

Company Number: 1730697
Charity Number: 1035742

CINENOVA LIMITED

Report and Accounts

for the year ended 31st March 1997



CINENOVA LIMITED

Company Information

Company Number: 1730697

Charities Number: 1035742

Registered Office

113 Roman Road
London

Directors

M Trotter
A Rahman
D Wearn
P Graham
J Knight
K Norrish
C Merriman
E Burrows
K Hayton
M Warwick

Secretary

M Trotter

Auditors

Callaways
1 Whites Row
London
E1 7NF

Bankers

National Westminster Bank Plc
PO Box 3241
403 Bethnal Green Road
London

CINENOVA LIMITED

Report and Accounts

for the year ended 31st March 1997

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The following page does not form part of the statutory accounts

11	Detailed Profit and Loss Account
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CINENOVA LIMITED

Directors' Report

for the year ended 31st March 1997

The directors submit their report together with the audited accounts for the year ended 31st March 1997.

Legal and Administrative Information

The company is limited by guarantee and has no share capital. Under the provision of the company's Memorandum of Association each member would be required to contribute a sum not exceeding £1 for the payment of debts of the company in the event of a deficiency of assets on winding up the company.

Cinenova is a registered charity whose registration number is 1035742. We receive grant aid from the London Film and Video Development Agency. We have also received project funding from the London Film & Video Agency, the British Film Institute and the Arts Council of England and the National Lottery.

Lottery Award

Cinenova has been awarded a capital purchasing grant from the National Lottery through the Arts Council of England for £87,218. The award was granted to up-date and refurbish our in-house viewing and video copying facilities. Our new facilities now comprise a self-contained and purpose-built Video Edit and Viewing Suite. These new facilities enable Cinenova to produce quality preview and screening tapes in any currently required standard and to provide comfortable in-house viewing facilities for visiting film curators, programmers and researchers. Our new facilities also include special provisions for users with disabilities, namely portable viewing facilities and the use of a screen facility with provision for wheelchair access and a hearing loop. The grant has enabled Cinenova to extend the services we offer to filmmakers and to our hirers and to provide greater access to our collection of films and videos. It has also enabled us to develop one of our key marketing activities by enabling Cinenova to produce quality preview tapes and press packs for the growing international film festival circuit.

Special Projects

Cinenova received a grant from the LFVDA and support from the BFI to develop two new Independent Women's Film Education packages: Cinenova - A Distribution Case Study and An Independent Women's Film: Representations of Race, Class, Sexuality and Disability. The education packs include preview tapes of selected work and teaching notes prepared for teachers of 'A' Level Film & Media Studies, GNVQ Advanced Media Institutions, as well as education staff in independent screening venues. The development work has been done and the packs will be due for release in 1997-98 through the British Film Institute.

Cinenova also received a grant from the Arts Council of England to produce a film tour based on the programme we presented at Cinematrix in 1996. The film tour Beacons of Style will be due for release in the autumn of 1997.

Narrative Information

Cinenova is Europe's foremost distributor specialising in independent films and videos directed by women, and is committed to the acquisition, promotion, distribution and exhibition of culturally diverse work. Cinenova promotes awareness of women's filmmaking accomplishments through international distribution networks, project initiatives and programming advice. We distribute the broadest range of films and videos, from animation and experimental films to documentaries and features.

We distribute to independent cinemas and film clubs, international festivals and the education and training sector. Channel Four have bought several of our films and we now sell work to cultural channels worldwide.

Cinenova's other activities include regular screenings at London's Institute of Contemporary Arts, national touring programmes, specialist programmes for festivals and occasional public debates about women's filmmaking. We publish a 90 page catalogue that details our collection of almost 400 films and contains three specially commissioned essays on women's filmmaking. We also provide a continuously updated list of all our new acquisitions.

Cinenova has a permanent staff of two: the Acquisition and Distribution Officer and the Finance and Marketing Officer. Both currently work a four day week although it is the intention to make the posts full-time should sufficient resources be found. Freelancers are employed to carry out specific projects and we have a committed group of volunteers. Kate Norrish, the Finance and Marketing Officer, left in July 1996 and was replaced by Laura Hudson in January 1997.

CINENOVA LIMITED

Directors' Report

for the year ended 31st March 1997

The audited accounts for 1995-96 showed a deficit on the year of £ 6,538. We have not been able to reduce this deficit during the course of the current year, the current year deficit being £ 7,375. This is due in part to the under staffing Cinenova experienced during the year and the additional work load created by the Lottery award and the special projects. The first half of 1997/98 will be similarly affected by under staffing but it is hoped that in the second half of the year Cinenova will be able to reduce the overall deficit, with surplus being provided in the future.

Post Year-End Events

The main purchasing of equipment through our National Lottery award was completed in the financial year ending in 1997, though, a small element of the award is being carried into 1997/98. The special projects funding is yet to be spent and will be carried into 1997/98.

Following the year-end the remaining project expenditure includes:

Lottery: As part of the 'per cent for art' scheme, Cinenova has commissioned filmmaker Marjut Rimminen to produce a leader for our films and videos. The leader will be attached to all our 16mm prints, front all video screening and preview tapes and will be used as the trailer for Cinenova programmes at festivals and in cinemas. It is hoped that the leader will be completed in September 1997. Cinenova has also purchased an Apple AV Computer. The new computer workstation is housed in the duplication room and includes facilities to scan stills from printed or photographic materials, to produce stills directly from video and to provide an in-house DTP facility. This new facility will be used to manage the marketing of Cinenova titles and will include a database of our filmmakers, press packs and stills, and an acquisition database.

Helen De Witt, our Acquisition and Distribution Officer, left in July 1997. She has been replaced by Laura Hudson.

At a meeting of the Board on July 8th 1997 the two posts were re-titled as Managers to more accurately reflect the workload and responsibilities attached to the posts. The post of Finance and Marketing Manager has been taken up by Alex Fenner in October 1997.

Directors' Statement

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the loss for that year. In preparing those accounts the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and to enable them to ensure the accounts have been properly prepared in accordance with the provisions of the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Committee of Management

The affairs of the company are conducted by a committee of management who act as directors of the company and trustees of the charity.

CINENOVA LIMITED

Directors' Report

for the year ended 31st March 1997

The persons who served on the council of management during the year were:

M Trotter (Accountant)
A Rahman (Free-lance Producer)
D Wearn (TV Producer)
P Graham (University Lecturer)
J Knight (Snr University Lecturer)
K Norrish (Director WFTV)
C Merriman (TV Editor)
E Burrows (Film Archivist)
K Hayton (University Lecturer)
M Warwick (Film/Video Officer)

On the 12th March 1997 Lianne Harris resigned from the Committee of Management and Kate Norrish was appointed in her place.


Auditors

The Auditors, Callaways Chartered Accountants, have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting.

Exemption Statement

Advantage has been taken, in the preparation of the directors' report, of the special exemptions applicable to small companies conferred by Part II of Schedule 8 of the Companies Act 1985.

By Order of the Board:


.....
M Trotter, Secretary

22 JAN 1998

CINENOVA LIMITED

Auditors' Report to the Members

on the accounts for the year ended 31st March 1997

We have audited the accounts on pages 5 to 10, which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of the directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.


Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st March 1997 and of its deficit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.


Callaways
Chartered Accountants
and Registered Auditors

No 1 Whites Row
London
E1 7NF

22 JAN 1998

CINENOVA LIMITED

Income and Expenditure Account

for the year ended 31st March 1997

	Notes	Unrestricted Funds	Restricted Funds	1997 TOTAL	1996 TOTAL
		£	£	£	£
Incoming Resources					
LFVDA		31,000	-	31,000	28,000
Other Grants		500	-	500	-
Sales		21,456	-	21,456	24,135
Channel 4		-	-	-	1,000
MIP		-	-	-	2,500
Deferred Income - National Lottery		-	19,675	19,675	-
		52,956	19,675	72,631	55,635
Cost of sales				16,463	9,472
Administrative expenses				63,547	52,724
Other operating income				(4)	(23)
Operating Deficit	3			(7,375)	(6,538)
Tax on loss on ordinary activities				-	-
Retained Deficit transferred from reserves				(7,375)	(6,538)
Retained (deficit)/reserves brought forward				(6,294)	245
Retained reserves carried forward				(13,669)	(6,293)

Turnover and operating loss derive wholly from continuing operations.

STATEMENT OF RECOGNISED GAINS AND LOSSES

There have been no recognised gains or losses, other than the results for each financial year.

The notes on pages 7 to 10 form part of these accounts.

CINENOVA LIMITED

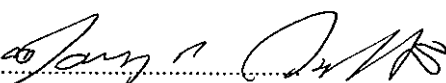
Balance Sheet

as at 31st March 1997

	Notes	1997 £	£	1996 £	£
Fixed Assets					
Tangible assets	7		55,916		790
Current Assets					
Stocks		200		200	
Debtors	8	4,469		2,239	
Cash at bank		5,245		4,067	
		<u>9,914</u>		<u>6,506</u>	
Creditors:					
Amounts falling due within one year	9	(14,565)		(13,589)	
Net Current (Liabilities)			(4,651)		(7,083)
Total Assets Less Current Liabilities			<u>51,265</u>		<u>(6,293)</u>
Reserves					
National Lottery Reserve	12	64,934		-	
Profit and loss account		(13,669)		(6,293)	
MEMBERS FUNDS	10	<u>51,265</u>		<u>(6,293)</u>	

In preparing these accounts, we have taken advantage of the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These accounts were approved by the board on . **22 JAN 1998**

M Trotter..... 

Director

The notes on pages 7 to 10 form part of these accounts.

CINENOVA LIMITED

Notes forming part of the Accounts

for the year ended 31st March 1997

1 Principal Accounting Policies

Accounting Convention

The Accounts have been prepared under the historical cost convention.

Cash Flow Statement

In the opinion of the directors the company qualifies as a small company and accordingly a cash flow statement is not required.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets over their expected useful lives. The rates generally applicable are:

Plant and machinery	25% on written down value
Films	25% on written down value
Computer and Other Office Equipment	25% on cost
Editing and Viewing Suite	25% on cost

Stocks

Stocks are stated at the lower of cost and net realisable value as follows:

Cost incurred in bringing each product to its present location and condition:

Raw materials	- purchase cost on a first-in first-out basis
Work in progress and finished goods	- cost of direct materials and labour plus attributable overheads based on the normal level of activity

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

Capital Grants

In line with the charities SORP but in contravention of SSAP 4 (Capital Grants), capital grants with no recall are shown under restrictive reserves and released to the unrestricted reserves over the useful life of the assets purchased with that grant.

2 Turnover

The turnover and operating loss for the year was derived from the company's principal activity and arises solely in the UK.

CINENOVA LIMITED

Notes forming part of the Accounts

for the year ended 31st March 1997

3 Operating Deficit

The operating deficit is stated after charging:

	1997 £	1996 £
Depreciation of tangible fixed assets	18,922	1,212

4 Direct Expenditure

	Unrestricted Funds	Restricted Funds	Total 1997	Total 1996
	£	£	£	£
Direct Costs	16,463	-	16,463	9,471

5 Management and Administration

	Unrestricted Funds	Restricted Funds	Total 1997	Total 1996
	£	£	£	£
Salaries and Office Costs	43,860	18,512	62,372	51,549
Audit Fees	1,175	-	1,175	1,175
	45,035	18,512	63,547	52,724

6 Total Resources Expended

	Staff Costs	Depreciation	Other Costs	Total 1997	Total 1996
	£	£	£	£	£
Direct Expenditure	-	-	16,463	16,463	9,471
Administrative Expenses	26,960	18,922	17,665	63,547	52,724
	26,960	18,922	34,128	80,010	62,195

Staff Costs

	1997 £	1996 £
Wages and Salaries	24,518	27,119
Social Security Costs	2,442	2,664
	26,960	29,783

No employees earned £ 40,000 per annum or more

Other Costs

	1997 £	1996 £
Premises	6,428	4,311
Direct Costs	16,463	9,471
Miscellaneous Costs	11,237	15,067
	34,128	28,849

CINENOVA LIMITED

Notes forming part of the Accounts

for the year ended 31st March 1997

7	Tangible Assets			Editing and Viewing Suite	Computer and Other Office Equipment	Total
		Plant and machinery £	Films £	£	£	£
	Cost					
	At 1st April 1996	32,559	16,181	-	4,136	52,876
	Additions	-	-	74,048	-	74,048
	At 31st March 1997	32,559	16,181	74,048	4,136	126,924
	Depreciation					
	At 1st April 1996	32,052	16,172	-	3,862	52,086
	Charged for the year	127	9	18,512	274	18,922
	At 31st March 1997	32,179	16,181	18,512	4,136	71,008
	Net Book Value					
	At 31st March 1997	380	-	55,536	-	55,916
	At 31st March 1996	507	9	-	274	790
8	Debtors				1997	1996
					£	£
	Trade debtors				4,126	2,096
	Other debtors				343	143
					4,469	2,239
9	Creditors: Amounts falling due within one year				1997	1996
					£	£
	Trade creditors				7,978	6,038
	Other Creditors				6,587	7,551
					14,565	13,589
10	Reconciliation of the movement in members funds				1997	1996
					£	£
	Deficit for the financial year				(7,375)	(6,538)
	Opening shareholders' funds				(6,294)	245
	Closing members funds				(13,669)	(6,293)
11	Called up Share Capital					

The company has no share capital and is limited by guarantee. Under the provisions of the company's Memorandum of Association each member would be required to contribute a sum not exceeding £1 for the payment of the debts of the company in the event of a deficiency of assets on a winding up of the company.

CINENOVA LIMITED

Notes forming part of the Accounts

for the year ended 31st March 1997

12 Restricted Funds

	Balance at 1st April 1996 £	Income £	Outgoing £	Balance at 31st March 1997 £
National Lottery	-	(84,609)	19,675	(64,934)

The National Lottery grant was awarded for capital equipment over a period straddling two financial years. The grant will be released to the general reserve over the expected life of the equipment purchased.

13 Analysis of Group Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total 1997 £	Total 1996 £
Tangible Fixed Assets	380	55,536	55,916	790
Current Assets	9,914	-	9,914	6,506
Current Liabilities	(14,565)	-	(14,565)	(13,589)
	(4,271)	55,536	51,265	(6,293)

CINENOVA LIMITED**Income and Expenditure Account****for the year ended 31st March 1997**

	1997 £	1996 £
Deferred Income		
LFVDA	19,675	-
Other Grants	31,000	28,000
Glenbuck 16mm	500	-
VHS Sales	4,489	24,135
VHS Hire	8,086	-
Dangerous to Know	4,859	-
Television Sales	74	-
Catalogues Dub Suite	1,289	-
Other Direct Invoicing	127	-
MIP	2,532	-
Channel Four	-	2,500
	-	1,000
	<hr/> 72,631	<hr/> 55,635
Cost of sales		
Distribution Expenses	4,724	2,809
Marketing Catalogue	203	-
Festivals	184	-
Royalties	11,352	6,663
	<hr/> 16,463	<hr/> 9,472
Gross Surplus	<hr/> 56,168	<hr/> 46,163
Bank Interest Received	4	23
Administrative expenses		
Salaries and Wages	24,518	27,119
Social Security Costs	2,442	2,664
Freelance Wages	2,520	787
Travel and Motor Expenses	195	330
Accountancy Charges	1,207	1,478
Depreciation of Computer Equipment	18,922	1,212
Insurance	556	556
Printing and Stationery	623	8,936
Telephone Charges	2,223	2,122
Rent and rates	5,266	3,841
Repairs and Renewals	1,163	471
Bank Charges	240	266
Bad Debts	294	136
Miscellaneous expenses	1,995	2,700
Staff training	1,383	106
	<hr/> 63,547	<hr/> 52,724
Operating Deficit	<hr/> (7,375)	<hr/> (6,538)

This page does not form part of the statutory accounts