

THE BIRKS CINEMA LIMITED
UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018
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THE BIRKS CINEMA LIMITED

COMPANY INFORMATION

Directors	Mr J Freeman Mr D Swan Ms P Walker-Booth Mr K J Ramage
Secretary	Mr J F Freeman
Company number	SC428528
Registered office	51 Atholl Road PITLOCHRY PH16 5BU
Accountants	Johnston Carmichael LLP 66 Tay Street PERTH PH2 8RA

THE BIRKS CINEMA LIMITED

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THE BIRKS CINEMA LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Current assets					
Stocks		5,162		4,096	
Debtors	3	12,230		11,600	
Cash at bank and in hand		21,291		19,361	
		<u>38,683</u>		<u>35,057</u>	
Creditors: amounts falling due within one year	4	<u>(362,349)</u>		<u>(361,069)</u>	
Net current liabilities			<u>(323,666)</u>		<u>(326,012)</u>
Capital and reserves					
Called up share capital	5		2		2
Profit and loss reserves			<u>(323,668)</u>		<u>(326,014)</u>
Total equity			<u>(323,666)</u>		<u>(326,012)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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


The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 6/11/18 and are signed on its behalf by:


Mr J Freeman
Director


Mr D Swan
Director

Company Registration No. SC428528

THE BIRKS CINEMA LIMITED

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

1 Accounting policies

Company information

The Birks Cinema Limited is a private company limited by shares incorporated in Scotland. The registered office is 51 Atholl Road, PITLOCHRY, PH16 5BU.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. 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 financial statements have been prepared on the going concern basis as the directors believe that it is appropriate to do so. In coming to this conclusion the directors confirm that the ultimate holding company will continue to support the company for at least twelve months from the date of approval of these financial statements.

As the ultimate parent company, The Birks Cinema Trust (TBCT) is a charity, all revenue support funds are agreed between TBCT and funders, and are provided directly to TBCT, before being transferred as required to the company. All revenue support funds transferred by TBCT to the company are recorded as a loan repayable by the company to its parent.

1.3 Turnover

Turnover represents amounts receivable for the operation of the cinema and cafe-bar net of VAT and trade discounts.

Revenue is recognised on a cash basis or in accordance with the terms of the invoice to the customer.

1.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

1.6 Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

THE BIRKS CINEMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Basic financial assets

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

Derecognition of financial assets

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

Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

Derecognition of financial liabilities

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

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.9 Leases

In general, rentals payable under operating leases are charged against income on a straight line basis over the lease term. Exceptionally, the TBCT 5 year lease for the Birks Cinema requires the calculation of a rental charge based on the trading turnover of the company.

1.10 Customer reward scheme

As is common practice within the cinema industry, the company offers an incentive to customers whereby each customer, after purchasing seven admissions, is offered a free admission to a film. At the year end, the company provides for the cost of the aggregate free tickets due to customers.

2 Employees

The average monthly number of persons employed by the company during the year was 14 (2017 - 14).

THE BIRKS CINEMA LIMITED

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

3 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	4,577	3,920
Other debtors	7,653	7,680
	<u>12,230</u>	<u>11,600</u>

4 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	14,285	19,374
Amounts due to group undertakings	309,939	313,924
Other taxation and social security	13,792	8,696
Other creditors	24,333	19,075
	<u>362,349</u>	<u>361,069</u>

5 Called up share capital

	2018 £	2017 £
Ordinary share capital Issued and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

6 Operating lease commitments

Lessee

At the year end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018 £	2017 £
	<u>22,222</u>	<u>22,268</u>

7 Related party transactions

Transactions with related parties

The following amounts were outstanding at the reporting end date:

	2018 £	2017 £
Amounts owed to related parties		
Entities with control, joint control or significant influence over the company	<u>309,939</u>	<u>313,924</u>

THE BIRKS CINEMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

7 Related party transactions

(Continued)

During the year, charged rent to the company of £21,681 (2017 - £20,054) for the use of the Birks Cinema.

At the balance sheet date £309,939 (2017 - £313,924) was due to TBCT and is included within other creditors. The loan is unsecured, interest free and has no fixed terms of repayment.

As the ultimate parent company, TBCT, is a charity, all revenue support funds are agreed between TBCT and funders, and are provided directly to TBCT, before being transferred as required to the company. All revenue support funds transferred by TBCT to the company are recorded as a loan repayable by the company to its parent.

The Board of TBCT has agreed to give financial support to the company for twelve months from the date of approval of these accounts.

8 Parent company

The ultimate parent company is The Birks Cinema Trust (TBCT), a charitable company registered in Scotland.