

Kelso Community Cinema Annual Report for year ended 30th June 2022
A charity registered in Scotland no SC047776

Trustees



Principal Address



Introduction

This is the 5th annual report since the formation of Kelso Community Cinema in September 2017.

Governance

Kelso Community Cinema is a Scottish Charitable Incorporated Organisation (SCIO) registered on 26th September 2017. The Charity Trustees report and accounts have been prepared in accordance with the terms of the Charity and Trustee Investment Act (Scotland) 2005; the Charities Accounts (Scotland) Regulations 2006 and in the format to meet our obligations to OSCR.

Aims and Objectives

The aims of the organisation are to advance arts, heritage and culture with the objective of improving the conditions of life by providing a community cinema for the population of Kelso and the surrounding areas who have no alternative service within a 20 mile radius.

Activities & Review of Year ended 30th June 2022

The Kelso Community Cinema was formed by the 3 trustees to provide a monthly cinema experience for the local community of Kelso and the surrounding areas. The Tait Hall was chosen as the best venue and Indy Cinema Group for their expertise, equipment and success of assisting similar communities throughout Scotland.

Like many similar organisations, there was no activity for over 18 months. We resumed activities with a showing of the Bond film in October 2021. This was well supported with 240 tickets sold in a bigger more modern venue to reduce COVID risks. Since then we have had a further 2 film nights during the year with mixed success.

We closed the year with our first loss of £761 due to higher hall and licence charges, lower attendees for 2 films out of our 5 films screened and higher insurance costs which are usually spread over more film nights. However, our reserves remain over £5500

The cinema could not operate without the commitment of our volunteers and Indy Cinema Group who have proved vital in terms of expertise and reliability. Now that the way ahead has more certainty we are re-engaging with everyone involved to aim for a reopening date of late October 2022

Financial Summary

The success of the cinema relies on the right choice of films and the continued support from the local community. There are significant fixed costs per screening including hall hire, equipment hire, advertising and particularly licence fees for newly released films. The latter can be 40/45% of the attendance income generated. We have to be very careful with our film choice, take guidance from Indy Group but we don't always get it right or clash with other events in the area.

As a group we remain aware that our reserves could disappear rapidly if we had 2 or 3 months of low attendance and if so we would then have to re-evaluate the viability of the group.

Reserves

Unrestricted funds for the year end were £5507 and will be used towards our Charitable Purpose. We previously received monies from the Co-op Local Causes grant scheme & Charity begins at Home. We have accumulated total grant funding of £4,359.

These monies are to be used to potentially extend our film nights to include Live Screenings and purchase some of our own equipment. At present, more investigation is required by ourselves to ensure demand and technical capabilities required and the money is spent wisely. Progress is on hold until confidence improves.

Acknowledgements

The group acknowledges the tremendous support of the volunteers who facilitate the operation of the monthly screenings. We are grateful to Hastings Legal for their continued contribution towards our advertising and The Co-op Local Causes Grant Scheme.

Indy Cinema Group continue to support us with the expertise, equipment and manpower for each screening. This includes advice post COVID and suggestions and the maintaining of their charges at pre COVID levels.

Future Aspirations

Pre COVID, the cinema had continued to evolve in the right direction. However, we will need to rebuild audience numbers and look carefully whether restrictions on hall capacity hinders viability. Momentum has been lost and for the season 2022 – 2023 we will have fewer screenings but ensure that the film choices have wide appeal.

Key risks:-

- 1) Support from local community dwindles – mitigate by ensuring the choice of film appeals.
- 2) Increased costs of either hall hire or equipment.
- 3) Recession – our ticket prices will be capped at pre COVID levels to help mitigate.
- 4) There are many ways families can spend their leisure time and cash and we must ensure we continue to offer the right films as early as possible after release and for a ticket price which offers great value for money. One of our challenges evidenced in the latest season is to improve our appeal to the under 16s where attendance has dwindled unless a blockbuster film is screened.
- 5) Alternative screening methods e.g. Disney channel which has damaged the choice of films available for children.
- 6) Continuing impact of COVID 19 particularly if people are reluctant to return to the cinema. We were effectively moth balled since March 2020 and are fortunate that our overheads can be reduced quickly to zero.

- 7) Loss of Tait Hall – whilst old fashioned, it is a cost effective venue. reviewed by Indy. We used Springwood Hall for our Bond screening and this proved a successful venue except for the cost.

Opportunities:-

- a. Continuous improvement of cinema experience – this is somewhat limited by our venue choice.
- b. Rebuild better, introduce prepaid tickets to reduce cash and risk of poor audience due to weather issues on the night.
- c. Raise profile and widen appeal with use of Social Media, Visit Kelso and other partners

**Annual Report prepared and signed on behalf of the Trustees
of Kelso Community Cinema. [REDACTED] TRUSTEE. 30/11/22 Date.**

Independent Examiners Report on the Annual Report and Accounts of Kelso Community Cinema. Scottsih Charity Number SC047776
for Year ended 30th June 2022

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Charity's Trustees are responsible for the preparation of the Accounts in accordance with the terms of the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Charity Trustees consider the audit requirements of 2006 Regulation 10 (1) (d) of the Accounts Regulations do not apply.

As Independent Examiner, I have the responsibility to examine the accounts as required under Sections 44 (1) (c) of the Act and state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINATION

My examination is carried out in accordance with regulation 11 of the Charities Accounts (Scotland) Regulations 2006. My review of the records kept by Kelso Community Cinema in relation to the Accounts presented with such records will consider any unusual items and disclosures and seek explanations from the Trustees concerning any such matters. Those procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the Accounts.

STATEMENT OF INDEPENDENT EXAMINER

In the course of my examination of the records no matter has come to my attention that gives me any reasonable cause of believe that, in any material respect,

- 1) the requirement to keep accounting records in accordance with Section (44) (1) a of the 2005 Act, and any subsequent regulations and
 - 2) to prepare accounts as detailed foregoing that accord with these records in compliance with Regulation 9 of the 2006 Accounts Regulations, have not been met
- or that, in my opinion, attention needs to be drawn to enable a proper understanding of Annual Report to Accounts detailed on the foregoing page

Independent Examiner:-

Relevant Professional qualification ACIE

Address

Signed

Date

30/11/22

KELSO COMMUNITY CINEMA

A REGISTERED CHARITY IN SCOTLAND CHARITY NUMBER SC047776

Receipts and Payments Year ended 30th June 2022

RECEIPTS	<u>2021</u>	<u>2022</u>	PAYMENTS	<u>2021</u>	<u>2022</u>
	£			£	
Film Income children		669	Indy Cinema costs		1440
Film Income adults		3306	Film Licence children		300
Refreshments			Film Licence adults		1642
Grants/donations			Hall hire		598
Fundraising			Adverts/ pub/printing		435
Bank Interest	2	2	Refreshments		
			Insurance	26	228
			Miscellaneous		95
Totals	<u>2</u>	<u>3977</u>		<u>26</u>	<u>4738</u>
Surplus / -Deficit	<u>-24</u>	<u>-761</u>			

Statement of Funds as at 30th June 2022

	<u>2020</u>	<u>2021</u>
TSB Bank at start	6292	6268
Add surplus for year	-24	-761
Closing Balances	6268	5507

Consisting of:-

TSB Instant Access Acc.	4365	4367
TSB Bank Charity Trust Acc.	1903	1140
Total	6268	5507

Approved by the Trustees and signed on their behalf


 ..TRUSTEE.....30/11/22.....DATE