

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 2020



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 Mr B A De Woody Mr B Dewoody Mr N B Scott
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

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THE BIRKS CINEMA TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

The trustees present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to 22 of 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 30,883, a decrease of 1,027 (3.2%) on the prior year. Film admissions showed a decrease of 1,556 while live event ticket sales increased by 529. Film ticket sales proceeds declined by 6% while live event sales proceeds increased by 20%, resulting in overall ticket margin remaining unchanged. An 10.2% increase in Café-Bar sales and a 16% increase in Service sales (advertising, hire, and functions) resulted in an increase in gross profits of 6.8%.

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.

During the year, TBCT wrote off an amount of £245,000 due by TBCL. Excluding this exception income TBCL's operating loss for the year would be £5,306 and the loss before taxation would be £7,107.

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 of a monthly film selected by Heartland Film Society.
- Screenings for The Scottish Mental Health Arts Film festival.

Through our Community Development Coordinator and team of facilitators, the charity delivered an extensive activities programme with 305 sessions attracting 3,464 attendances, an increase of 7% on the previous year. The sessions are offered under the following themes:

- Health and Well Being: – 214 sessions attracting 2,392 attendances.
- Arts, Culture and Heritage: – 75 sessions attracting 461 attendances.
- Environment: – 16 sessions attracting 178 attendances.

THE BIRKS CINEMA TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Financial review

Results for the year ended 31 March 2020 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 22.

In summary, total income amounted to £126,931 (2019 - £166,821), expenditure (running costs) totalled £414,019 (2019 - £179,713), resulting in net expenditure for the year of £287,088 (2019 - £12,892).

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 2020 total expenditure, net of amortisation, depreciation and the transfer of the revenue support funding amounted to £73,878 therefore unrestricted reserves should be maintained at a level of £36,939. 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 £1,206,509 (2019 - £1,493,597) of which £170,152 (2019 - £119,067) were unrestricted, £35,009 (2019 - £35,807) were designated, and £1,001,348 (2019 - £1,338,723) 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.

Amount receivable from TBCL at 31 March 2020

As with many start-up businesses, the wholly owned subsidiary The Birks Cinema Limited (TBCL) accumulated losses in its early years of trading. During the financial year, the Trustees obtained the necessary approvals to offset Revenue Support funding of £245,000 received by the Trust from Big Lottery and previously shown in TBCT Restricted Funds, against the accumulated losses of TBCL.

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 Cinema was closed on 18th March 2020. The Café-Bar was re-opened on 26 August 2020, and the auditorium re-opened on 16 October; however, new Covid-19 restrictions imposed closure of the auditorium on 12 November and of the Café-Bar on 24 December. Due to the restrictions imposed by social distancing, TBCL has incurred trading losses throughout this period, but has received substantial funding support from Government agencies.

During the coronavirus lockdown, the Board of the Trust has energetically pursued grants from Government, other organisations, and charities, as well as donations from the general public. Funding exceeding £150,000 has been received to support the continuation of the activities of the Trust until 2022. The Board of the Trust continues to pursue funding for the following 2 years period, to finance the development of new activities to compensate for the projected downturn in cinema audiences.

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 2019 to the date the financial statements were approved, were as follows:

Mr D Swan
Mr R P Baker
Ms P Walker-Booth
Ms A Brocklehurst

THE BIRKS CINEMA TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Ms M McDougall
Mr B W Hawkins
Mr B A De Woody
N B Scott
Mr B Dewoody
Mr N B Scott

(Resigned 9 April 2021)

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 W.F. Swan

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Mr D Swan
Trustee
Dated: 28 / 06 / 2021

Brian W Hawkins

.....
Mr B W Hawkins
Trustee
Dated: 29 / 06 / 2021

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 2020, which are set out on pages 5 to 22.

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: 29 / 06 / 2021

THE BIRKS CINEMA TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

		Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2020 £	Total 2019 £
	Notes					
Income from:						
Donations and legacies	3	69,449	-	15,982	85,431	125,873
Charitable activities	4	7,022	-	-	7,022	3,232
Other trading activities	5	3,949	1,500	-	5,449	7,712
Investments	6	29,029	-	-	29,029	30,004
Total income		109,449	1,500	15,982	126,931	166,821
Expenditure on:						
Raising funds	7	1,697	-	-	1,697	2,585
Charitable activities	8	56,667	2,298	353,357	412,322	177,128
Total expenditure		58,364	2,298	353,357	414,019	179,713
Net income/(expenditure) for the year/ Net movement in funds		51,085	(798)	(337,375)	(287,088)	(12,892)
Reconciliation of Funds						
Fund balances at 1 April 2019		119,067	35,807	1,338,723	1,493,597	1,506,489
Fund balances at 31 March 2020		170,152	35,009	1,001,348	1,206,509	1,493,597

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 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	12		3,151		2,626
Tangible assets	13		1,015,624		1,047,122
Investments	14		2		2
			<u>1,018,777</u>		<u>1,049,750</u>
Current assets					
Debtors	15	92,662		361,759	
Cash at bank and in hand		131,223		99,264	
		<u>223,885</u>		<u>461,023</u>	
Creditors: amounts falling due within one year	16	(36,153)		(17,176)	
Net current assets			<u>187,732</u>		<u>443,847</u>
Total assets less current liabilities			<u>1,206,509</u>		<u>1,493,597</u>
The funds of the charity:					
Restricted funds	17		1,001,348		1,338,723
Unrestricted funds - designated	18		35,009		35,807
Unrestricted funds - general			170,152		119,067
			<u>1,206,509</u>		<u>1,493,597</u>

For the year ended 31 March 2020 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.

28 / 06 / 2021

The accounts were approved by the Trustees on

Douglas W.J. 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 2020

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 in light of the closure of the trading company under Covid-19 regulations and the funding received from Government and other charities, and donations received from members and the public since the year end.

The Trustees have also reviewed the position regarding the recovery of the amount owed by The Birks Cinema Limited of £86,057, following the loss it incurred for the year to 31 March 2020. Subsequent to the year end, The Trustees have introduced a number of new trading activities, together with changes to management structure and software, to improve the trading performance of its subsidiary.

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 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 2020

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
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THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

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 are basic financial assets and 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.

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 2020

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 13.

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

3 Donations and legacies

	Unrestricted funds general £	Restricted funds £	Total 2020 £	Total 2019 £
Donations and gifts	7,576	1,000	8,576	27,394
Grants receivable	55,469	14,982	70,451	93,844
Membership fees	6,404	-	6,404	4,635
	<u>69,449</u>	<u>15,982</u>	<u>85,431</u>	<u>125,873</u>

For the year ended 31 March 2019

Donations and gifts	16,396	10,998		27,394
Grants receivable	2,000	91,844		93,844
Membership fees	4,635	-		4,635
	<u>23,031</u>	<u>102,842</u>		<u>125,873</u>

	Community Activities £	Other £	Total 2020 £	Total 2019 £
Grants receivable for core activities				
The Gannochy Trust	20,000	-	20,000	5,000
Creative Scotland	-	14,982	14,982	-
The Robertson Trust	10,000	-	10,000	10,000
BBC Children in Need	9,446	-	9,446	9,746
Community Investment Funding	4,500	-	4,500	-
Cruden Foundation	4,000	-	4,000	-
The Basil Death Trust	3,000	-	3,000	2,000
Scottish Hydro Griffin Community Fund	-	-	-	44,637
LEADER	-	-	-	16,324
Other	4,523	-	4,523	6,137
	<u>55,469</u>	<u>14,982</u>	<u>70,451</u>	<u>93,844</u>

4 Charitable activities

	2020 £	2019 £
Community activities - other income	<u>7,022</u>	<u>3,232</u>

All charitable activities income in the current and prior period is in relation to unrestricted funds.

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

5 Other trading activities

	Unrestricted funds general £	Unrestricted funds designated £	Total 2020 £	Total 2019 £
Service fee income	3,744	-	3,744	6,517
Social lotteries and seat sponsorship	205	1,500	1,705	1,195
Other trading activities	3,949	1,500	5,449	7,712
For the year ended 31 March 2019				
Service fee income	6,517	-		6,517
Social lotteries and seat sponsorship	195	1,000		1,195
	6,712	1,000		7,712

6 Investments

	Unrestricted funds general £	Total 2020 £	Total 2019 £
Rental income	27,127	27,127	18,848
Interest on amounts due from subsidiary undertakings	1,801	1,801	11,156
Interest receivable	101	101	-
	29,029	29,029	30,004
For the year ended 31 March 2019			
Rental income	18,848		18,848
Interest on amounts due from subsidiary undertakings	11,156		11,156
	30,004		30,004

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 2020

7 Raising funds

	Total 2020 £	Total 2019 £
<u>Fundraising trading</u>		
Other trading activities	1,697	2,585
	<u>1,697</u>	<u>2,585</u>

All fundraising trading expenditure in the current and prior period is in relation to unrestricted funds.

8 Charitable activities

	Trust activities £	Community activities £	Total 2020 £	Total 2019 £
Depreciation and impairment	92,048	-	92,048	96,497
Community Development Officer	-	29,695	29,695	43,151
Community activities	-	14,602	14,602	14,521
Advertising	1,474	-	1,474	1,589
Repairs and renewals	3,045	-	3,045	1,795
Transfer of revenue support grant	245,000	-	245,000	-
Loss on disposal of tangible fixed assets	350	-	350	-
	<u>341,917</u>	<u>44,297</u>	<u>386,214</u>	<u>157,553</u>
Share of support costs (see note 9)	23,658	-	23,658	16,593
Share of governance costs (see note 9)	2,450	-	2,450	2,982
	<u>368,025</u>	<u>44,297</u>	<u>412,322</u>	<u>177,128</u>
Analysis by fund				
Unrestricted funds - general	31,510	25,157	56,667	13,330
Unrestricted funds - designated	2,298	-	2,298	2,444
Restricted funds	334,217	19,140	353,357	161,354
	<u>368,025</u>	<u>44,297</u>	<u>412,322</u>	<u>177,128</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

8 Charitable activities

(Continued)

For the year ended 31 March 2019

	Trust activities £	Community activities £	Total 2019 £
Depreciation and impairment	96,497	-	96,497
Community Development Officer	-	43,151	43,151
Community activities	-	14,521	14,521
Advertising	1,589	-	1,589
Repairs and renewals	1,795	-	1,795
Support costs	16,593	-	16,593
Governance costs	2,982	-	2,982
	<u>119,456</u>	<u>57,672</u>	<u>177,128</u>
Analysis by fund			
Unrestricted funds - general	13,330	-	13,330
Unrestricted funds - designated	2,444	-	2,444
Restricted funds	103,682	57,672	161,354
	<u>119,456</u>	<u>57,672</u>	<u>177,128</u>

9 Support costs

	Support costs £	Governance costs £	2020 £	2019 £	Basis of allocation
Insurance	4,512	-	4,512	5,399	Direct
Postage and stationery	741	-	741	280	Direct
Computer costs	4,167	-	4,167	7,341	Direct
Telephone	343	-	343	60	Direct
Legal and Professional fees	8,786	-	8,786	2,058	Direct
Bank charges	997	-	997	912	Direct
Sundry expenses	4,112	-	4,112	543	Direct
Accountancy	-	2,450	2,450	2,982	Direct
	<u>23,658</u>	<u>2,450</u>	<u>26,108</u>	<u>19,575</u>	
Analysed between					
Charitable activities	<u>23,658</u>	<u>2,450</u>	<u>26,108</u>	<u>19,575</u>	

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 2 trustees were reimbursed a total of £4,519 for expenses paid on behalf of the charity (2019 - 3 trustees - reimbursed £1,872).

11 Employees

There were no employees during the year.

12 Intangible fixed assets

	Licences £
Cost	
At 1 April 2019	14,438
Additions - internally developed	1,400
At 31 March 2020	15,838
Amortisation and impairment	
At 1 April 2019	11,812
Amortisation charged for the year	875
At 31 March 2020	12,687
Carrying amount	
At 31 March 2020	3,151
At 31 March 2019	2,626

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

13 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2019	1,383,170	336,527	34,565	35,996	1,790,258
Additions	-	57,146	-	3,136	60,282
Disposals	-	(2,458)	(3,500)	(3,250)	(9,208)
At 31 March 2020	1,383,170	391,215	31,065	35,882	1,841,332
Depreciation and impairment					
At 1 April 2019	415,161	273,311	25,276	29,387	743,135
Depreciation charged in the year	69,158	17,257	2,322	2,436	91,173
Eliminated in respect of disposals	-	(2,100)	(3,350)	(3,150)	(8,600)
At 31 March 2020	484,319	288,468	24,248	28,673	825,708
Carrying amount					
At 31 March 2020	898,851	102,747	6,817	7,209	1,015,624
At 31 March 2019	968,009	63,216	9,288	6,609	1,047,122

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

14 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2019 & 31 March 2020		2
Carrying amount		
At 31 March 2020		2
At 31 March 2019		2

	Notes	2020 £	2019 £
Other investments comprise:			
Investments in subsidiaries	22	2	2

15 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Amounts due from subsidiary undertakings	86,057	342,476
Other debtors	6,605	2,959
Funding claimed from PKC Rural Leader	-	16,324
	92,662	361,759

16 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	(485)	(486)
Other creditors	28,946	3,801
Accruals and deferred income	7,692	13,861
	36,153	17,176

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

17 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 2019	Movement in funds		Balance at 31 March 2020
	£	Income	Expenditure	£
Refurbishment				
Town Centre Regeneration Fund	190,735	-	(15,761)	174,974
Perth & Kinross Council	28,394	-	(2,346)	26,048
Awards for All	5,365	-	(443)	4,922
Investing in Ideas	1,766	-	(146)	1,620
Ward Blenkinsop Trust	24,469	-	(2,022)	22,447
Owl Bookshop Ltd	4,147	-	(343)	3,804
Craignish Trust	1,777	-	(147)	1,630
The Russel Trust	592	-	(49)	543
Big Lottery Fund - capital grant	197,326	-	(16,306)	181,020
Creative Scotland	59,254	-	(4,896)	54,358
Scottish Rural Development Programme - Rural Priorities	372,810	-	(30,807)	342,003
Scottish Rural Development Programme - LEADER	730	-	(11)	719
Hugh Fraser Trust	5,925	-	(490)	5,435
Dunard Fund	29,626	-	(2,448)	27,178
Foyle Foundation	14,814	-	(1,224)	13,590
The Gannochy Trust	28,868	-	(2,369)	26,499
Scottish Hydro Griffin Community Fund	59,253	-	(4,896)	54,357
Digital Piano	469	-	(41)	428
Other grants	534	-	(44)	490
	<u>1,026,854</u>	<u>-</u>	<u>(84,789)</u>	<u>942,065</u>
Capital Grants				
SSE - Growbiz	3,092	-	(598)	2,494
Scottish Hydro Griffin Community Fund (projector)	44,637	-	(2,830)	41,807
Creative Scotland		14,982	-	14,982
	<u>47,729</u>	<u>14,982</u>	<u>(3,428)</u>	<u>59,283</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

17 Restricted funds

(Continued)

	Balance at 1 April 2019 £	Movement in funds Income Expenditure £ £		Balance at 31 March 2020 £
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)	-
Donation	-	1,000	1,000	-
	<u>245,000</u>	<u>1,000</u>	<u>246,000</u>	<u>-</u>
Enchanted Forest	5,000	-	(5,000)	-
Foundation Scotland	2,000	-	(2,000)	-
Big Lottery Fund - Storytelling	1,535	-	(1,535)	-
BBC Children in Need	4,230	-	(4,230)	-
Bord Na Gaidlig	1,025	-	(1,025)	-
Robertson Trust	3,650	-	(3,650)	-
League & Friends Cottage Hospital	1,000	-	(1,000)	-
Perth & Kinross Council - Screen Memories	700	-	700	-
	<u>19,140</u>	<u>-</u>	<u>19,140</u>	<u>-</u>
Total	<u>1,338,723</u>	<u>15,982</u>	<u>(353,357)</u>	<u>1,001,348</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.

Revenue Support Funding to TBCL – Big Lottery

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". During the year, the totality of these revenue support funds was offset against the amounts due by TBCL.

Revenue Support Funding to TBCL – Trust Advances

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.

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 2020

17 Restricted funds

(Continued)

For the prior period ended 31 March 2019

	Balance at 1 April 2018	Movement in funds		Balance at 31 March 2019
	£	Income	Expenditure	£
Refurbishment	1,117,068	-	90,214	1,026,854
Capital Grants	3,890	44,637	(798)	47,729
Revenue Support	266,542	17,517	(39,059)	245,000
Community Activities	9,735	40,688	(31,283)	19,140
	<u>1,397,235</u>	<u>102,842</u>	<u>(161,354)</u>	<u>1,338,723</u>

18 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 2019	Movement in funds		Balance at 31 March 2020
	£	Income	Expenditure	£
Seat sponsorship	35,807	1,500	(2,298)	35,009
	<u>35,807</u>	<u>1,500</u>	<u>(2,298)</u>	<u>35,009</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.

For the prior period ended 31 March 2019

	Balance at 1 April 2018	Movement in funds		Balance at 31 March 2019
	£	Income	Expenditure	£
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 BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

19 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2020 are represented by:				
Intangible fixed assets	3,151	-	-	3,151
Tangible assets	1,976	25,434	988,214	1,015,624
Investments	2	-	-	2
Current assets/(liabilities)	165,023	9,575	13,134	187,732
	<u>170,152</u>	<u>35,009</u>	<u>1,001,348</u>	<u>1,206,509</u>

For the prior period ended 31 March 2019

	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>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

20 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 £27,115 to the Trust (2019 - £21,381). The revenue support funding provided by Big Lottery of £245,000 for the operation of the Cinema has also been set against the loan balance this year after being utilised for the purpose it was awarded for.

Interest of £1,801 has been charged on the loan 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 £86,057 (2019 - £342,476) 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.

21 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 2021-22 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.

22 Subsidiaries

Details of the charity's subsidiary at 31 March 2020 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.