

Charity number: 276633
Company number: 01391200

British Federation of Film Societies, The
Trustees' report and financial statements
for the year ended 31 March 2010



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VISION

Cinema for All

MISSION

To support, sustain and develop the community cinema movement in the UK, and to deliver public value to community cinema audiences throughout the UK.

STRATEGIC OBJECTIVES

1. To preserve, sustain and develop film society culture and its values, as an important element of the cultural heritage of the UK
2. To help film societies to start, build and maintain their activities
3. To bring the cultural and educational benefits of film to all communities, and to support public education in film culture
4. To represent the interests of all organisations engaged in delivering community cinema
5. To procure and disseminate accurate information for members on issues of importance or relevance to the community cinema movement
6. To provide training and development opportunities for the community cinema movement
7. To ensure BFFS is sufficiently resourced and appropriately structured to meet its objectives

BFFS AND THE COMMUNITY CINEMA SECTOR

The BFFS exists to support, sustain and develop the community cinema exhibition sector and to deliver public value to community audiences throughout the UK. It does this by researching and providing key data on the sector, by raising its profile, by actively developing new community cinema and film society ventures and by improving access to specialised film for all communities.

Research commissioned by BFFS shows there to be around 900 community cinema providers in the UK. A Community Cinema is defined as: Any volunteer-led and non-profit-making organisation that shows films in its local area. This includes: film societies and clubs in communities and neighbourhoods, schools, colleges and universities; screenings in village halls, arts centres, cinemas, youth and community centres; mobile cinemas; and local film festivals

LEGAL AND ADMINISTRATIVE INFORMATION

STATUS

The British Federation of Film Societies was incorporated as a Company and as a Charity on 27th September 1978. The British Federation of Film Societies is a company limited by guarantee and has no share capital. The liability of the members is limited. The Trustees of the Charity are also the Directors of the Company.

BOARD OF TRUSTEES:

Donna Anton (Elected September 2008) Chair
Claire Elliott (Appointed September 2008) Vice-Chair
Jim Dempster (Elected September 2008) Treasurer
Roger Drury (Appointed September 2009)
J Adrian Pickering (Appointed January 2009)
Guy Thomas (Appointed September 2009)
Richard Grayson (appointed September 2008, resigned September 2009)

LEGAL AND ADMINISTRATIVE INFORMATION – CONTINUED

COMPANY NUMBER: 01391200

CHARITY NUMBER: 276633

REGISTERED OFFICE: Unit 315
The Workstation
15 Paternoster Row
Sheffield
South Yorkshire
S1 2BX

INDEPENDENT EXAMINER: M J Pollard BA (Hons) Oxon ACA
43 Lathkill Street
Market Harborough
Leicester
LE16 9EN

BANKERS: Lloyds TSB
2 Glanmor Road
Uplands
Swansea

TRUSTEES' REPORT FOR THE YEAR ENDED 31st MARCH 2010

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31st March 2010.

Reference and administrative details

Legal and administrative information set out on pages 2-3 form part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005).

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purposes of charity law and throughout this report are collectively referred to as trustees.

Public benefit

The charitable objects for which BFFS is established are:-

- i. to advance the education of and to encourage the interest of the public in film as an art and as a medium for information, education and social enlightenment; and
- ii. to promote the study and appreciation of film.

BFFS' activities encompass the whole of the United Kingdom, from Shetland to the Channel Islands and from Norfolk to Northern Ireland. BFFS encourages and supports members of the public to form community cinemas so that films and film culture can be experienced as part of an audience rather than as an individual. The formation by BFFS of regional groups across the UK allows the provision of local, hands-on advice and support given on a peer-to-peer basis. BFFS responds to enquiries from individuals, groups and agencies that have an interest in film in its widest sense. Marking a big achievement for the organisation, the BFFS Community Cinema Sourcebook was published in August 2009. Featuring six in-depth chapters on topics ranging from film education and programming to legal issues and screening licences, the Sourcebook has proved an invaluable tool for both new and existing organisations. The Sourcebook is currently sold out, but reprints and updates are in the planning stages. An edited version is available at no cost on the website: www.bffs.org.uk which also hosts a discussion forum on topics included in the Sourcebook and encourages discussion on issues that can be included in the next Sourcebook edition.

BFFS provides a range of affordable membership categories for organisations which wish to join, with tiered subscription rates for different levels of service and participation. The maximum rate equates approximately to the cost of hiring one feature film for one screening. To provide community cinemas access to a more diverse choice of films to show their audiences, BFFS has established a scheme to distribute films on DVD. The BFFS Booking Scheme achieved great success in the past financial year, offering over 250 titles to Members and Associates at competitive rates. The scheme aims to offer the very best of British and World Cinema, hidden gems and social issues titles to offer access to top quality film. BFFS also provides information on these films and others via the website and has under development a film education scheme that will encourage the study and appreciation of films by a wide section of the public.

BFFS maintains relationships with a wide range of agencies such as film distributors, the UK Film Council, Regional and National Screen Agencies to enable it to advocate effectively on behalf of community cinemas. In this way it helps to maintain a supply of films and appropriate funding and support for community cinemas where they can be screened to the public. After many years of lobbying and campaigning, BFFS was delighted to have contributed to the development of the MPLC Movie Licence, which for the first time enabled community exhibitors to screen films from their own DVD copies. We are particularly pleased that this is now becoming an accepted industry standard. It has benefited many exhibitors and we will continue to work with and advise non-theatrical distributors to improve services.

Thanks to BFFS activities, the public benefits from opportunities to see a wider range of films, to develop an interest in film as an art and is afforded opportunities to become better informed, educated and to appreciate different cultures and viewpoints. The BFFS film education scheme will help to develop the media literacy of the general public.

Policies

Resourcing

The Board is responsible for ensuring sufficient resourcing of the organisation.

Investment policy

Under the Memorandum and Articles of Association the charity has the power to invest in any way the trustees see fit provided that no form of permanent trading is undertaken.

Reserves policy

BFFS funds current activities and longer term developments from grants and donations received and from income generated from subscriptions and other activities. The short-term objective is to hold reserves of unrestricted cash balances equivalent to two months expenditure on unrestricted activities. In the longer term, BFFS intends to maintain its free reserves (net unrestricted current assets) at a level that will mitigate against any unforeseen expenditure or fall in income.

Grant making policy

Under the Memorandum & Articles of Association the charity is able to make grants, aid or contribute towards the funds of community cinemas as it sees fit.

Risk management

BFFS is working towards the completion of a risk assessment. The outcome is intended to be a risk register that encompasses the governance and management of the charity, the operational risks, the financial risks, environmental factors and compliance issues. The trustees are establishing systems and procedures to address those potential risks and to minimise any impact on the charity if the risks materialise.

Serious incidents

No serious incidents, as defined by the Charity Commission, have occurred or been notified in the year 2009-10.

Activities

The new Board of Trustees is pleased to be able to report that a number of successes have been recorded. The renamed BFFS Booking scheme has grown in both the number of titles available and usage. Almost in parallel with this, the paid membership numbers have increased. The Board feels that this is recognition of the value the scheme offers and expansion of the range of titles being added maintains its attraction.

Last year the website was refreshed with a new house style and increased content, and behind the scenes with an easier-to-maintain system. There is an interactive forum linked to the new BFFS Community Cinema Sourcebook, the essential guide to starting up and successfully running a community cinema. The Sourcebook sold out its first print run, and a reprint, additions and revisions are being planned.

The National Conference of 2009 was a great success with the Film Society of the Year awards attracting much attention. In 2010 the conference will take place in the Cine-Lumiere in London.

The innovative MPLC Movie Licence, developed in association with BFFS, permits screening of MPLC titles from materials already in the possession of the licensee. No carriage charges, no late delivery and no damaged discs are the key advantages of this scheme.

In addition, BFFS has continued discussions with other distributors to maintain the availability of titles and quality materials.

Future

The next year 2011/12 presents a challenge to our continuing funding, with the abolition of the UK Film Council having been announced by the new coalition government. Until it becomes clearer which agency will have responsibility for the ongoing funding of community film exhibition, the trustees are preparing a number of options to ensure BFFS' future. It remains the aim of the Board to maintain services currently funded by the UK Film Council, to continue the BFFS Booking Scheme, to increase the membership and support community cinema by all means possible. Fundraising activities have continued during the year and the outcomes of this work may not be fully appreciated until next year. The Board aims to secure sufficient funding which will permit the development of a longer-term strategic and operational plan.

Trustees' responsibilities in relation to the financial statements

Company and charity law require the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business; and
- demonstrate public value.

The trustees have overall responsibility for ensuring that the charity has appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner

M J Pollard was appointed Independent Examiner to the charity. A resolution proposing his re-appointment will be put to the Annual General Meeting.

This report was approved by the Board on 19 September 2010 and signed on its behalf by:

Signature ----- Date -----

Donna Anton, BFFS Chair

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES ON THE UNAUDITED FINANCIAL STATEMENTS OF THE BRITISH FEDERATION OF FILM SOCIETIES

I report on the accounts of the company for the year ended 31 March 2010 which are set out on pages 8 to 12.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. 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 seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name: Matthew Pollard BA(Hons) Oxon ACA
Relevant professional qualification or body: ICAEW
Address: 43 Lathkill Street, Market Harborough, Leicester, LE16 9EN
Date: 19/09/2010

Statement Of Financial Activities for the year ended 31 March 2010

	Notes	Unrestricted Funds £	Restricted Funds £	2010 Total £	2009 Total £
Incoming Resources					
Grants	2	-	72,154	72,154	85,008
Subscriptions	3	16,062	-	16,062	13,585
Activities in furtherance of the charity's objects	4	34,396	-	34,396	34,849
Investment income	5	95	-	95	1,406
Total Incoming Resources		50,553	72,154	122,707	134,848
Resources Expended					
Costs in furtherance of the charity's objects	6	(50,898)	(54,862)	(105,760)	(140,246)
Activities in the governance of the charity	6.1	(1,799)	-	(1,799)	(3,819)
Total Resources Expended		(52,697)	(54,862)	(107,559)	(144,065)
Reallocation of funds	2	11,150	(11,150)	-	-
Net movement in funds		9,006	6,142	15,148	(9,217)
Total funds brought forward		14,670	17,657	32,327	41,544
Total funds carried forward		23,676	23,799	47,475	32,327

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

Balance sheet as at 31 March 2010

	Notes	2010 £	2009 £
Fixed assets	8	36	219
Current Assets			
Debtors	9	5,713	8,498
Cash at bank and in hand		48,035	35,618
Creditors falling due within one year	10	(6,309)	(12,008)
Net Current Assets	11	47,475	32,327
Net Assets	11	47,475	32,327
Funds			
Unrestricted Funds	12.1	23,676	14,670
Restricted Funds	12.2	23,799	17,657
Total Funds		47,475	32,327

These financial statements are prepared in accordance with the special provisions of Part 16 of the Companies Act 2006 relating to small companies.

These financial statements were approved by the board on 19/09/2010 and signed on its behalf by:

Donna Anton, Chair _____

Date:

Jim Dempster, Treasurer _____

Date:

The notes on pages 10 to 12 form an integral part of these financial statements.

Notes to the financial statements for the year ended 31 March 2010**1 Accounting policies****1.1 Accounting convention**

The financial statements are prepared under the historical cost convention and follow the recommendations in "Accounting and Reporting by Charities: Statement of Recommended Practice" (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act, 2006.

The Charity has taken advantage of the exemption in FBS1 from the requirement to produce a cashflow statement because it is a small charity.

1.2 Incoming resources

Grants, including grants for the purchase of fixed assets are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

1.3 Resources expended

All expenditure is included on an accrual basis and is recognised when there is a legal or constructive obligation to pay for the expenditure. Certain expenditure is directly attributable to specific activities and has been included in these cost categories.

Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.4 Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Projectors, Lenses and Films	2 years
Office Furniture and Equipment	1 year

2 Grant Income

		2010	2009
	Restricted Funds	£	£
UK Film Council		52,672	69,127
Film Agency Wales		4,150	5,000
Hi Arts Scotland		4,882	4,881
Screen Yorkshire		6,950	5,000
Screen South West		3,500	1,000
		<u>72,154</u>	<u>85,008</u>

During the year an amount of £11,150 was transferred from Restricted to Unrestricted funds relating to amounts originally granted as restricted, where written confirmation has been received from the original grantor in the year that these funds can now be treated as unrestricted.

3 Subscription income

		2010	2009
		£	£
Annual subscriptions	Unrestricted Funds	16,062	13,585
		<u>16,062</u>	<u>13,585</u>

4 Activities in furtherance of the charity's objects

		2010	2009
		£	£
National Block Booking Scheme, sales of shorts DVDs, fundraising, Group viewing session fees	Unrestricted funds	34,396	34,849
		<u>34,396</u>	<u>34,849</u>

5 Investment income

		2010	2009
		£	£
Deposit income	Unrestricted funds	95	1,406
		<u>95</u>	<u>1,406</u>

Notes to the financial statements for the year ended 31 March 2010 - continued

6 Costs of activities in furtherance of the charity's objectives

	2010			2009		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
PARTNERSHIP/DEVELOPMENT	1,052	5,100	6,152	2,600	11,800	14,400
RESEARCH/INFORMATION	1,000	600	1,600	-	1,600	1,600
BLOCK BOOKING	7,123	919	8,042	7,539	1,769	9,308
EVENTS	23,841	8,210	32,051	16,717	14,135	30,852
FINANCES	213	109	322	495	500	995
INSURANCE	1,351	-	1,351	1,351	255	1,606
OPERATIONS	1,181	26,014	27,195	10,394	29,050	39,444
OTHER EXPS	14,659	7,526	22,185	16,926	5,502	22,428
PROJECT SUPERVISION	255	5,131	5,386	240	13,748	13,988
REGIONAL DEV/SUPPORT	223	1,253	1,476	-	5,625	5,625
	50,898	54,862	105,760	56,262	83,984	140,246
6.1 GOVERNANCE	1,799	-	1,799	3,819	-	3,819

7 Employees

Number of Employees

The average monthly numbers of employees (including the Trustees) during the year were:

2010 Number	2009 Number
1	3

Employment costs

2010 £	2009 £
-	114
24,170	33,042
3,025	6,288
27,195	39,444

Administration

Wages and Salaries

Social Security costs

-	114
24,170	33,042
3,025	6,288
27,195	39,444

The trustees do not receive remuneration (2009 -nil). The trustees were reimbursed expenses such as travel and subsistence during the year totalling £1,375.

8 Tangible fixed assets

	Plant and Machinery £	Fixtures fittings and equipment £	Total £
Cost			
At 1st April 2009	120,241	14,008	134,249
additions	-	72	72
At 31st March 2010	<u>120,241</u>	<u>14,080</u>	<u>134,321</u>
Depreciation			
At 1st April 2009	120,241	13,789	134,030
Charge for 2010	-	255	255
At 31st March 2010	<u>120,241</u>	<u>14,044</u>	<u>134,285</u>
As at 31 March 2010	<u>-</u>	<u>36</u>	<u>36</u>
As at 31 March 2009	<u>-</u>	<u>219</u>	<u>219</u>

Notes to the financial statements for the year ended 31 March 2010 - continued

9 Debtors	2010 £	2009 £
Trade Debtors	4,713	4,075
Other Debtors	-	250
Prepayments and accrued income	1,000	4,173
	<u>5,713</u>	<u>8,498</u>

10 Creditors: amounts falling due within one year	2010 £	2009 £
Trade Creditors	1,455	1,950
Other Taxes and Social Security costs	-	345
Accruals and Deferred income	4,854	9,713
	<u>6,309</u>	<u>12,008</u>

11 Analysis of net assets between funds

	Unrestricted	Restricted	Total
Fund balances at 31st March 2010 as represented by:			
Current Assets less current liabilities	<u>23,676</u>	<u>23,799</u>	<u>47,475</u>

12.1 Unrestricted Funds	31st March 2009	Incoming	Outgoing	Transfers	31st March 2010
General unrestricted funds	<u>14,670</u>	<u>50,553</u>	<u>(52,697)</u>	<u>11,150</u>	<u>23,676</u>

Purposes of unrestricted funds

These are funds which can be used in accordance with the charitable objectives at the discretion of the trustees.

12.2 Restricted Funds

Restricted funds	<u>17,657</u>	<u>72,154</u>	<u>(54,862)</u>	<u>(11,150)</u>	<u>23,799</u>
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13 Controlling Interest

There is no individual controlling party. The Charity is managed by a committee as detailed on page 2.

ACKNOWLEDGEMENTS

The Trustees extend their sincere thanks to the professional staff, consultants and volunteers who comprise BFFS National and regional operations, whose passion and dedication to the community cinema movement has enabled the consolidation, continued growth and development of BFFS.