

Charity Registration No. SC041030

Company Registration No. SC360708 (Scotland)

THE BIRKS CINEMA TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018



THE BIRKS CINEMA TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J F Freeman (Chair)	
	Mr D Swan	
	Mr G Baxter	
	Mr R P Baker	
	Mr K J Ramage	
	Ms P Walker-Booth	
	A Brocklehurst	(Appointed 8 August 2017)
	M McDougall	(Appointed 8 August 2017)
Secretary	Mr J F Freeman	
Charity number	SC041030	
Company number	SC360708	
Registered office	J & H Mitchell LLP 51 Atholl Road PITLOCHRY Perthshire PH16 5BU	
Independent examiner	Steven Menzies CA Johnston Carmichael LLP 66 Tay Street PERTH PH2 8RA	

THE BIRKS CINEMA TRUST

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THE BIRKS CINEMA TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

The trustees present their report and accounts for the year ended 31 March 2018.

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 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

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,
- 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, and
- advance education in the arts, heritage and culture by providing educational films and other media and by organising and promoting training, tuition and courses.

The Board successfully achieved the main objectives during the year:

- further strengthening the trading position of the subsidiary to target break even with no funding from the Trust,
- improving the efficiency of operations through performance metrics and expense control, and
- developing new community activities in line with the charity's objects.

Achievements and performance

Operation of The Birks Cinema Limited

Total admissions were 33,308 an increase of 599 on the prior year. Film admissions showed an increase of 724 and live event admissions were slightly down. Ticket sales proceeds remained the same and margin decreased. However, a 15% increase in Café-Bar sales and a 18% increase in Service sales (advertising and functions) resulted in gross profits up by £20,725. Administrative expenses were some 7% higher, ensuring a profit for the year of £1,879.

The cinema programme continued to include a diversity of films (over 300 different films in total), including popular drama, adventure, educational and children's films. Popular and successful live event screenings included opera, ballet and theatre.

Actions that helped to improve the results of the trading subsidiary included:

- improved experience driven choice of on date vs post release film programming.
- adjusted staffing levels matching anticipated footfall in a more flexible and efficient way
- wider use of volunteers in ushering, maintenance, and support at events
- engaging a part-time marketing specialist contractor under a fully funded 18 month marketing development programme to upgrade our current systems and processes, and train staff and volunteers

THE BIRKS CINEMA TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

Operation of the Trust

In compliance with the social responsibilities of the charity, during the year the Birks Cinema hosted:

- Weekly acoustic music evenings
- Screenings and events during the Aberfeldy Film Festival and the 'Young Indies' film competition
- Screenings of a monthly film selected by Heartland Film Society
- Screenings for The Scottish Mental Health Arts Film festival.

We delivered community capacity growth through our community activities programme with 232 sessions attracting 3,233 attendances, organised by our Community Development Coordinator and team of facilitators.

The sessions are offered under the following themes:

- Health and Well Being: – 199 sessions attracting 2564 attendances
- Arts, Culture and Heritage: – 37 sessions attracting 604 attendances
- Environment: – 2 sessions attracting 65 attendances

We look forward to supporting these sessions in this and coming years, as well as developing attractive new activities. Community Activity incurred £43,584 of costs and received external funding of £46,616 in the year.

Financial review

Results for the year ended 31 March 2018 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 20.

In summary total income amounted to £102,468 (2017 - £91,677), expenditure (running costs) totalled £166,487 (2017 - £167,767), resulting in net expenditure for the year of £64,019 (2017 - £76,090).

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 administrative expenditure, excluding depreciation. During the year to 31 March 2018 total expenditure, net of amortisation and depreciation amounted to £58,722 therefore unrestricted reserves should be maintained at a level between £14,680 and £29,361.

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.

At the balance sheet date the charity held total reserves of £1,506,489 (2017 - £1,570,508) of which £72,003 (2017 - £57,119) were unrestricted, £37,251 (2017 - £39,875) were designated and £1,397,235 (2017 - £1,473,514) were restricted.

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

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 period from 01 April 2017 to the date the financial statements were approved, were as follows:

Mr J F Freeman (Chair)
Mr D Swan
Mr G Baxter

THE BIRKS CINEMA TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

Mr R P Baker

Mr K J Ramage

Ms P Walker-Booth

A Brocklehurst

(Appointed 8 August 2017)

A D P Kennedy

(Appointed 3 October 2017 and resigned 3 September 2018)

M McDougall

(Appointed 8 August 2017)

Under the requirements of the 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.

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

The trustees hold regular meetings between each AGM, set the strategy and policy, and generally control and supervise the activities of the charity. The trustees are responsible for monitoring its financial position and, in areas of activity where there are no employees or contracted staff, are responsible also for the day-to-day management of the charity. Appropriate training will be given to newly elected members on the duties and responsibilities of trustees.

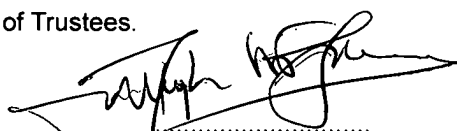
None of the trustees has any beneficial interest in the company. The trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Birks Cinema Trust (TBCT) is the ultimate parent company of The Birks Cinema Limited (TBCL), a company managing the trading activities within the Birks Cinema.

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

The trustees' report has been approved by the Board of Trustees.


Mr J F Freeman (Chair)
Trustee
Dated: 6/11/18


Mr D Swan
Trustee
Dated: 6/11/18

THE BIRKS CINEMA TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE BIRKS CINEMA TRUST

I report on the accounts of the charity for the year ended 31 March 2018, which are set out on pages 5 to 20.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) 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. The charity's 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 2006 Accounts Regulations (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 the 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.

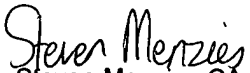
Independent examiner's statement

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; and
 - (ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Use of our report

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.


Steven Menzies CA
For and on behalf of

Johnston Carmichael LLP
66 Tay Street
PERTH
PH2 8RA

Dated: 28 November 2018

THE BIRKS CINEMA TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

		Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total 2018	Total 2017
	Notes	£	£	£	£	£
Income from:						
Donations and legacies	3	6,247	-	24,329	30,576	21,972
Charitable activities	4	305	-	46,311	46,616	43,436
Other trading activities	5	2,455	-	-	2,455	1,644
Investments	6	22,821	-	-	22,821	24,625
Total income		31,828	-	70,640	102,468	91,677
Expenditure on:						
Raising funds	7	216	-	-	216	390
Charitable activities	8	16,728	2,624	146,919	166,271	167,377
Total expenditure		16,944	2,624	146,919	166,487	167,767
Net income/(expenditure) for the year/ Net movement in funds		14,884	(2,624)	(76,279)	(64,019)	(76,090)
Reconciliation of Funds						
Fund balances at 1 April 2017		57,119	39,875	1,473,514	1,570,508	1,646,598
Fund balances at 31 March 2018		72,003	37,251	1,397,235	1,506,489	1,570,508

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

THE BIRKS CINEMA TRUST

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Intangible assets	12		2,165		6,102
Tangible assets	13		1,134,841		1,231,306
Investments	14		2		2
			<u>1,137,008</u>		<u>1,237,410</u>
Current assets					
Debtors	16	333,845		323,598	
Cash at bank and in hand		46,341		23,277	
		<u>380,186</u>		<u>346,875</u>	
Creditors: amounts falling due within one year	17	(10,705)		(13,777)	
Net current assets			<u>369,481</u>		<u>333,098</u>
Total assets less current liabilities			<u>1,506,489</u>		<u>1,570,508</u>
The funds of the charity:					
Restricted funds	18	1,397,235		1,473,514	
Unrestricted funds - designated	19	37,251		39,875	
Unrestricted funds - general		72,003		57,119	
			<u>1,506,489</u>		<u>1,570,508</u>

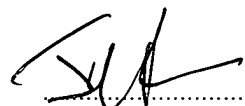
For the financial year ended 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

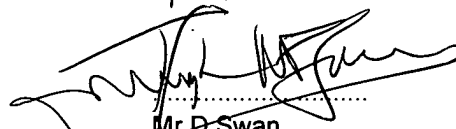
Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The accounts were approved by the Trustees on 6/11/18


Mr J F Freeman (Chair)
Trustee


Mr D Swan
Trustee

Company Registration No. SC360708

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

The Birks Cinema Trust is a private company limited by guarantee incorporated in Scotland. The registered office is J & H Mitchell LLP, 51 Atholl Road, PITLOCHRY, Perthshire, PH16 5BU and the business address is Quaich House 4 Dewars Steading, Coshieville, Aberfeldy, Perthshire, Scotland, PH15 2NE.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), including the provisions of Section 1A relevant to Small Entities, "Accounting and Reporting by Charities" the 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), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have considered the going concern position of the charity and have also reviewed the position regarding the recovery of the amount owed by The Birks Cinema Limited of £309,939, as they are currently showing a deficit in the accounts at 31 March 2018. The trustees are reviewing various options for the recovery of this loan and how to improve the trading performance of its subsidiary, TBCL.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

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 cost 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.

1.4 Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Revenue support donations and gifts

The company has agreed the provision of revenue support funds by funders during an initial five year period, to enable the development of a robust trading model for its subsidiary TBCL. All revenue support funds are received by the company, before being transferred as required to the trading subsidiary. These revenue support funds are recorded under Donations and Legacies when received, and then recorded as a loan repayable by TBCL to the company when the funds are transferred to TBCL.

Income from charitable activities relates to community activity grants and programmes and is recognised when entitlement has occurred.

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable. Stocks of undistributed donated goods are not valued for balance sheet purposes.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Bank interest is shown gross and accrued where applicable.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category and include irrecoverable VAT. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

Charitable expenditure is incurred in direct pursuance of the charity's principal objects and as set out in the trustees' report.

Governance costs are those of a constitutional, strategic or statutory nature with respect to the general running of the charity, rather than day to day management.

1.6 Intangible fixed assets other than goodwill

Licences are included at cost and amortised in equal annual instalments over a period of 3 years which is their estimated useful life.

Licences

33% straight line

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.7 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land and buildings	5% straight line
Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Computer equipment	25% reducing balance and 33% straight line

1.8 Fixed asset investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.9 Impairment of fixed assets

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

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.11 Financial instruments

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors are recognised at transaction price.

Derecognition of financial liabilities

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

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.12 Taxation

The company is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

2 Critical accounting estimates and judgements

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

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

The directors consider there to be no critical accounting estimates and judgements, other than depreciation.

Depreciation

Depreciation is calculated to fully write off the cost of assets over their estimated useful life. Management estimate the useful life of each asset. Details of the depreciation charged in the period are included in note 14.

3 Donations and legacies

	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2018 £	Total 2017 £
Donations and gifts	2,211	-	24,329	26,540	18,226
Membership fees	4,036	-	-	4,036	3,746
	<u>6,247</u>	<u>-</u>	<u>24,329</u>	<u>30,576</u>	<u>21,972</u>
For the year ended 31 March 2017	<u>5,486</u>	<u>5,000</u>	<u>11,486</u>		<u>21,972</u>
Donations and gifts					
Donations	2,211	-	-	2,211	1,740
Seat Sponsorship	-	-	-	-	5,000
SSE - Growbiz	-	-	4,954	4,954	-
SSE - Griffin	-	-	19,375	19,375	-
Big Lottery - revenue support grants	-	-	-	-	10,986
Perth & Kinross Council	-	-	-	-	500
	<u>2,211</u>	<u>-</u>	<u>24,329</u>	<u>26,540</u>	<u>18,226</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

4 Charitable activities

	2018 £	2017 £
Community activities - grants	46,311	31,164
Community activities - other income	305	12,272
	<u>46,616</u>	<u>43,436</u>
Analysis by fund		
Unrestricted funds - general	305	
Restricted funds	<u>46,311</u>	
	<u>46,616</u>	
For the year ended 31 March 2017		
Unrestricted funds - general		12,272
Restricted funds		<u>31,164</u>
		<u>43,436</u>
Community activities - grants		
Robertson Trust	10,000	-
BBC Children in Need	9,962	5,320
The Gannochy Trust	6,000	8,000
The Basil Death Trust	3,000	-
Foundation Scotland	2,000	-
Perth & Kinross Council - Strathtay Decides	1,500	-
Perth & Kinross Council - Screen Memories	1,450	-
Bord Na Gaidhlig	1,500	-
Perth & Kinross Literacies in animation	756	-
Perth & Kinross Council - Creative Communities Fund	750	-
Scottish Rural Development Programme - Leader	9,393	9,674
Big Lottery Fund - Storytelling	-	7,070
PKAVS	-	600
Enchanted Forest Community Trust	-	500
	<u>46,311</u>	<u>31,164</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

5 Other trading activities

	Unrestricted funds general £	Total 2018 £	Total 2017 £
Fundraising events	652	652	1,031
Proceeds from sale of thrift shop donations	1,250	1,250	-
Social lotteries	553	553	613
Other trading activities	2,455	2,455	1,644
For the year ended 31 March 2017	1,644		1,644

6 Investments

	Unrestricted funds general £	Total 2018 £	Total 2017 £
Rental income	22,821	22,821	20,646
Output VAT correction on rental income	-	-	3,978
Interest receivable	-	-	1
	22,821	22,821	24,625
For the year ended 31 March 2017	24,625		24,625

Rental income is received from TBCL, for the lease of the Birks Cinema, subject to the terms of a five year lease contract, under which the rental charge is based on the trading turnover of TBCL.

7 Raising funds

	Unrestricted funds general £	Total 2018 £	Total 2017 £
<u>Fundraising and publicity</u>			
Advertising	-	-	114
Other fundraising costs	216	216	276
Fundraising and publicity	216	216	390
	216	216	390
For the year ended 31 March 2017			
Fundraising and publicity	390		390

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

8 Charitable activities

	Trust activities £	Community activities £	Total 2018 £	Total 2017 £
Depreciation and impairment	107,765	-	107,765	116,177
Community Development Officer	-	26,581	26,581	24,815
Community activities	-	17,003	17,003	13,911
Advertising	102	-	102	265
Repairs and renewals	3,588	-	3,588	2,514
Mezzanine hire and hospitality	-	399	399	348
	<u>111,455</u>	<u>43,983</u>	<u>155,438</u>	<u>158,030</u>
Share of support costs (see note 9)	8,833	-	8,833	7,597
Share of governance costs (see note 9)	2,000	-	2,000	1,750
	<u>122,288</u>	<u>43,983</u>	<u>166,271</u>	<u>167,377</u>
Analysis by fund				
Unrestricted funds - general	16,193	535	16,728	
Unrestricted funds - designated	2,624	-	2,624	
Restricted funds	103,471	43,448	146,919	
	<u>122,288</u>	<u>43,983</u>	<u>166,271</u>	
For the year ended 31 March 2017				
Unrestricted funds - general	9,268	1,732		11,000
Unrestricted funds - designated	2,699	-		2,699
Restricted funds	116,336	37,342		153,678
	<u>128,303</u>	<u>39,074</u>		<u>167,377</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

9 Support costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
Insurance	7,184	-	7,184	6,316	Direct
Postage and stationery	-	-	-	323	Direct
Legal and Professional fees	276	-	276	-	
Bank charges	768	-	768	897	Direct
Sundry expenses	605	-	605	61	Direct
Accountancy	-	2,000	2,000	1,750	Governance
	<u>8,833</u>	<u>2,000</u>	<u>10,833</u>	<u>9,347</u>	
Analysed between Charitable activities	<u>8,833</u>	<u>2,000</u>	<u>10,833</u>	<u>9,347</u>	

Governance costs includes payments to the independent examiner of £2,000 (2017 - £1,750) for independent examination fees.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 1 trustees were reimbursed a total of £150 for expenses paid on behalf of the charity (2017 – 3 were reimbursed £555).

11 Employees

There were no employees during the year.

12 Intangible fixed assets

	Licences £
Cost	
At 1 April 2017 and 31 March 2018	<u>11,812</u>
Amortisation and impairment	
At 1 April 2017	5,710
Amortisation charged for the year	<u>3,937</u>
At 31 March 2018	<u>9,647</u>
Carrying amount	
At 31 March 2018	<u>2,165</u>
At 31 March 2017	<u>6,102</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

13 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2017	1,383,050	332,041	27,407	33,783	1,776,281
Additions	-	-	5,150	2,213	7,363
At 31 March 2018	1,383,050	332,041	32,557	35,996	1,783,644
Depreciation and impairment					
At 1 April 2017	276,851	227,234	18,722	22,168	544,975
Depreciation charged in the year	69,152	26,201	3,459	5,016	103,828
At 31 March 2018	346,003	253,435	22,181	27,184	648,803
Carrying amount					
At 31 March 2018	1,037,047	78,606	10,376	8,812	1,134,841
At 31 March 2017	1,106,199	104,807	8,685	11,615	1,231,306

14 Fixed asset investments

	Notes	2018 £	2017 £
Investments in subsidiaries	22	2	2

Movements in fixed asset investments

	Shares £
Cost or valuation	
At 1 April 2017 & 31 March 2018	2
Carrying amount	
At 31 March 2018	2
At 31 March 2017	2

15 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	380,186	346,875
Equity instruments measured at cost less impairment	2	2
Carrying amount of financial liabilities		
Measured at amortised cost	8,248	12,817

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

16 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Amounts due from subsidiary undertakings	309,939	313,924
Other debtors	23,906	9,674
	<u>333,845</u>	<u>323,598</u>

17 Creditors: amounts falling due within one year

	2018 £	2017 £
Other taxation and social security	2,457	960
Other creditors	6,345	11,065
Accruals and deferred income	1,903	1,752
	<u>10,705</u>	<u>13,777</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

18 Restricted funds

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

- Grants towards the Capital Costs of Refurbishment
- Revenue Support Grants
- Community Activities Grants

	Balance at 1 April 2017	Movement in funds		Balance at 31 March 2018
	£	Income	Expenditure	£
Refurbishment		£	£	
Town Centre Regeneration Fund	225,503	-	(18,004)	207,499
Perth & Kinross Council	33,569	-	(2,680)	30,889
Awards for All	6,343	-	(506)	5,837
Investing in Ideas	2,088	-	(167)	1,921
Ward Blenkinsop Trust	28,929	-	(2,309)	26,620
Owl Bookshop Ltd	4,903	-	(391)	4,512
Craignish Trust	2,101	-	(168)	1,933
The Russel Trust	700	-	(56)	644
Big Lottery Fund - capital grant	233,293	-	(18,624)	214,669
Creative Scotland	70,054	-	(5,592)	64,462
Scottish Rural Development Programme - Rural Priorities	440,762	-	(35,186)	405,576
Scottish Rural Development Programme - LEADER	763	-	(19)	744
Hugh Fraser Trust	7,005	-	(559)	6,446
Dunard Fund	35,026	-	(2,796)	32,230
Foyle Foundation	17,514	-	(1,398)	16,116
The Gannochy Trust	34,130	-	(2,725)	31,405
Scottish Hydro Griffin Community Fund	70,054	-	(5,593)	64,461
Digital Piano	595	-	(72)	523
Other grants	631	-	(50)	581
	<u>1,213,963</u>	<u>-</u>	<u>(96,895)</u>	<u>1,117,068</u>
Revenue Support				
Big Lottery Fund - 5 years revenue support grant	195,000	-	-	195,000
Big Lottery Fund - revenue support grant supplementary	50,000	-	-	50,000
Big Lottery Fund - revenue support grant - Jack Roe	7,679	-	(5,512)	2,167
SSE - Growbiz	-	4,954	(1,064)	3,890
SSE - Griffin	-	19,375	-	19,375
	<u>252,679</u>	<u>24,329</u>	<u>(6,576)</u>	<u>270,432</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

18 Restricted funds

(Continued)

	Balance at 1 April 2017	Movement in funds		Balance at 31 March 2018
	£	Income	Expenditure	£
Community Activities				
The Gannochy Trust	-	6,000	(6,000)	-
Strathtay Decided	-	1,500	(1,500)	-
Foundation Scotland	-	2,000	(2,000)	-
Big Lottery Fund - Storytelling	3,535	-	(2,000)	1,535
BBC Children in Need	2,660	9,962	(12,622)	-
The Basil Death Trust	-	3,000	(1,500)	1,500
Bord Na Gaidlig	-	1,500	(1,250)	250
Robertson Trust	-	10,000	(5,000)	5,000
Perth & Kinross Council - Creative Common Fund	-	750	(750)	-
P&K literacies in animation	-	756	(756)	-
Perth & Kinross Council - Screen Memories	-	1,450	-	1,450
LEADER	-	9,393	(9,393)	-
Other grants	677	-	(677)	-
	6,872	46,311	(43,448)	9,735
Total	1,473,514	70,640	(146,919)	1,397,235

Capital costs of refurbishment

Funds employed for the capital costs of refurbishment will be reduced by the annual depreciation charge on the relevant capital assets.

Revenue Support

Revenue support funds were provided to TBCL over an initial four-year period starting from the 2012-13 financial year, to enable TBCL to build a robust trading model. TBCL has received revenue support funds from the Big Lottery Fund of £75,000 in 2013-14, £50,000 in 2014-15, £60,000 in 2015-16, and £10,000 in 2016-2017, which have been transferred to the trading subsidiary TBCL by way of advances of funds, and included in "Amounts due from subsidiary undertakings". Additional funding to cover the remaining set up costs and trading losses was provided to TBCL from the Trust's own resources throughout the period. Funds provided as Revenue Support will be transferred to unrestricted funds following re-imbursement of the advances provided to TBCL.

Revenue support funding was also used to acquire a Cinema Management software system; the system is being depreciated over 3 years, and the revenue support grant will be reduced correspondingly.

Community Activity Grants

Grants provided for community activity purposes are reduced by the amount of expenditure incurred in carrying out the community activities for which funding was provided.

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

19 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 2017 £	Movement in funds		Balance at 31 March 2018 £
		Income £	Expenditure £	
Seat sponsorship	39,875	-	(2,624)	37,251
	<u>39,875</u>	<u>-</u>	<u>(2,624)</u>	<u>37,251</u>

The trustees initially designated the seat sponsorship funds to assist towards the cost of refurbishing the Birks Cinema, and will be reduced by the annual depreciation charge on the refurbished asset. Following opening of the Birks Cinema, all new seat sponsorship is set aside to cover major repairs, and is reduced by the amount of expenditure incurred for these repairs.

20 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2018 are represented by:				
Intangible fixed assets	-	-	2,165	2,165
Tangible assets	3,509	32,875	1,098,457	1,134,841
Investments	2	-	-	2
Current assets/(liabilities)	68,492	4,376	296,613	369,481
	<u>72,003</u>	<u>37,251</u>	<u>1,397,235</u>	<u>1,506,489</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

21 Related party transactions

Transactions with related parties

The Birks Cinema Trust is the ultimate parent company of The Birks Cinema Limited (TBCL). During the year the Trust loaned funds amounting to £nil (2017 - £23,500) to TBCL, and TBCL repaid £nil (2017 - £14,000) of the loan in the year.

During the year the Trust charged, and TBCL accounted for, rent and insurance contributions of £22,821 to the Trust (2017 - £20,646).

During the year the Trust paid utility expenses on behalf of TBCL of £15,448 (2017 - £11,387) and TBCL has paid £15,448 (2017 - £11,387) of this amount to the Trust.

At the balance sheet date £309,939 (2017 - £313,924) was due by TBCL to the Trust and is included within other debtors. The loan is unsecured, interest free and has no fixed terms of repayment. The Birks Cinema Trust has agreed to give financial support to TBCL for twelve months from the date of approval of these accounts.

22 Subsidiary

Details of the charity's subsidiary at 31 March 2018 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
The Birks Cinema Limited Scotland	Operation of cinema and cafe-bar	Ordinary	100.00	

Separate financial statements have been prepared for The Birks Cinema Limited.