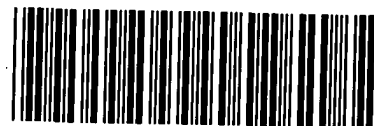


Charity Registration No. SC041030 (Scotland)

Company Registration No. SC360708 (Scotland)

THE BIRKS CINEMA TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

THURSDAY



S9F8I4KW

SCT

08/10/2020

#15

COMPANIES HOUSE

THE BIRKS CINEMA TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D Swan	
	Mr R P Baker	
	Ms P Walker-Booth	
	Ms A Brocklehurst	
	Ms M McDougall	
	Mr B W Hawkins	(Appointed 22 January 2019)
	Mr B Dewoody	(Appointed 15 February 2020)
	Mr N B Scott	(Appointed 3 June 2020)
Charity number (Scotland)	SC041030	
Company number	SC360708	
Registered office	J & H Mitchell LLP 51 Atholl Road PITLOCHRY Perthshire PH16 5BU	
Independent examiner	Keith Macpherson CA Johnston Carmichael LLP 66 Tay Street Perth PH2 8RA	

THE BIRKS CINEMA TRUST

CONTENTS

	Page
Trustees' report	1 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 23

THE BIRKS CINEMA TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2019

The trustees present their report and financial statements for the year ended 31 March 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") 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 Birks Cinema Trust (TBCT) is the ultimate parent company of The Birks Cinema Limited (TBCL), a company managing the trading operations within the Birks Cinema.

Achievements and performance

Operation of The Birks Cinema Limited

Total tickets sold were 31,910, a decrease of 1,398 (4.2%) on the prior year. Film admissions showed a decrease of 1,439 while live event ticket sales increased slightly. Ticket sales proceeds declined by 4.5% and margin decreased by 8.1%. An 8.6% increase in Café-Bar sales and a 14.6% increase in Service sales (advertising, hire, and functions) resulted in slightly increased gross profits. Administrative expenses were 8.5% higher, due mainly to an increase in electricity, gas and water costs as the result of the ending of fixed price contracts, producing an Operating Loss for the year of £21,595. To comply with OSCR best practice, interest was charged by the charity from 2012 on the intercompany balance leading to a Loss for the year of £32,751 (2018 – profit of £1,879)

The cinema programme continued to include a broad range 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 will help to improve future results included:

- migrating to Veezi, an internationally recognised Cinema Management software, offering links with related software
- creating a new website using the world's most popular website software, which links directly from Veezi
- continuing work with a part-time marketing specialist contractor – who successfully designed and implemented a new website, introduced new marketing processes, and increased the number of customers for our advertising services
- wider use of volunteers in ushering, maintenance, support at events, and in IT and Finance to assist migration to MTD.

THE BIRKS CINEMA TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

Operation of The Birks Cinema 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.

The Board restructured its approach to Community Activities, allowing the development of new community activities in line with the charity's objects. Through our Community Development Coordinator and team of facilitators, the charity delivered an extensive activities programme with 232 sessions attracting 3,233 attendances. The sessions are offered under the following themes:

- Health and Well Being: – 191 sessions attracting 2,530 attendances
- Arts, Culture and Heritage: – 44 sessions attracting 787 attendances
- Environment: – 13 sessions attracting 186 attendances

We look forward to supporting these sessions in this and coming years, as well as developing attractive new activities. In the year, our Community Activities Team incurred £57,672 (increase of 31%) of costs and received external funding of £40,688 (decrease of 12%).

Financial review

Results for the year ended 31 March 2019 are given in the Statement of Financial Activities on page 6. The assets and liabilities are given in the Balance Sheet on page 7. The financial statements should be read in conjunction with the related notes which appear on pages 8 to 23.

In summary, total income amounted to £166,821 (2018 - £102,468), expenditure (running costs) totalled £179,713 (2018 - £166,487), resulting in net expenditure for the year of £12,892 (2018 - £64,019).

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 six month's administrative expenditure, excluding depreciation. During the year to 31 March 2019 total expenditure, net of amortisation and depreciation amounted to £83,216 therefore unrestricted reserves should be maintained at a level of £41,608. 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 £1,493,597 (2018 - £1,506,489) of which £119,067 (2018 - £72,003) were unrestricted, £35,807 (2018 - £37,251) were designated, and £1,338,723 (2018 - £1,397,235) 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.

THE BIRKS CINEMA TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

Pro-forma net Unrestricted Funds of the combined entity at 31 March 2019

As with many start-up businesses, the wholly owned subsidiary The Birks Cinema Limited (TBCL) accumulated losses in its early years of trading. Since the financial year end, the Trustees have obtained the necessary approvals to utilise Revenue Support funding of £245,000 received by the Trust from Big Lottery and currently shown in TBCT Restricted Funds, against the accumulated losses of TBCL. As a result, TBCL proforma adjusted losses are reduced as follows:

Accumulated Losses	356,419
Big Lottery Revenue Support funding	245,000
Adjusted Accumulated Losses	111,419

The TBCL losses have been funded by the Trust through the inter-company account, which would be reduced as follows:

TBCL Debtor (Note 16)	342,476
Big Lottery Revenue Support funding	245,000
Adjusted Debtor	97,476

Pro-forma TBCT Unrestricted Funds

TBCT Unrestricted Funds	154,874
In the event that TBCT is required to fund TBCL losses	97,476
Available Unrestricted Funds	57,398
Unrestricted Funds to support ongoing operation	41,608
Net available Unrestricted Funds	15,790

Subsequent Events

Following the development of the coronavirus pandemic in early 2020, the UK Government mandated the closure of all cinemas in the UK, and the Birks closed on 18th March 2020. During the coronavirus lockdown, the Board of the Trust energetically pursued grants from both Government, other organisations and charities, as well as donations from the general public, and obtained funding exceeding £100,000 to support the continuation of the activities of both TBCL and the Trust until at least the end of the 2020-21 financial year. Due to the restrictions imposed by social distancing, it is anticipated that TBCL will incur trading losses throughout this period

In addition, the Board of the Trust continues to pursue funding for the following 2 to 3 years period, to finance the development of new activities to compensate for the projected downturn in cinema audiences.

The Birks re-opened the Café-Bar on 26 August 2020, and plans to open the auditorium before the end of October 2020.

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 2018 to the date the financial statements were approved, were as follows:

Mr J F Freeman	(Resigned 7 September 2020)
Mr D Swan	
Mr G Baxter	(Resigned 3 September 2019)
Mr R P Baker	

THE BIRKS CINEMA TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

Mr K J Ramage	(Resigned 3 September 2019)
Ms P Walker-Booth	
Ms A Brocklehurst	
A D P Kennedy	(Resigned 3 September 2018)
Ms M McDougall	
Mr B W Hawkins	(Appointed 22 January 2019)
Ms Frances Rossi	(Appointed 21 July 2019 and resigned 3 September 2019)
Mr B Dewoody	(Appointed 15 February 2020)
Mr N B Scott	(Appointed 3 June 2020)

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 regularly assess the risks to which the charity and its trading subsidiary are exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

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 and its trading subsidiary. 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 operations 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.

Douglas Swan

Mr D Swan
Trustee
Dated: 7 September 2020

Brian W Hawkins

Mr B W Hawkins
Trustee
Dated: 7 September 2020

THE BIRKS CINEMA TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE BIRKS CINEMA TRUST

I report on the financial statements of the charity for the year ended 31 March 2019, which are set out on pages 6 to 23.

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 financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. 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 financial statements 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 statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements.

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 financial statements to be reached.

Use of our report

This report is made to the company's board of directors, 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 financial statements on behalf of the company's board of directors and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's board of directors as a body, for my work or for this report.



Keith Macpherson CA

Johnston Carmichael LLP
66 Tay Street
Perth
PH2 8RA

Dated: 23 / 09 / 2020

THE BIRKS CINEMA TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2019 £	Total 2018 £
<u>Income from:</u>						
Donations and legacies	3	21,031	-	71,959	92,990	30,576
Charitable activities	4	5,232	-	30,883	36,115	46,616
Other trading activities	5	6,712	1,000	-	7,712	2,455
Investments	6	30,004	-	-	30,004	22,821
Total income		62,979	1,000	102,842	166,821	102,468
<u>Expenditure on:</u>						
Raising funds	7	2,585	-	-	2,585	216
Charitable activities	8	13,330	2,444	161,354	177,128	166,271
Total expenditure		15,915	2,444	161,354	179,713	166,487
Net income/(expenditure) for the year/ Net movement in funds		47,064	(1,444)	(58,512)	(12,892)	(64,019)
Reconciliation of Funds						
Fund balances at 1 April 2018		72,003	37,251	1,397,235	1,506,489	1,570,508
Fund balances at 31 March 2019		119,067	35,807	1,338,723	1,493,597	1,506,489

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 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	12		2,626		2,165
Tangible assets	13		1,047,122		1,134,841
Investments	14		2		2
			<u>1,049,750</u>		<u>1,137,008</u>
Current assets					
Debtors	16	361,759		333,845	
Cash at bank and in hand		99,264		46,341	
		<u>461,023</u>		<u>380,186</u>	
Creditors: amounts falling due within one year	17	(17,176)		(10,705)	
Net current assets			<u>443,847</u>		<u>369,481</u>
Total assets less current liabilities			<u>1,493,597</u>		<u>1,506,489</u>
The funds of the charity:					
Restricted funds	18	1,338,723		1,397,235	
Unrestricted funds - designated	20	35,807		37,251	
Unrestricted funds - general		119,067		72,003	
		<u>1,493,597</u>		<u>1,506,489</u>	

For the year ended 31 March 2019 the charity was entitled to exemption from the 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 period 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 financial statements 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 7 September 2020

Douglas Swan

Mr D Swan
Trustee

Brian W Hawkins

Mr B W Hawkins
Trustee

Company Registration No. SC360708

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Charity information

The Birks Cinema Trust is a private charitable company limited by guarantee incorporated in Scotland. The registered office is J & H Mitchell LLP, 51 Atholl Road, PITLOCHRY, Perthshire, PH16 5BU.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") 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).

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

The charity has availed itself of S396 of the Companies Act 2006, as permitted in paragraph 4(1) of Schedule 1 of SI 2008 No 409, and adapted the Companies Act formats to reflect the special nature of the charity's activities.

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

The financial statements have been prepared under 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 £342,476, as they are currently showing a deficit in the accounts at 31 March 2019. 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 2019

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 2019

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 bank balances, are measured at transaction price including transaction costs.

Basic financial liabilities

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

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.

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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 £	Restricted funds £	Total 2019 £	Total 2018 £
Donations and gifts	16,396	10,998	27,394	26,540
Grants receivable	-	60,961	60,961	-
Membership fees	4,635	-	4,635	4,036
	<u>21,031</u>	<u>71,959</u>	<u>92,990</u>	<u>30,576</u>
For the year ended 31 March 2018				
Donations and gifts	2,211	24,329		26,540
Membership fees	4,036	-		4,036
	<u>6,247</u>	<u>24,329</u>		<u>30,576</u>
Grants receivable for core activities				
Scottish Hydro Griffin Community Fund	-	44,637	44,637	-
LEADER	-	16,324	16,324	-
	<u>-</u>	<u>60,961</u>	<u>60,961</u>	<u>-</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

4 Charitable activities

	2019 £	2018 £
Community activities - grants	32,883	46,311
Community activities - other income	3,232	305
	<u>36,115</u>	<u>46,616</u>
Analysis by fund		
Unrestricted funds - general	5,232	
Restricted funds	30,883	
	<u>36,115</u>	
For the year ended 31 March 2018		
Unrestricted funds - general		305
Restricted funds		46,311
		<u>46,616</u>
Performance related grants		
The Robertson Trust	10,000	10,000
Children in Need	9,746	9,962
The Gannochy Trust	-	6,000
The Enchanted Forest	5,000	-
The Basil Death Trust	-	3,000
Foundation Scotland	2,000	2,000
OGA Foundation	2,000	-
Other	4,137	15,349
	<u>32,883</u>	<u>46,311</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

5 Other trading activities

	Unrestricted funds general £	Unrestricted funds designated £	Total 2019 £	Total 2018 £
Fundraising events	-	-	-	652
Proceeds from sale of thrift shop donations	-	-	-	1,250
Service fee income	6,517	-	6,517	-
Social lotteries and seat sponsorship	195	1,000	1,195	553
	<u>6,712</u>	<u>1,000</u>	<u>7,712</u>	<u>2,455</u>
Other trading activities	<u>6,712</u>	<u>1,000</u>	<u>7,712</u>	<u>2,455</u>
For the year ended 31 March 2018				
Fundraising events	652	-	-	652
Proceeds from sale of thrift shop donations	1,250	-	-	1,250
Social lotteries and seat sponsorship	553	-	-	553
	<u>2,455</u>	<u>-</u>	<u>-</u>	<u>2,455</u>

6 Investments

	Unrestricted funds general £	Total 2019 £	Total 2018 £
Rental income	18,848	18,848	22,821
Interest on amounts due from subsidiary undertakings	11,156	11,156	-
	<u>30,004</u>	<u>30,004</u>	<u>22,821</u>
For the year ended 31 March 2018			
Rental income	22,821	-	22,821
	<u>22,821</u>	<u>-</u>	<u>22,821</u>

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.

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

7 Raising funds

	2019	2018
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	-	216
	-	216
<u>Fundraising trading</u>		
Other trading activities	2,585	-
	2,585	216

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

8 Charitable activities

	Trust activities £	Community activities £	Total 2019 £	Total 2018 £
Depreciation and impairment	96,497	-	96,497	107,765
Community Development Officer	-	43,151	43,151	26,581
Community activities	-	14,521	14,521	17,003
Advertising	1,589	-	1,589	102
Repairs and renewals	1,795	-	1,795	3,588
Mezzanine hire and hospitality	-	-	-	399
	<u>99,881</u>	<u>57,672</u>	<u>157,553</u>	<u>155,438</u>
Share of support costs (see note 9)	16,593	-	16,593	8,833
Share of governance costs (see note 9)	2,982	-	2,982	2,000
	<u>119,456</u>	<u>57,672</u>	<u>177,128</u>	<u>166,271</u>
Analysis by fund				
Unrestricted funds - general	13,330	-	13,330	16,728
Unrestricted funds - designated	2,444	-	2,444	2,624
Restricted funds	103,682	57,672	161,354	146,919
	<u>119,456</u>	<u>57,672</u>	<u>177,128</u>	<u>166,271</u>
For the year ended 31 March 2018				
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>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

9 Support costs

	Support costs £	Governance costs £	2019 £	2018 £	Basis of allocation
Insurance	5,399	-	5,399	7,184	Direct
Postage and stationery	280	-	280	-	Direct
Computer costs	7,341	-	7,341	-	Direct
Water rates	60	-	60	-	Direct
Legal and Professional fees	2,058	-	2,058	276	Direct
Bank charges	912	-	912	768	Direct
Sundry expenses	543	-	543	605	Direct
Accountancy	-	2,982	2,982	2,000	Direct
	<u>16,593</u>	<u>2,982</u>	<u>19,575</u>	<u>10,833</u>	
Analysed between					
Charitable activities	<u>16,593</u>	<u>2,982</u>	<u>19,575</u>	<u>10,833</u>	

Governance costs includes payments to the independent examiner of £2,982 (2018 - £2,000) for independent examiner fees.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 3 trustees were reimbursed a total of £1,872 for expenses paid on behalf of the charity (2018 - 1 trustee was reimbursed £150).

11 Employees

There were no employees during the year.

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

12 Intangible fixed assets

	Licences £
Cost	
At 1 April 2018	11,812
Additions - internally developed	2,626
At 31 March 2019	14,438
Amortisation and impairment	
At 1 April 2018	9,647
Amortisation charged for the year	2,165
At 31 March 2019	11,812
Carrying amount	
At 31 March 2019	2,626
At 31 March 2018	2,165

13 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost					
At 1 April 2018	1,383,050	332,041	32,556	35,996	1,783,643
Additions	120	4,486	2,008	-	6,614
At 31 March 2019	1,383,170	336,527	34,564	35,996	1,790,257
Depreciation and impairment					
At 1 April 2018	346,003	253,435	22,181	27,184	648,803
Depreciation charged in the year	69,158	19,876	3,095	2,203	94,332
At 31 March 2019	415,161	273,311	25,276	29,387	743,135
Carrying amount					
At 31 March 2019	968,009	63,216	9,288	6,609	1,047,122
At 31 March 2018	1,037,047	78,606	10,376	8,812	1,134,841

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

14 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2018 & 31 March 2019		2
Carrying amount		
At 31 March 2019		2
At 31 March 2018		2

	Notes	2019 £	2018 £
Other investments comprise:			
Investments in subsidiaries	24	2	2

15 Financial instruments

	2019 £	2018 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	361,759	333,845
Equity instruments measured at cost less impairment	2	2
Carrying amount of financial liabilities		
Measured at amortised cost	17,662	8,248

16 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Amounts due from subsidiary undertakings	342,476	309,939
Other debtors	2,959	23,906
Funding claimed from PKC Rural Leader	16,324	-
	361,759	333,845

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

17 Creditors: amounts falling due within one year

	2019 £	2018 £
Other taxation and social security	(486)	2,457
Other creditors	3,801	6,345
Accruals and deferred income	13,861	1,903
	<u>17,176</u>	<u>10,705</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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
- Grants towards other Capital Costs
- Revenue Support Grants
- Community Activities Grants

	Balance at 1 April 2018	Movement in funds		Balance at 31 March 2019
	£	Income	Expenditure	£
		£	£	
Refurbishment				
Town Centre Regeneration Fund	207,499	-	(16,764)	190,735
Perth & Kinross Council	30,889	-	(2,495)	28,394
Awards for All	5,837	-	(472)	5,365
Investing in Ideas	1,921	-	(155)	1,766
Ward Blenkinsop Trust	26,620	-	(2,151)	24,469
Owl Bookshop Ltd	4,512	-	(365)	4,147
Craignish Trust	1,933	-	(156)	1,777
The Russel Trust	644	-	(52)	592
Big Lottery Fund - capital grant	214,669	-	(17,343)	197,326
Creative Scotland	64,462	-	(5,208)	59,254
Scottish Rural Development Programme - Rural Priorities	405,576	-	(32,766)	372,810
Scottish Rural Development Programme - LEADER	744	-	(14)	730
Hugh Fraser Trust	6,446	-	(521)	5,925
Dunard Fund	32,230	-	(2,604)	29,626
Foyle Foundation	16,116	-	(1,302)	14,814
The Gannochy Trust	31,405	-	(2,537)	28,868
Scottish Hydro Griffin Community Fund	64,461	-	(5,208)	59,253
Digital Piano	523	-	(54)	469
Other grants	581	-	(47)	534
	<u>1,117,068</u>	<u>-</u>	<u>(90,214)</u>	<u>1,026,854</u>
Capital Grants				
SSE - Growbiz	3,890	-	(798)	3,092
Scottish Hydro Griffin Community Fund (projector)	-	44,637	-	44,637
	<u>3,890</u>	<u>44,637</u>	<u>(798)</u>	<u>47,729</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

18 Restricted funds

(Continued)

	Balance at 1 April 2018 £	Movement in funds		Balance at 31 March 2019 £
		Income £	Expenditure £	
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	2,167	-	(2,167)	-
SSE - Griffin	19,375	-	(19,375)	-
LEADER	-	16,324	(16,324)	-
Other grants	-	1,193	(1,193)	-
	<u>266,542</u>	<u>17,517</u>	<u>(39,059)</u>	<u>245,000</u>
Community Activities				
Enchanted Forest	-	5,000	-	5,000
Foundation Scotland	-	2,000	-	2,000
Big Lottery Fund - Storytelling	1,535	-	-	1,535
BBC Children in Need	-	9,814	(5,584)	4,230
The Basil Death Trust	1,500	-	(1,500)	-
Bord Na Gaidlig	250	2,400	(1,625)	1,025
Robertson Trust	5,000	10,000	(11,350)	3,650
Perth & Kinross Council - Creative Common Fund	-	500	(500)	-
League & Friends Cottage Hospital	-	1,000	-	1,000
Perth & Kinross Council - Screen Memories	1,450	-	(750)	700
Rural Perthshire Leader	-	9,674	(9,674)	-
Film Hub Scotland	-	300	(300)	-
	<u>9,735</u>	<u>40,688</u>	<u>(31,283)</u>	<u>19,140</u>
Total	<u>1,397,235</u>	<u>102,842</u>	<u>(161,354)</u>	<u>1,338,723</u>

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.

Capital grants

The capital grant fund was provided towards the cost of purchasing new projector equipment for the cinema.

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

18 Restricted funds

(Continued)

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. TBCT 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.

19 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2019 are represented by:				
Intangible fixed assets	2,626	-	-	2,626
Tangible assets	2,631	27,807	1,016,684	1,047,122
Investments	2	-	-	2
Current assets/(liabilities)	113,808	8,000	322,039	443,847
	<u>119,067</u>	<u>35,807</u>	<u>1,338,723</u>	<u>1,493,597</u>

20 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 2018 £	Movement in funds Income Expenditure		Balance at 31 March 2019 £
	£	£	£	£
Seat sponsorship	37,251	1,000	(2,444)	35,807
	<u>37,251</u>	<u>1,000</u>	<u>(2,444)</u>	<u>35,807</u>

The trustees initially designated the seat sponsorship funds to assist towards the cost of refurbishing the Birks Cinema. Funds are 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.

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

21 Capital commitments

In the financial year to 31 March 2019, the Trust applied for, and was awarded, funding of £44,637 by SSE Griffin and Calliacher towards the purchase of a replacement projector. Projectors have useful life of around 7 years, and the existing Trust projector had been purchased and installed in early 2013. Subsequently, the Trust applied for, and was awarded, funding equivalent to 26% of the total spend on the projector by Creative Scotland. The new projector was installed in September 2019.

22 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 charged, and TBCL accounted for, rent, services and insurance contributions of £21,381 to the Trust (2018 - £22,821).

Interest of £11,156 has been charged on the loan since its start in 2013 using an interest charge of 0.75% on the average balance of the loan over the term of the loan.

At the balance sheet date £342,476 (2018 - £309,939) was due by TBCL to the Trust and is included within other debtors. The loan is unsecured 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.

23 Events after the reporting date

As disclosed in the trustees' report, due to Covid 19 the Birks Cinema closed on 18th March 2020. During the coronavirus lockdown, the Board of the Trust generated funding exceeding £100,000 to support the continuation of the activities of both TBCL and the Trust until at least the end of the 2020-21 financial year.

In addition, the Board of the Trust continues to pursue funding for the following 2 to 3 years period, to finance the development of new activities to compensate for the projected downturn in cinema audiences.

The Birks re-opened the Café-Bar on 26 August 2020, and plans to open the auditorium before the end of October 2020.

24 Subsidiaries

Details of the charity's subsidiary at 31 March 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% 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.