

Charity Registration No. SC041030

Company Registration No. SC360708 (Scotland)

FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2012

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**FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees

Charlotte Flower
Ronald Young
Patti Walker-Booth
Douglas Swan
George Baxter
Lin Thomas
Muriel Dunbar
Caroline Pearce

Treasurer

Terence R Wisdom

Chair

Charlotte Flower

Charity number

SC041030

Company number

SC360708

Registered office

J&H Mitchell WS
51 Atholl Road
Pitlochry
Perthshire
PH16 5BU

Independent examiner

Ian Roy CA
Johnston Carmichael LLP
66 Tay Street
Perth
PH2 8RA

Solicitors

J & H Mitchell W.S.
51 Atholl Road
Pitlochry
Perthshire
PH16 5BU

**FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
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**FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2012**

The trustees present their report and accounts for the year ended 31 March 2012.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The charity is a company limited by guarantee, incorporated on 4 June 2009 with charitable status and without a share capital.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Charlotte Flower

Julia Watson

(Resigned 31 January 2012)

Ronald Young

Patti Walker-Booth

Michael J Patrick

(Resigned 16 June 2011)

Eleanor K Timperley

(Resigned 2 August 2012)

Terence R Wisdom

(Retired 30 August 2011)

Douglas Swan

(Appointed 17 June 2011)

George Baxter

(Appointed 30 August 2011)

Lin Thomas

Muriel Dunbar

Caroline Pearce

(Appointed 12 April 2012)

Terence R Wisdom has held the position of Treasurer since retiring as trustee on 30 August 2011. Charlotte Flower and Ronald Young will retire by rotation at 30 August 2012.

The trustees of the company are also the charity directors for the purpose of company law and under the requirements of the Memorandum and Articles of Association the number of trustees shall be not less than three and, unless otherwise determined by special resolution at a General Meeting, not more than nine.

Membership shall be open to those individuals who are resident in Highland Perthshire and/or Killin Parish, who are aged 16 and over and who are interested in the objectives of the charity. Appropriate training will be given to newly elected members on trustees duties and responsibilities.

At each AGM, one-third of the trustees shall retire from office, but are eligible for re-election, provided that no trustee can serve more than three consecutive years in office. Having served three consecutive years, the trustee must then take one year out of office before being eligible to serve again.

The trustees will hold regular meetings between each AGM, set the strategy and policy of the charity, generally control and supervise the activities of the charity and, in particular, are responsible for monitoring its financial position and, where there are no employees or managers appointed, are responsible also for the day-to-day management of the charity.

None of the trustees has any beneficial interest in the company. The trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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

**FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012**

Objectives and activities

The charity's objects are to develop and manage the Birks Cinema premises to promote the arts, heritage and culture by providing a location for films, music, drama and entertainment and for other community-related facilities, to advance development of the communities of Highland Perthshire and Killin Parish for their benefit and for the benefit of the members of the public generally.

The main activities are fundraising to achieve this, which has principally been carried out through application to large Trusts and Grants. In addition, the charity undertakes to raise the profile of the campaign within the community and more widely with the purpose of gaining local support.

The charity also has the responsibility to develop the plans for the project, and since taking ownership of the Birks Cinema in December 2009, the maintenance and security of the building.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

During the financial year the charity received funding and funding pledges from a number of large donors which are sufficient to finance the refurbishment of the Birks cinema building, as well as provide a contribution towards the operation of the cinema in 4 subsequent years. As a result, contracts were entered into with Hadden Construction and the members of a Design Team with the objective of completing the refurbishment within the first semester of 2013.

During the year £5,951 has been expended on the refurbishment of the Birks Cinema building, largely financed by restricted funds.

No depreciation will be provided until the work has been completed and the cinema is in use. The depreciation charged in future will be set against the restricted funds.

At the Extraordinary General Meeting on 30 April 2012, the members agreed to establish a trading subsidiary company limited by shares. The Birks Cinema Limited was registered as company number SC428528 at Companies House on 18 July 2012. The entire issued share capital is held by Friends of The Birks Cinema.

Financial review

Results for the year ended 31 March 2012 are given in the Statement of Financial Activities on page 5. The assets and liabilities are given in the Balance Sheet on page 6. The financial statements should be read in conjunction with the related notes which appear on pages 7 to 13

In summary incoming resources amounted to £85,573 (2011 - £85,024), resources expended (running costs) totalled £19,232 (2011 - £7,122), resulting in net income for the year of £66,341 (2011 - £77,902).

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

**FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2012

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board of trustees

Charlotte Flower

Charlotte Flower

Trustee

Dated: 27.8.12

**FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF FRIENDS OF THE BIRKS CINEMA**

I report on the accounts of the charity for the year ended 31 March 2012, which are set out on pages 5 to 13.

This report is made to the charity's board of trustees, as a body, in accordance with the terms of engagement. My work has been undertaken to enable me to undertake an independent examination of the charity's accounts on behalf of the charity's board of trustees 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 board of trustees as a body, for my work or for this report.

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 Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

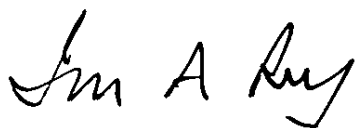
Basis of independent examiner's report

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from you as trustees concerning any such matters. The 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.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended); and
 - (ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended)
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Ian Roy CA
On behalf of
Johnston Carmichael LLP
66 Tay Street
Perth
PH2 8RA

29/08/12.....

FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2012

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2012 £	Total 2011 £
Incoming resources						
Incoming resources from generated funds						
Donations and grants	2	15,866	31,988	24,233	72,087	82,244
Activities for generating funds	3	12,102	-	-	12,102	1,612
Investment income	4	1,384	-	-	1,384	1,168
Total incoming resources		29,352	31,988	24,233	85,573	85,024
Resources expended						
Costs of generating funds						
Fundraising trading	3	238	-	-	238	265
Net incoming resources available		29,114	31,988	24,233	85,335	84,759
Charitable activities						
Charitable expenditure		5,245	-	8,893	14,138	3,652
Governance costs		3,162	-	1,694	4,856	3,205
Total resources expended		8,645	-	10,587	19,232	7,122
Net income for the year/ Net movement in funds		20,707	31,988	13,646	66,341	77,902
Fund balances at 1 April 2011		4,782	5,250	405,406	415,438	337,536
Fund balances at 31 March 2012		25,489	37,238	419,052	481,779	415,438

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

FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MARCH 2012

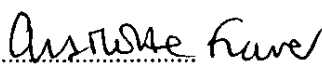
	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	10		338,660		332,909
Current assets					
Debtors	11	2,277		308	
Cash at bank and in hand		148,159		85,613	
		150,436		85,921	
Creditors: amounts falling due within one year	12	(7,317)		(3,392)	
Net current assets			143,119		82,529
Total assets less current liabilities			481,779		415,438
Income funds					
Restricted funds	13		419,052		405,406
Unrestricted funds:					
Designated funds	14		37,238		5,250
Other charitable funds			25,489		4,782
			481,779		415,438

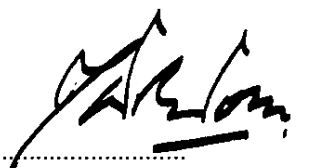
These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

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 2012. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The accounts were approved by the Board on 27.8.12


Charlotte Flower
Trustee


Terence R Wisdom
Trustee Treasurer

Company Registration No. SC360708

FOR THE YEAR ENDED 31 MARCH 2012

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008), the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

1.2 Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

1.3 Resources expended

Liabilities are recognised as resources expended as soon as there is legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis, exclusive of VAT and have been classified under headings that aggregate all costs related to the category. These are allocated as between charitable expenditure and governance costs.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land is not depreciated

Freehold buildings	nil
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No depreciation is provided on the freehold buildings as they are in the course of construction.

1.5 Accumulated funds

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

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 accounts.

FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

2 Donations and grants for the year to 31 March 2012

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2012 £	Total 2011 £
Donations and grants	<u>15,866</u>	<u>31,988</u>	<u>24,233</u>	<u>72,087</u>	<u>82,244</u>
Donations and grants for the year to 31 March 2012					
Unrestricted funds:					
Donations				14,056	13,114
Memberships				1,810	1,430
Donations for the year to 31 March 2012				<u>15,866</u>	<u>14,544</u>
Designated funds:					
Seat sponsorship				31,988	5,250
Seat sponsorship for the year to 31 March 2012				<u>31,988</u>	<u>5,250</u>
Restricted funds:					
Ward Blenkinsop Trust				-	50,000
Perth and Kinross Council Grant				23,300	1,050
Big Lottery				1,694	-
Awards for All (refund)				(761)	-
Owl Bookshop Ltd				-	7,000
Craignish Trust				-	3,000
The Russel Trust				-	1,000
Small Grants				-	400
Grants for the year to 31 March 2012				<u>24,233</u>	<u>62,450</u>

FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

3 Activities for generating funds

	2012	2011
	£	£
Events	11,541	-
Sale of merchandise	561	1,612
Fundraising trading	(238)	(265)
	323	1,347
Net Activities for generating funds	11,864	1,347

4 Investment income

	2012	2011
	£	£
Interest receivable	1,384	1,168

5 Total resources expended

	2012	2011
	£	£
Costs of generating funds		
Fundraising trading	238	265
Charitable activities		
<u>Charitable expenditure</u>		
Activities undertaken directly	8,705	-
Support costs	5,433	3,652
Total	14,138	3,652
Governance costs	4,856	3,205
	19,232	7,122

Governance costs includes payments to the independent examiner of £1,750 (2011 - £1,500) for independent examination fees and other advisory services and £3,106 (2011 - £1,705) for legal and professional fees.

FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

6 Activities undertaken directly

	2012	2011
	£	£
Other costs relating to charitable expenditure comprise:		
Research costs	8,705	-
	<u>8,705</u>	<u>-</u>

7 Support costs

	2012	2011
	£	£
Unrestricted funds -		
Materials and supplies	993	1,047
Insurance	1,498	894
Rates	(703)	605
Heat and light	1	374
Room hire	66	138
Advertising	2,802	861
Post and stationery	204	72
Travel	216	494
Sundry expenses	168	21
	<u>5,245</u>	<u>4,506</u>
Restricted funds -		
Materials, supplies and maintenance	188	(1,120)
Insurance	-	1,781
Legal and professional fees	-	(1,515)
	<u>188</u>	<u>(854)</u>
	<u>5,433</u>	<u>3,652</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but Lin Thomas, Ronald Young, Muriel Dunbar, Julia Watson, Douglas Swan, Patti Walker-Booth and Charlotte Flower were reimbursed expenses of £198, £57, £69, £190, £878, £266 and £60 respectively (2012 - Ronald Young and Julia Watson - £295 and £68) for expenses paid on behalf of the charity.

FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

9 Employees

There were no employees during the year.

10 Tangible fixed assets

	Land and buildings £
Cost	
At 1 April 2011	332,909
Additions	5,751
At 31 March 2012	338,660
Depreciation	
At 1 April 2011 and at 31 March 2012	-
Net book value	
At 31 March 2012	338,660
At 31 March 2011	332,909

11 Debtors	2012	2011
	£	£
Other debtors	1,702	10
Prepayments and accrued income	575	298
	2,277	308

12 Creditors: amounts falling due within one year	2012	2011
	£	£
Other creditors	5,568	1,894
Accruals	1,749	1,498
	7,317	3,392

FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

13 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:

	Movement in funds			
	Balance at	Incoming	Resources	Balance at 31
	1 April 2011	resources	expended	March 2012
	£	£	£	£
Town Centre Regeneration Fund	321,900	-	-	321,900
Perth & Kinross Grant	8,626	23,300	-	31,926
Awards for All	10,000	(761)	(188)	9,051
Investing in Ideas	2,980	-	-	2,980
Ward Blenkinsop Trust	50,000	-	(8,705)	41,295
Owl Bookshop Ltd	7,000	-	-	7,000
Craignish Trust	3,000	-	-	3,000
The Russel Trust	1,000	-	-	1,000
Big Lottery	-	1,694	(1,694)	-
Small Grants	900	-	-	900
	<u>405,406</u>	<u>24,233</u>	<u>(10,587)</u>	<u>419,052</u>

The Town Centre Regeneration Fund grant is to enable the charity to purchase and refurbish the Birks Cinema.

The Perth and Kinross Council grant is to assist towards the cost of refurbishing the Birks Cinema.

The Awards for All grant is to assist towards the cost of refurbishing the Birks Cinema.

The Investing in Ideas grant is to assist towards the cost of refurbishing the Birks Cinema.

The Ward Blenkinsop Trust grant is to assist towards the cost of refurbishing the Birks Cinema.

The Owl Bookshop Ltd grant is to assist towards the cost of refurbishing the Birks Cinema.

The Craignish Trust grant is to assist towards the cost of refurbishing the Birks Cinema.

The Russel Trust grant is to assist towards the cost of refurbishing the Birks Cinema.

The Big Lottery grant is to assist towards the cost of refurbishing the Birks Cinema.

The Small Grants are to assist towards the cost of refurbishing the Birks Cinema.

The balance on all of the above funds are held partially in the charity bank accounts and substantially as capital assets, the latter of which will be depreciated in the future using standard depreciation methods. At the year end £329,010 is held as fixed assets and £90,042 as cash at bank, net of creditors.

FRIENDS OF THE BIRKS CINEMA
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2012

14 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:

	Balance at 1 April 2011	Movement in funds Incoming resources	Resources expended	Balance at 31 March 2012
	£	£	£	£
Seat sponsorship	5,250	31,988	-	37,238
	<u>5,250</u>	<u>31,988</u>	<u>-</u>	<u>37,238</u>

The trustees have designated the seat sponsorship income to assist towards the cost of refurbishing the Birks Cinema.

15 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2012 are represented by:				
Tangible fixed assets	9,650	-	329,010	338,660
Current assets	18,752	37,238	94,446	150,436
Creditors: amounts falling due within one year	(2,913)	-	(4,404)	(7,317)
	<u>25,489</u>	<u>37,238</u>	<u>419,052</u>	<u>481,779</u>