements. Cinema Plus has the assistance of one regular volunteer for school events.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. Accounting policies (continued)

1.7 Tangible fixed assets and depreciation

Individual expenditure on tangible assets costing more than £250 or more is capitalised at purchase price. All fixed assets are used for charitable purposes.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures, fittings, cinema and office equipment	-	over 3-4 years
Computer equipment	-	over 3 years

1.8 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.

1.9 Debtors

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

1.10 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 acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

1.12 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. Accounting policies (continued)

1.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Donations	48,000	-	48,000	58,000
Grants	-	2,000	2,000	13,151
	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and legacies	48,000	2,000	50,000	71,151
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total 2019</i>	71,151	-	71,151	
	<hr/>	<hr/>	<hr/>	

Grants

	2020 £	2019 £
North Norfolk District Council	2,000	2,000
Awards for All-Moving Memories	-	1,500
National Lottery Awards for All	-	9,651
	<hr/>	<hr/>
Total grants	2,000	13,151
	<hr/>	<hr/>

The donation from Norwich City Council and others related to in kind rent of the premises and venue hire. This is wholly dependent on the charitable activities being maintained.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

3. Income from charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Education courses and admission fees	3,247	-	3,247	6,726
<i>Total 2019</i>	6,726	-	6,726	

4. Fundraising income

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Sundry sales	70	-	70	1,439
Rent of cinema	50,501	-	50,501	36,995
	50,571	-	50,571	38,434
<i>Total 2019</i>	38,434	-	38,434	

5. Direct costs

	Education £	Norfolk At The Pictures £	Total 2020 £	Total 2019 £
Cinema plus direct costs	4,751	-	4,751	2,253
Printing, stationery and postage	730	-	730	2,815
Press advertising and other	125	-	125	725
Consultancy	3,455	-	3,455	10,178
Overheads	5,053	-	5,053	1,401
Positive cinema project	3,464	-	3,464	-
Depreciation	-	9,278	9,278	9,278
	17,578	9,278	26,856	26,650
<i>Total 2019</i>	17,372	9,278	26,650	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

6. Support costs

	Fundraising costs £	Governance £	Education £	Total 2020 £	Total 2019 £
In kind rent and venue hire	-	-	48,000	48,000	48,000
Insurances	-	-	648	648	789
Legal and independent examination fees	-	2,763	-	2,763	22,824
Loan interest	-	-	779	779	4,150
	-	2,763	49,427	52,190	75,763
<i>Total 2019</i>	12,000	22,824	40,939	75,763	

Support costs are allocated on a basis consistent with the use of resources.

Loan interest relates to three loans made to the charity. Interest is payable on the principle sum loaned to the company and is added on a monthly basis. One loan for £10,000 accrues interest at 10% per annum. Two loans for a total of £21,000 accrue interest at 15% per annum. These loans were repaid during the year.

7. Analysis of Expenditure by expenditure type

	Depreciation 2020 £	Other costs 2020 £	Total 2020 £	Total 2019 £
	-	-	-	12,000
Costs of raising funds	-	-	-	12,000
Education	-	67,005	67,005	58,311
Norfolk at The Pictures	9,278	-	9,278	9,278
Charitable activities	9,278	67,005	76,283	67,589
Expenditure on governance	-	2,763	2,763	22,824
	9,278	69,768	79,046	102,413
<i>Total 2019</i>	9,278	93,135	102,413	

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8. Net income/(expenditure)

This is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets:		
- owned by the charity	9,278	9,278
Independent examination costs	2,040	1,980
	<u>11,318</u>	<u>11,258</u>

During the year, one Trustee received any reimbursement of expenses of £Nil (2019 - £228).

9. Tangible fixed assets

	Fixtures, Fittings & Cinema Equipment £	Computer & Office Equipment £	Leasehold Improvements £	Total £
Cost				
At 1 October 2019 and 30 September 2020	411,071	100,541	371,116	882,728
Depreciation				
At 1 October 2019	411,071	100,541	30,247	541,859
Charge for the year	-	-	9,278	9,278
At 30 September 2020	411,071	100,541	39,525	551,137
Net book value				
At 30 September 2020	-	-	331,591	331,591
At 30 September 2019	-	-	340,869	340,869

All assets are used for charitable purposes.

The charity has a leasehold interest over the land on which the capital development stands under a 125 year lease.

Legal charges over the leasehold property are held by the Trustees of the National Heritage Memorial Fund and the Arts Council of England.

10. Debtors

	2020 £	2019 £
Other debtors	8,651	-
	<u>8,651</u>	<u>-</u>

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11. Creditors: Amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	7,014	2,726

12. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Other loans	-	24,754

13. Statement of funds

Statement of funds - current year

	Balance at 1 October 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2020 £
Unrestricted funds					
General Funds - all funds	(15,084)	101,818	(65,879)	(9,651)	11,204
Restricted funds					
Capital Development Fund	344,709	-	(9,278)	-	335,431
Awards for All - Positive Cinema Project	-	-	(3,464)	9,651	6,187
NNDC - Moving Memories	-	2,000	(425)	-	1,575
	344,709	2,000	(13,167)	9,651	343,193
Total of funds	329,625	103,818	(79,046)	-	354,397

Following an assessment of grant income in the previous year £9,651 has been reclassified to restricted funds. This fund represents funding received from National Lottery Awards for All for the Positive Cinema Project.

During the year the charity received a grant of £2,000 from North Norfolk District Council (NNDC) to use film and memories of visits to the cinema, as a form of reminiscence therapy to help those living with dementia and similar conditions, and to provide support to their carers.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

13. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 October 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 September 2019 £</i>
General Funds - all funds	(38,260)	116,311	(93,135)	(15,084)
Restricted funds				
Capital Development Fund	353,987	-	(9,278)	344,709
Total of funds	315,727	116,311	(102,413)	329,625

Summary of funds - current year

	<i>Balance at 1 October 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 30 September 2020 £</i>
General funds	(15,084)	101,818	(65,879)	(9,651)	11,204
Restricted funds	344,709	2,000	(13,167)	9,651	343,193
	329,625	103,818	(79,046)	-	354,397

Summary of funds - prior year

	<i>Balance at 1 October 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 September 2019 £</i>
General funds	(38,260)	116,311	(93,135)	(15,084)
Restricted funds	353,987	-	(9,278)	344,709
	315,727	116,311	(102,413)	329,625

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NOTES TO THE FINANCIAL STATEMENTS
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14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	331,591	331,591
Current assets	18,218	11,602	29,820
Creditors due within one year	(7,014)	-	(7,014)
	<u>11,204</u>	<u>343,193</u>	<u>354,397</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	340,869	340,869
Current assets	12,396	3,840	16,236
Creditors due within one year	(2,726)	-	(2,726)
Creditors due in more than one year	(24,754)	-	(24,754)
	<u>(15,084)</u>	<u>344,709</u>	<u>329,625</u>

15. Related party transactions

During the prior year, one trustee provided the charity with an interest free loan of £1,000. The balance outstanding on this loan at the year end was £Nil. There have been no such loans in the current year.

One trustee was a personal guarantor for a loan in place during the prior year when the balance at the year end was £11,417. This loan was repaid during the current year.

During the year, one trustee provided professional services to the charity totalling £1,875. All transactions were made on an arms length basis.