

CHARITY NO: SC005932

COMPANY NO: SC097369

THE GLASGOW FILM THEATRE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

| | PAGE |
|--|-------------|
| Reference and Administrative information | 1 |
| Report of the Trustees | 2-19 |
| Independent Auditor's Report | 20-22 |
| Statement of Financial Activities | 23 |
| Balance Sheet | 24 |
| Statement of Cash Flows | 25 |
| Notes to the Financial Statements | 26-42 |

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

REFERENCE AND ADMINISTRATION INFORMATION

The charity is registered as Glasgow Film Theatre (also known as GFT), and also trades under the following names: Glasgow Film, Glasgow Film Festival, Glasgow Short Film Festival, Glasgow Youth Film Festival and Film Hub Scotland. A company limited by guarantee, registered in Scotland (No SC097369) and registered with the Office of the Scottish Charity Regulator (No SC005932).

Trustees

David Archibald
Richard Cairns
Councillor Frank Docherty (resigned 15 January 2019)
David Gordon
Abigail Kinsella
Bruce Malcolm
Gillian McCallum
Stuart MacLean
Councillor Margaret McTernan (appointed 15 March 2019)
Denise Mina
Uzma Mir-Young
Rishaad Ait El Moudden
Myriam Mouflih
Councillor Rhiannon Spear (appointed 15 March 2019)
Paul Zealey

| | |
|-----------------------------|--|
| Chief Executive | Jaki McDougall |
| Company Secretary | David Gattens |
| Principal Office | 12 Rose Street, Glasgow, G3 6RB |
| Charity Number: | SC005932 |
| Company Number: | SC097369 |
| Independent Auditors | Wylie & Bisset LLP, 168 Bath Street, Glasgow, G2 4TP |
| Bankers | Royal Bank of Scotland plc, 23 Sauchiehall Street, Glasgow G2 3AD |
| Solicitors | Hasties, 10 Newton Place, Glasgow, G3 7PR |

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

The Trustees present their annual report together with the financial statements of the charity for the year ended 31 March 2019. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 United Kingdom and Republic of Ireland.

The reference and administrative information on page one forms part of this report.

1. OBJECTIVES AND ACTIVITIES

The charity, registered as Glasgow Film Theatre, is also known as GFT, and also trades under the following names: Glasgow Film, Glasgow Film Festival, Glasgow Short Film Festival, Glasgow Youth Film Festival and Film Hub Scotland.

The charity was established to:

- Advance, promote, maintain, improve and encourage the education of the public in the appreciation of film and related media as a means of enlightenment;
- Promote the study of film and related media and without prejudice to the generality of the foregoing;
- Produce and exhibit films and related media, music and literature for these purposes to organise, promote, manage and conduct or to assist in or subsidise the organisation, and conduct of such activities and of such other similar activities and studies including concerts, lectures, broadcasts, exhibitions and competitions.

We are a national centre for film and moving image media where audiences and filmmakers experience and debate cultural practice and ideas through diverse, unique and quality programmes that transform the way people see the world, through film.

GFT's mission is to be a national centre for film culture – *for all*.

Our strategic aims and objectives are underpinned by our values, enabling us to make an important and valued contribution to the arts and culture for the city, Scotland, the UK and internationally:

Ambitious // Innovative // Challenging
People Centred // Responsible
Inclusive // International // Community Based
Collaborative // Open

The strategies employed to achieve the charity's aims and objectives are to:

- Be a producer of inspirational cultural film programmes and experiences;
- Celebrate the collective experience of moving image and the wonder of cinema;
- Develop innovative partnerships, bridging expertise and inspiration to increase and enhance the quality of the programme;
- Expand our digital footprint to engage a wider and more participatory audience;
- Find new and creative ways to further maximise return on public investment, as well as diversifying income generating sources and opportunities;
- Adopt working practices that encourage dialogue between audiences, staff, volunteers, curators, filmmakers/artists, investors and other partners, locally nationally and internationally;
- Act as a gateway to cultural appreciation, production and experience for all.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Putting these strategies into action, we have six major areas of activity:

- The GFT: Glasgow Film Theatre has been leading the way in specialised cinema for 45 years. Its three screens show 100% specialised titles, first-run world and independent cinema, artists' experimental work, issue based programmes, thematic seasons, repertory programmes, Scottish produced work, festivals, event cinema and live broadcast. Interpretation of screenings and events is offered through a wide and varied programme of Q&As, guest introductions, programme notes and courses.
- Glasgow Film Festival (GFF) established in 2005, is dedicated to presenting the best Scottish, UK and international cinema. GFF presents a unique programme including feature films, an industry focus and special events with particular emphasis on encouraging new audiences, and talent development.
- Glasgow Short Film Festival (GSFF), Scotland's leading short film event, champions new film talent by providing an annual showcase and meeting point for new and established Scottish and international filmmakers, industry delegates and audiences. An intense five days of competition screenings, unique special programmes, workshops and live events showcasing the most exciting short form moving image content.
- Children & Young People. Our engagement with schools through screenings, workshops, CLPL and youth employment support, inspires learning through and about film across the curriculum from nursery to secondary pupils. This includes Glasgow Film Festival Schools Week. Informal work includes Take 2 - free Saturday matinees for children & families, and Glasgow Youth Film Festival (GYFF), programmed by young people, presenting an outstanding range of international films and creative workshops for young people across the city.
- Access & Community Engagement. Glasgow Film Theatre's access and community engagement programme aims to provide and nurture inspiring, informative, accessible and participative engagement and lifelong learning opportunities around cinema and the moving image, for all. Targeted work in equality, diversity and inclusion includes autism friendly programmes for children & families, and for people aged over 15; D/deaf friendly programme, Visible Cinema, and dementia friendly Movie Memories.
- Film Hub Scotland is part of the BFI's Film Audience Network and is one of eight Hubs across the UK with the aim of extending film choice, increasing audiences, and enhancing opportunities for audiences across Scotland to deepen their relationship with film.

Monitoring and Evaluation

Glasgow Film Theatre is committed to ensuring that all aspects of its programme and the organisation that supports the programme are of the highest quality. We aim to undertake a continuous process of planning, monitoring and evaluation with quality assurance embedded within the whole process from aims and objectives through to business planning and programme delivery.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

We monitor the quality and our progress through:

- Attendances are recorded and circulated weekly. Quarterly figures are provided for the trustees;
- All aspects of the programme have targets set against which performance is measured;
- Web, Facebook, Instagram and Twitter hits are recorded;
- Audience and visitor feedback is encouraged and is recorded, collated and acted on;
- Management Reports for Finance, Programme (including Children & Young People, Access & Community Engagement and Festivals), Marketing, Development, and Operations are produced and circulated to senior staff and trustees on time;
- Formal evaluation meetings take place following all Festivals, projects and large-scale events;
- All course attenders are requested to complete evaluation;
- Staff and volunteer meetings inform the whole team on all aspects of the organisation with everyone offered the opportunity to provide their views on this. Information is taken to Senior Management Team meetings to feed into the planning cycle.

When evaluating how successful we are or not we consider:

- Attendance figures (increase/decrease);
- Audience feedback including the impact of work;
- Income generation (increase/decrease);
- Peer reviews (positive/negative);
- Course attenders' feedback (positive/negative);
- Profile for organisation: positive/increased or negative;
- Organisations who want to work with GFT;
- Funders are happy with progress of organisation/ funders have reservations;
- Staff morale positive, staff understand business plan and their contribution to achieving the goals.

Donated Services

In the year we had 97 active volunteers by the end of March 2019 and we logged approximately 7,545 hours assisting with stewarding screenings and events at GFT. 162 volunteers contributed around 3,000 hours to help make Glasgow Film Festival a great success. A further 48 volunteers contributed 732 hours to Glasgow Short Film Festival. The trustees are unpaid, and GFT also hosts placements throughout the year for school children and students.

The headline priorities for 2018/19 were to:

- Improve the effectiveness of our strategy to engage new young audiences (under 25) from all areas of Glasgow.
Our focus on pricing and social media promotions in relation to the 25 and under target audience continued to have a positive effect. In the year, there was a 45% increase in membership of our 15-25 Card membership scheme, and the diversity of titles watched by this group widened by 25%. Overall ticket sales to this group have increased by 35% since 2017/18.
- Develop audiences across Scotland for British independent and world cinema through leadership of the BFI Film Hub Scotland.
Film Hub Scotland (FHS) is a growing network led by GFT which now consists of almost 200 cinemas, film festivals, cross-arts venues and other film exhibition organisations. In this period, we worked with FHS members to develop a thriving and inclusive cultural film exhibition sector, reaching more than 673 sector beneficiaries in Scotland and a total audience of over 56,937 through Film Hub supported activity.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

- Shape Scottish strategies to support independent distribution and exhibition.
A key mechanism for this has been GFT's management of Film Hub Scotland. GFT also manages through Film Hub Scotland the UK-wide Membership Support and Development (MSD) scheme for the BFI Film Audience Network (FAN). This is a scheme that in the first year of managing MSD delivered:
 - Slate Days presented in partnership with Film Hub London with 337 attendees.
 - This Way Up, the annual national conference for cultural cinema film exhibition presented with Film Hub North, had its fifth edition in Liverpool and was sold out attracting 254 delegates representing every region and nation of the UK.
 - The first FAN Innovation Lab - a new intensive two-day residential development activity delivered in partnership with the Independent Cinema Office focused on engaging Young Audiences. 18 participants represented 10 organisations from six of the UK hub regions. 100% of respondents said the lab increased their ability to increase audiences aged 16-30, that they achieved what they had hoped from the lab and that they had gained fresh ideas and inspiration.
- Increase the engagement of people who are D/deaf and hard or hearing.
During the year, research was undertaken to help us better understand if and how our programme matches the needs of audiences attending our captioned and Visible Cinema events (captioned/subtitles, BSL and on-screen Speech to Text service). Positively, 56% of respondents identified as D/deaf, 60% were BSL users, 73% used the live speech-to-text service and 86% required captions to enjoy a film. We also learnt that 64% of our hearing audience, of which 86% did not require captions to access a film, would still attend a captioned screening at GFT. This encouraged us to offer an increased number of captioned screenings in prime screening slots and increased captioned screenings in the year-round programme by 65% in 2018/19.

2. OVERVIEW OF THE YEAR

Reflecting upon the past year, Glasgow Film's audiences continue to be strong, forming the foundation for all the wonderful cinematic experiences that bind the organisation together: first run films, education programmes, classic cinema, access and community engagement, artists' film and our festivals which bring films from every corner of the world to Glasgow.

2018/19 was a positive year for Glasgow Film. The figures presented, demonstrate the strong cultural and economic impact of our work during this period. But when it comes to attendance, it's more than just a numbers game. Obviously, attendance is important for a leading UK cultural cinema. It is crucial because we exist to be accessible to the public and the widest possible audience. So, we want to reach out to new visitors, and it is not just the number of people. It is who they are. Engaging underrepresented groups is core to our activity. The effect of our programme was that in 2018/19 we increased attendance to all our access and community engagement programmes and the number of young people under 26 also increased.

It was also a key year for our festivals with both Glasgow Film Festival and Glasgow Short Film Festival seeing growth in admissions and a rise in critical acclaim.

However, GFT's approach and impact is not characterised in a specific project or event, but an ethos of openness, responsibility, partnership and passion. These attributes are shared across our whole programme and lead to engaged audiences.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Glasgow Film Theatre (GFT)

GFT achieved 193,218 admissions, 3,282 admissions short of the target we set for the year. The 3,282 admissions are equivalent to the estimate we had made on the impact on GFT admissions following the second Glasgow School of Art fire, the ensuing disruption which resulted in GFT having to close for a weekend, and the continuing negative impact on admissions over the following weeks, as the area around GFT was perceived to be 'closed for business'. The 193,218 admissions still represents the fourth busiest year in GFT history.

The GFT film programme in 2018/19 comprised 700 distinct programmes (up from 630 in 17/18) at 4,003 screenings (an increase of 203 on 17/18) including first run independent, auteur and international cinema combined with film festivals, unique events and film seasons in partnership with local organisations, international collaborators and universities. An important part of this was our engagement with audiences, including Q&As with cast and crew, specialist introductions, programme notes and post-screening discussions. Notable highlights from the 126 Q&A events at GFT in the past 12 months included sold out shows with directors David Mackenzie (*Outlaw King*), Rachel Maclean (*Make Me Up*), Crystal Moselle (*Skate Kitchen*) and Felipe Bustos Sierra (*Nae Pasaran*).

GFT continued to attract new and established talent, forging further links with organisations such as The New Black Film Collective and Korean Cultural Centre UK; equality awareness group Scottish Bi+ Network; socially and environmentally active organisations Take One Action!, Refugee Festival Scotland and Africa in Motion; specialist world cinema purveyors FOKUS: Films from Germany, Viva Spanish & Latin American Film Festival and international film festivals.

GFT provided a unique film experience in Glasgow, balancing in-demand independent releases with more diverse and alternative content. The top ten new release films attracting the largest audiences were: *The Favourite*, *BlacKkKlansman*, *Nae Pasaran*, *Isle of Dogs*, *Mary Queen of Scots*, *The Wife*, *Free Solo*, *Widows*, *2001: A Space Odyssey* (50th anniversary 70mm re-release), *Green Book*. With 700 films screening over the year we devoted a large proportion of time highlighting and drawing audience attention to the majority of films we play at GFT that don't have major marketing campaigns behind them.

Our regular CineMasters strand featured ten seasons of specific filmmaker retrospectives throughout the year, consisting of five male and five female directors, from six different countries (UK, US, France, Germany, South Korea, Australia). Highlights included a ten-film Alfred Hitchcock season over the summer, which was complemented with a one-day Hitchcock seminar; and a season of restored works by German director Margarethe von Trotta, focussing on the re-release of her 1986 film *Rosa Luxemburg*.

17 seasons of work were delivered: CineMasters (monthly), Viva: Spanish & Latin America Film Festival, Studio Ghibli Classics, Festival 2018: Berlin on Screen, Take One Action, SQIFF: Scottish Queer International Film Festival, Scotland Loves Anime, Africa in Motion, Edinburgh Spanish Film Festival, UK Jewish Film Festival, French Film Festival, BFI Comedy, Estonia Now, Havana Glasgow Film Festival, London Korean Film Festival, Early Korean Cinema, FOKUS: Films from Germany.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Glasgow Film Festival

Key Achievements

- GFF2019 achieved record breaking visitor attendances of 42,224.
- Festival delivered 428 individual events, at 22 different locations.
- 14 World/International/European premieres, 102 UK premieres and 50 Scottish premieres, films from 54 countries.
- Total number of premieres at GFF19 was 166 (GFF18 142 premieres).
- Opening Gala was the UK premiere of Jonah Hill's directorial debut *Mid90s*. The festival closed with UK premiere of Brain Welsh's *Beats*, the film adaptation of Kieran Hurley's hit stage show.
- Highest audience numbers for free morning retrospective screenings since this strand was launched in 2016.
- 100% of attendees rated the festival as either very good or good.
- 37% of attendees were under the age of 30 years old.
- 10% increase of overall media coverage in comparison to GFF2018.
- Coverage from all five UK film magazines (Empire, Total Film, Little White Lies, Film Stories, Sight & Sound) for the first time ever.
- Best ever attendance at Industry Focus, exceeded Industry Pass sales target of 250.
- Industry Focus programme theme of 'New Voices' featured sessions tailored for those at all stages of their careers.
- Hosted three live event podcasts, including Empire Film podcast recorded in GFT Cinema 1 in front of a full house, which covered films featured at the festival and an exclusive interview with Sir Michael Palin, attending for the premiere of *Final Ascent*. The podcast has now been listened to over 115,000 times.
- Festival guests this year included: Bo Burnham (*Eighth Grade*), Matt Boomer (*Papi Chulo*), Jessie Buckley (*Wild Rose*), Adam Pearson (*Chained for life*), Connor Swindells (*The Vanishing*), Richard Madden (*Harry Birrell: Films of Love and War*, winner of the GFF Audience Award 2019), David Hare (*The White Crow*), Kevin Guthrie (*Connect*), Carlos Acosta (*Yuli*), Peter Howson (*Prophecy*), the cast of *Still Game*, David Dastmalchian (*All Creatures Here Below*), Annabel Jankel (*Tell It to the Bees*), Tracy Edwards MBE (*Maiden*), Joe Penna, Amma Asante, Edith Bowman, Lance Bangs, Kate Dickie, and Alice Lowe.
- Pop-up events this year included an abandoned warehouse for a special screening of *Fight Club*; secret location film, *The Blair Witch Project*, at Mugdock Castle featuring a walk through a forest animated by actors, lighting, sound effects and fire.
- *Our Maryhill* community project brought together residents of Maryhill from across generations to curate their own archive film event working in partnership with the National Library of Scotland Moving Image Archive.

A festival with its finger on the pulse. Whether it's providing a launch pad for emerging voices or a new space to re-consider some cutting-edge modern classics, there's certainly a lot to get excited about. - Alistair Harkness, The Scotsman

Glasgow Short Film Festival

Diversifying the programme to ensure that the broadest range of Scottish and international voices are represented

- 238 films from 38 countries were screened at the festival.
- 33 international titles were selected for the Bill Douglas Award competition, including three international premieres, one European premiere and 17 UK premieres.
- 21 Scottish titles were selected for competition, including four world premieres

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Facilitating more industry connections for Scottish filmmakers, both locally and internationally

- Industry programme speakers included representatives of eight international film festivals plus two international festival agents.
- Collaboration with DOCMA, Creative Europe Desk UK, Glasgow Film Crew on industry events.
- Partnerships were secured with Media Dog, Arteus PP, Final Draft, Elba Sound, NFTS Scotland.

Growing the number of delegates and public audiences

- Total public attendance (not including receptions and networking events) was 4,072. Including receptions and networking events it was 4,747.
- Total number of delegates was 290. This was a small increase on last year's figure of 281.

Providing short film viewing opportunities year-round for diverse audiences in Glasgow, across Scotland and beyond

- In total 12,022 people viewed a Shorts in Support title organised by GSFF at one of 14 venues across Scotland we toured to.
- Total attendance for all other GSFF events between April 2018 and March 2019 was 750.

An effortlessly cool and casually brainy addition to Scotland's cultural calendar - Jamie Dunn, The Skinny

Children & Young People

Our school screenings inspire learning through and about film across the curriculum from nursery to secondary pupils. This includes Glasgow Film Festival Schools Week, French and Spanish Film Festivals, Holocaust Memorial Day and the Into Film Festival. This year we hosted 55 screenings and events to 9,020 school pupils.

In addition, this year we piloted a 'Design Your Own Film Festival' workshop delivered in partnership with Prince's Trust Scotland and Developing Young Workforce aimed at the 15 – 19 age group. The workshop is a fun way of exploring the different kinds of jobs in Scotland's film industry as well as promoting other GFT activity for young people. We held eight sessions to 413 pupils.

Take 2 is a weekly family film which is free for Glasgow Young Scot & Kidz Club Card holders to alleviate financial burden of accessing cultural programming by low income families. It is also an accredited Children University's venue. This year we welcomed 6,387 families with children to 50 screenings of Take 2.

We offered a free Monthly Youth Screening to an invite-only list of local schools and youth organisations working with hard-to-reach young people. Seven sessions were delivered and due to the popularity of the screenings we exceeded our estimate of 25 young people being involved and had 92 participants.

Glasgow Youth Film Festival is an opportunity to celebrate the voice and vision of our young programmers. This year 15 young people had the opportunity to gain key skills in programming, marketing, introducing films and hosting Q&As as well as building networks in our industry. They attended a summer school led by GFT staff who introduced them to the key components of how to deliver a successful film festival. This year's youth film festival was our best attended yet as 1,230 audience members attended 15 events over the weekend including two careers workshops.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Access & Community Engagement

Building resilience and connection are key drivers for GFT and we proudly punch above our weight when it comes to pioneering work which examines how cinema can be for all. We are not afraid to interrogate difference and better understand diversity. We consistently put ourselves on the frontline to ask the questions others are afraid to ask. We are curious; we are active and we share what we know, openly and honestly to affect understanding, learning and change. In order for us to continue championing curiosity and effect growth, we need, like our audiences, to remain inspired, build resilience and confidently look to the future. Ongoing engagement activities; screenings, debates, courses, workshops, critical engagement, Q&A's and project funded outreach work are diverse in context and enriching in form. Audience engagement strategies are considered and targeted to provide access for all. People who are D/deaf, disabled, living with and affected by dementias and people from socially and economically disadvantaged audiences are prioritised and these considerations vastly enhance our programme and projects, whilst concurrently enabling diverse and often segregated communities to come together.

Targeted work in equality, diversity and inclusion in 2018/19 included:

Autism-Friendly programme:

Take 2 Access - monthly free screenings for children and their parents/carers and family or friends and Access Film Club - designed for people who prefer a relaxed, low-sensory cinema environment. We provided monthly autism-friendly screenings and a special events programme for people aged 15+ on the autistic spectrum and/or with additional needs. In 2018/19 we ran 12 events attracting 385 people (a 3% increase on our annual target) and have evolved the event delivery by establishing a resident autistic host which is supported by our partner organisation National Autistic Society Scotland.

D/deaf-Friendly programme:

Visible Cinema; monthly screenings and quarterly events programme designed for people who are D/deaf or hard of hearing. All screenings have English captions and speech to text technology allows everyone to take part in the post-screening discussions. In 2018/19 we ran 12 monthly events attracting 456 people (a 9% increase on our annual target).

RCS Curates: a quarterly event co-curated with the Royal Conservatoire of Scotland's BA Performance in BSL and English students. These events attracted 210 people (average 53 people attending) and in 2018 we hosted the first RCS Curates: Film Showcase – première screening of the graduating students' short films year of students which attracted 103 people – 70% of whom were D/deaf or hard of hearing.

Dementia-Friendly programme:

Movie Memories continues to grow from strength to strength attracting 585 people over 13 events and since the programme launched we have hosted 22 events attracting 1,109 people - an average of 50 people every month. 45% of the audience live with a type of dementia.

The Movie Memories steering group maintains strong partnerships with: GCVS Community Connectors, Dementia Carers Voices, Health and Social Care Alliance Scotland, DEEP network, Dementia Alumni Group, Glasgow's Golden Generation, Alzheimer Scotland and TIDE carers network. Our volunteer Movie Memories Ambassadors are superb in bringing their skill and kindness to the fore every month and our academic researcher from Glasgow Caledonian University, is on target to deliver research findings to support new funding applications as we source fresh revenue to continue this programme once Life Changes Trust funding stops in July 2020.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

There is a personability to the GFT which makes it feels like you're going to your friend's house to watch a movie, rather than sitting in a cineplex with a bunch of strangers. This accessible and inclusive quality also extends to the staff members, putting in extra effort to ensure all cinemagoers are catered for [...] It is vital that we learn from this accessibility and inclusivity encouraged by independent cinemas across the board. - Rhiannon Walsh - Freelance writer, content creator and zine-maker based in Glasgow

Festival and Other Engagement:

We hosted a Scottish premiere of D/deaf shorts curated by Deaf artist Zoé McWhinney as part of Glasgow Film Festival 2019 in partnership with London Short Film Festival. This event was a great success attracting 100% BSL users, 92% D/deaf people 3 hearing people and an age span of 19-55. To round off the year, we hosted a final RCS Curates event at Glasgow Short Film Festival featuring shorts taken from Encounters Film Festival, Bristol and two other selected shorts chosen by the RCS students. One of the film's directors, Deaf writer and director Louse Stern was a special guest along with Deaf actor Claire Wetherall. Access was further enhanced at GSFF as we also provided captioned films across three more events including the entire European Film Academy's short film tour, SHORT MATTERS! and a captioned, BSL interpreted and autism-friendly screening in partnership with Oska Bright Film Festival.

We continued with our annual established partnerships with: The Women's Support project – screening land-mark film *The Tale*, CRER (Centre for Research in Ethnic Relations), Black History Month, with a screening of *I Am Not Your Negro*, SQIFF 2018 *Opening Night* Shorts + Q&A – a captioned and BSL interpreted launch event, and in January 2019, a Queens of Comedy film screening with live comedy set from Ninia Benjamin was hosted.

Film Hub Scotland

In its first full year under the management of Glasgow Film Theatre, Film Hub Scotland increased its membership from 158 to 197 and achieved 56,937 reported admissions for the projects it supported against a target of 30,000 for 1st Jan 2018 until 31st March 2019.

Core plan highlights include:

Amplify and Fabric

FHS are working strategically to increase the capacity, skills, confidence and resources of the sector with the ultimate aim of growing and enhancing member programming skills and capacity, and engaging and sustaining a broad and diverse audience.

To this end we are delivering two key, complementary and parallel programmes; Amplify and Fabric.

Through Amplify FHS brings together a cohort of mid-scale venues working both individually with each participant and collectively with the cohort to build connections, share knowledge and experiences, develop new opportunities and initiatives, and provide peer-to-peer support.

Fabric adopts a similar approach but working with key freelance professionals in areas of low provision in Scotland to support a network of smaller, less experienced exhibitors to provide significant programme support, project development and delivery, marketing and audience development activity.

Both programmes are multi-year and will be led by Film Hub Scotland but with significant co-development with the selected venues and networks to ensure the programme meets the unique context of each participant.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Young Audiences Scheme

Younger audiences are critical to the future sustainability and impact of cultural cinema exhibition. Through Film Hub Scotland's Young Audience Scheme members can access the support and funding to create or develop a long-term, on-going ticketing offer for youth audience (age 15 – 30) with the aim of encouraging regular attendance and experimentation.

Member Support and Development Cross-FAN Responsibility Highlights

As part of our BFI Film Audience Network responsibilities we are responsible for delivering a UK-wide programme of training, professional development, events and activities designed to enhance the confidence, capability and knowledge of FAN members.

Environment Highlights:

In 2018/19 we submitted Glasgow Film's Carbon Management Plan with objectives for the next three years to Creative Scotland. Feedback was provided from the Lead Officers and we achieved a total score of 16 (highest score available) with a Green flag of excellence for our submitted plan. In 2018/19 we:

- Continued to invest in internal lighting improvements
- Continued to achieve up to 60% on-site recycling rates
- Implemented a Glasgow Film Employee Bicycle User Group
- Introduced the reusable GFT Keep Cup, customers can further enjoy a 30p discount on hot drinks purchased

Glasgow Film Theatre applies the same integrated approach that we have with our stakeholders, patrons and local communities to our relationship with the environment. We are committed more than ever to keeping our carbon footprint as low as possible through sound practices across all aspects of the organisation and actively promoting sustainability both to our local community and within the exhibitor industry. Our ethos is to contribute more than we take out so there is always more to do.

Our cinema programme regularly features awareness raising films and supports local environmental initiatives through value added events, workshops and debates to provide meaningful engagement with our customers.

In terms of our cinema technology, our projection system is run on an IP network with around 80% of films delivered via LANSat technology, meaning that we don't have such reliance on drives (films) being physically transported to us. Our new projector in Cinema 1 uses laser technology instead of Xenon lamps which lasts significantly longer and requires less power.

All employees must ensure that they minimise their individual environmental impact. We occupy a unique and valuable historic building, and it is the responsibility of every employee to look after both the building itself and our immediate environment.

Our Environmental Policy is reviewed annually and can be downloaded on the GFT website.

Customer, staff and volunteer commuting are significant components of Glasgow Film's carbon footprint. We are committed to reducing this and other environmental impacts associated within our operation.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

The objectives of our online travel plan are to:

- Encourage the use and promote the health and wellbeing benefits of more sustainable means of transport;
- Reduce the local, national and global environmental impact of the Glasgow Film Theatre and Glasgow Film Festivals travel;
- Encourage more sustainable ways of working;
- Reduce the impacts of travel associated with Glasgow Film Theatre and Festivals on the local community.

This will be achieved by:

- Ensuring Glasgow Film staff and building users are aware of travel options;
- Making sure up to date travel information is available to staff and building users in a range of places;
- Monitoring and reporting on CO2 as a result of business travel.

Our bars offer our customers locally produced or fair trade, high quality goods. Every product used here is rigorously considered before coming part of our offering. We check every supplier's credentials, ethics and locality.

Our takeaway cups and straws are plastic-free (and as most are used in-house in our cinemas we can dispose of them responsibly) and we promote tap water. We give a discount price to customers using their own refillable cup.

Waste management requires relentless dedication. We are keen to apply circular economy principles so product considerations start with limiting packaging wherever possible. We are dedicated to choosing supplies that have the lowest possible footprint from manufacture and can be easily and readily recycled or even better reused. We separate our waste types to recycle wherever possible. We prioritise suppliers who deliver in reusable containers.

There is no denying that this all takes a huge amount of time, dedication, research and consideration to make the best choices. Convenience is our constant enemy. Trying to navigate through the process to find the best choice for the purpose whilst not compromising on exploitation and affordability is a minefield but there's a huge sense of pride and satisfaction gained through making responsible choices.

3. FINANCIAL REVIEW

The figures for the financial year 2018/19 reflect another busy year for Glasgow Film Theatre.

Total income increased this year from £2,890,361 to £3,581,313. The largest element is this increase is the £609,110 received from Screen Scotland and the British Film Institute (2018: £131,797) to support our work in managing Film Hub Scotland and in support of cross-FAN activity undertaken across the UK-wide Film Audience Network. In addition, we were grateful to receive £100,000 from Creative Scotland towards the cost of our new projection and sound equipment in Cinemas 1 and 2 installed in early-2019. Box office income for Glasgow Film Festival rose sharply by £55,000; this was partly due to there being no repeat of the adverse weather conditions which severely impacted on the 2018 Festival. All other movements in income categories were in line with expectations.

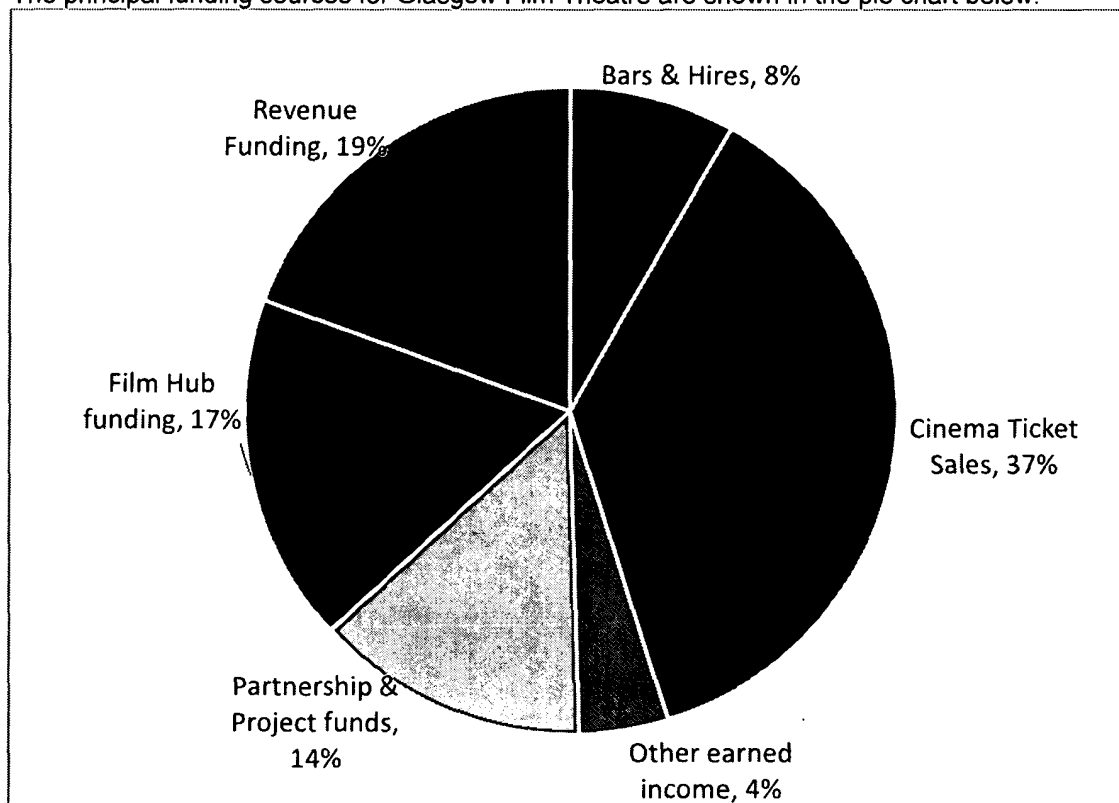
The unrestricted operating deficit of £(24,052) is better than our target set at the start of the year. Once the impact of the annual depreciation charge of £195,768 is removed, these numbers delivered an increase in our unrestricted reserves over the year.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

The £227,476 surplus on restricted activity in the year reflects a timing difference in that monies were received in the current year on projects which will be spent in 2019/20. This year, there was a negative pension adjustment amounting to £(169,000). This was primarily due to changes to key assumptions regarding our pension obligations. There has therefore been net positive movement in funds in the year of £34,424.

The principal funding sources for Glasgow Film Theatre are shown in the pie chart below:



GFT's financial model is constructed to provide the organisation with both the flexibility and resilience it needs to meet the challenges and respond to opportunities of the dynamic environment in which it operates. The model aims to achieve growth in income whilst maintaining key margins.

GFT's income portfolio is varied. The impact of our Film Hub activity is highlighted in the pie chart above. In this first full year of managing Film Hub Scotland, 17% of our income derives from our involvement in this enterprise (2017/18: 5%). This has diluted the relative proportions of our other principal funding and income sources.

Excluding income related to our Film Hub activity, self-generated income from cinema ticket sales, sales generated by our bars and income from hires and other sources account for 60% of GFT's total turnover – this percentage has been pretty consistent for a number of years now. GFT recognises that these areas are sensitive to external market forces such as changes in the market place in which it operates and the general economic climate. To maximise earned income streams, GFT monitors performance closely, responding to changes in the market place and listening to its audience and clients. Careful financial controls ensure that costs are maintained within budget.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Cinema admissions decreased year-on-year by 4% to 193,218 (2017/18: 201,024); this total falling short of the 196,500 target we set back in April 2018. There were a number of adverse factors which hit the GFT over the course of the year, each of which in isolation – it could be argued – were responsible for the shortfall. Attendances through our first quarter were sluggish and then we were hit by the impact of the devastating fire of the Glasgow School of Art in June 2018, just one block away from our premises. As well as having to close for that whole weekend, our admissions suffered as a result of access and transport issues in the local area as well as a lack of awareness that we were “open for business as usual”. We estimated at the time that the number of “lost admissions” over this whole period was around 3,000. After the end of the 2019 Glasgow Film Festival, we also saw one of our quietest March months for some years.

There were notably fewer titles that had an attractive, wide appeal to all audiences this year. There were just two new releases in 2018/19 that we saw as falling into this category (*The Favourite* and *BlackKkKlansman*). By way of comparison, in 2017/18 we screened around seven new titles which we could bracket into that same “top tier” category. However, overall, the slate of new releases this year was as strong as it has been in recent years. There were just as many titles falling into the “second tier” of popularity with audiences this year as had been enjoyed in previous years. Again, this highlights that GFT is heavily dependent on the quality of the releases available to us for exhibition. While we can mitigate some way against a lack of popularity or perceived quality of the new product out there, the fact remains that the largest proportion of our admissions comes from new releases.

GFT relies on one-off funds raised through partnership arrangements, project grants and donations to support specific areas of activity that are vital in delivering its charitable objectives. This year, these sources accounted for 14% of GFT's total turnover and totalled over £486,000 (2018: £332,000). Working in collaboration with a range of partners is key to GFT's operation and partnerships span across several sectors including the cultural, commercial and educational sectors.

GFT continued to actively engage with its regular funders Creative Scotland and Glasgow City Council. 2018/19 was the first year of a new three-year funding commitment of GFT's 'Regular Funded Organisation' funding from Creative Scotland as a national cultural provider, and from Glasgow City Council for our work in delivering the local Fairer Communities Programme. Together, their subsidies accounted for 19% of GFT's total turnover, or 24% of turnover when Film Hub income is discounted. This is broadly in line with previous years. This funding provides vital support for GFT's key areas of activity enabling the organisation to progress its business plan and maintain its cultural offer.

With ever increasing demand from the public and partners, and a growing reputation as a leader in its field, GFT is well positioned for continued growth. However, with increasing competition from new cinemas locally opening in 2018 and 2019, strong competition for one-off programme funds and the strong likelihood of cuts to local authority funds in the future it is essential that Glasgow Film Theatre continues to maximise its income streams and grasp new opportunities as they arise.

Financial Monitoring

In order to deliver financial stability and minimise risk, GFT's stringent budgeting process ensures that realistic margins and achievable income targets are set. Overhead costs are reviewed annually to ensure that savings are made wherever possible without compromising the quality of the offer. Achievements against financial targets are monitored on a monthly basis through the analysis of detailed management accounts and weekly reports tracking sales and margins.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

The use of restricted funds is monitored carefully through separate profit and loss accounts which are set up for the individual projects to which they relate. This ensures that funds are correctly applied and project activity remains within specified budgets.

Cash flow is monitored on a weekly basis and a rolling annual forecast is maintained.

These systems ensure early detection of potential budget and cash flow issues enabling action to be taken quickly and effectively as appropriate to mitigate any likely impact.

Reserves Policy

GFT's reserves form part of the organisation's strategic planning process informing business planning, budget and risk management, ensuring that GFT remains sustainable, has the capacity to manage unforeseen financial circumstances and is able to invest in its future.

In establishing its policy, GFT has considered the day-to-day operational requirements of the charity, the key areas of risk to the business and the need for future investments to improve services and resilience.

GFT holds reserves for the purpose of:

- Meeting the day to day operational requirements of the charity
- Managing variations in cash flow requirements.
- Managing the key areas of risk to the business
- Protecting the charity against the uncertainty of future income streams/costs, including:
 - Downturn in cinema ticket sales as a result in quality of films available;
 - A decline in unrestricted regular funding from key stakeholders, in particular in-year cuts in public subsidy;
 - A decline in revenue from GFT's bars and hires due to adverse trading.
- Requirements for future investment:
- Providing the necessary capital to ensure that GFT is maintained in an excellent state of repair;
- Enabling GFT to undertake new, unplanned activities required to sustain the business;
- Enabling GFT to respond to unexpected opportunities;
- Providing resources to invest in long-term future developments (for example: capital projects, staff capacity).

Current level of reserves

Total funds carried forward at 31 March 2019 are £3,011,780 (2018: £2,977,356). Of this amount, £2,722,708 relates to unrestricted funds, of which £2,101,432 are designated funds, £346,072 relates to restricted funds and £(57,000) relates to our pension deficit as at March 2019.

At 31 March 2019, GFT has free reserves of £621,276 (2018: £559,155).

The designated funds balance of £2,101,432 consists of our fixed asset fund being an allocation of depreciation to be charged over the coming years. There are two principal items within the restricted funds total – the first is £215,425 being the balance of funds received for Film Hub activity to 31 March 2019, which will be spent through 2019/20; the second is £108,750: GFT received funding in 2013/14 from Creative Scotland and from LandTrust in relation to Phase I of our Capital Development work. This funding carries a continuing restriction.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Future targets

In establishing the level of reserves appropriate to its business, GFT has considered:

- Forecast levels of income and expenditure for the coming years as projected in its business plan;
- The obligations and operational requirements of the charity and the likelihood and consequences of these requirements not being met;
- The likelihood and financial impact of key areas of risk on the business;
- The future developmental needs of the business.

The amount deemed appropriate to meet the day-to-day operational requirement of the charity and protect the charity against the uncertainty of future income streams is around 25% of turnover. This translates to a current target of around £800,000 for our General Fund. We are aiming to achieve our target for General Fund reserves within the next three years.

GFT currently has no funds held in reserve specifically for future investment. The ability to make strategic investments and maximise opportunity is key if GFT is to continue to move forward and increase its sustainability.

To this end, GFT continues to develop plans for future development and investment. This includes business critical capital investments within the next three years in additional technical equipment for all of our screens and replacement seating in Cinemas 1 and 2 to make the organisation more resilient and sustainable, financially and environmentally.

GFT reserves policy is reviewed annually by the Trustees as part of the organisation's strategic planning process.

Risk Management

GFT recognises that it is not possible to avoid risk if the organisation is to develop, innovate and grow. GFT's risk register outlines and assesses the major risks which GFT faces in delivering its development programme and the actions required in order to minimise the impact of a risk should it materialise.

GFT's risk management strategy involves maintaining:

- procedures to effectively reduce identified risks;
- procedures to ensure early detection of identified risks;
- procedures to minimise the impact on the organisation should identified risks materialise;
- an annual review of the risks facing the organisation.

The major risks to GFT are the effect of the current economic situation on its trading and the threat of a reduction to future public subsidy.

We closely observe our trading patterns on a daily basis to be alert to any changes caused by the economic situation and surveys its beneficiaries on a frequent basis. At present, there has been no negative impact detected. The charity has devised contingency plans to alter its marketing activities should such circumstance transpire.

GFT has long recognised and prioritised the need to reduce its dependency on revenue funds and so the projected risks come as no surprise and sit well with the charity's existing business planning which seeks to increase its trading incomes and fundraising capacity for such eventuality.

The Trustees consider that adequate controls are in place to mitigate the key risks identified.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

4. PLANS FOR FUTURE PERIODS

In the coming year Glasgow Film Theatre will continue to undertake activities to grow and develop the organisation in line with its Business Plan.

The headline priorities are to:

- Launch a new film education programme working in partnership with Glasgow City Council Education Services and Into Film.
- Achieve 197,000 admissions in the year 2019/20.
- Develop and test a Pay What You Decide scheme encouraging audiences to engage with a broader range of films.
- Create a Hub for GFF delegates and guests as a one-stop-shop for their festival needs and experiences.

5. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Glasgow Film Theatre Limited (GFT) was established in May 1974 by the Scottish Film Council. In 1986 GFT became a registered charity, and an independent company limited by guarantee. GFT is governed by its memorandum and articles of association dated 18 February 1986. The organisation is governed by a Board of trustees, who are also Directors of the company, and run on a day-to-day basis by a Senior Management Team, and the Executive Team headed by the Chief Executive. The Senior Management Team is responsible for all operational matters and decisions. All major policy decisions are ratified by the Board of Directors.

The Board has overall responsibility for the organisation's resources and ensuring its financial wellbeing. All members of the Board are non-executive.

As set out in the articles of association, new trustees are appointed by the Board and may serve for a period of three years, after which period there is the possibility of re-appointment for a further period of up to three years. Glasgow City Council nominated trustees (two) have no defined term of office. Appointments to the Board are made by the trustees, advised by a Board Search Committee. The Board elects the Chair.

During the year, the only changes to the Board were in relation to the nominees from Glasgow City Council. The Board Search Committee met to discuss an updated skills matrix and to plan for appointing new trustees to the Board in 2019/20. GFT's Board of Trustees are voluntary and receive no remuneration.

The Board of Directors administers the charity. In addition, a Finance and Audit Committee maintains an overview of the finances of the organisation. This group comprises representatives from the Board, the Chief Executive, the Finance/Operations Director and the Programme Director.

The Board critically examines the organisation's strategy, budget and business plan each year and meets at least four times a year to review performance, key business issues and initiatives. The Chief Executive is responsible for developing and implementing business strategy and processes and with the Executive Team and the Senior Managers Team, for the day-to-day management of the organisation.

The remuneration of the charity's staff is reviewed by the Finance and Audit Committee annually.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

We aspire to pay the market rate as benchmarked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

A register of directors' interests is maintained and as at the date of signing there were no directors who had a conflicting interest.

The Board is supported by three sub committees.

The Finance and Audit Committee meets four times a year and exists to:

- Oversee the external audit process and internal audit function.
- Review the internal financial and non-financial control environment.
- Review the ongoing financial performance of the organisation, through consideration of all budgets, forecasts, management accounts and the annual financial statements.
- Ensure the regular review of all financial policies, procedures, protocols and systems.

The Development Committee meets as required in line with major building development projects. The Committee exists to:

- To oversee and review delivery of development projects in line with the stated objectives and project plans.

The Board Search Committee meets annually and exists to establish a framework for the selection of trustees and maintain a skills inventory of the Board.

Related parties

Scottish Film Limited was a company formed by the four leading Scottish cultural cinemas, namely, Glasgow Film Theatre, the Centre for the Moving Image (CMI), Dundee Contemporary Arts (DCA), and Eden Court Theatre & Cinema. The Chief Executive, representing the interests of Glasgow Film Theatre, was a Director of Scottish Film Limited. It was responsible for two programmes, with support from Creative Scotland and the British Film Institute, namely Film Hub Scotland (part of the BFI's UK-wide Film Audience Network) and Scottish Film Education. As management responsibility for both of these programmes was reassigned in early-2018, Scottish Film Limited ceased activity on 31 July 2018.

Connected Charities

The organisation works in collaboration with other charitable organisations – such as other film venues and educational institutions – on specific projects and initiatives. It also receives funding from various charitable trusts and foundations.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also the directors of The Glasgow Film Theatre for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material 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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Disclosure to Auditor

In so far as the Trustees are aware:

- there is no relevant information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to small companies' exemption.

Approved by the Trustees on 13 August 2019, and signed on their behalf by:

Name: 
DENISE MINA

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE
GLASGOW FILM THEATRE FOR THE YEAR ENDED 31 MARCH 2019**

Opinion

We have audited the financial statements of The Glasgow Film Theatre (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019, and of its incoming resources and application of resources including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2016; Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE
GLASGOW FILM THEATRE FOR THE YEAR ENDED 31 MARCH 2019**

Other information

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the report of the trustees, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the report of the trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the report of the directors.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the report of the directors and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE
GLASGOW FILM THEATRE FOR THE YEAR ENDED 31 MARCH 2019**

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Wylie & Bisset

Jenny Simpson (Senior Statutory Auditor)
For and on behalf on Wylie & Bisset LLP, Statutory Auditor
168 Bath Street
Glasgow
G2 4TP

13 August 2019

THE GLASGOW FILM THEATRE
(A company limited by guarantee)
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2019

(Including an Income and Expenditure account)

| | Note | Unrestricted Funds 2019 £ | Restricted Funds 2019 £ | Pension 2019 £ | Total Funds 2019 £ | Unrestricted Funds 2018 £ | Restricted Funds 2018 £ | Pension 2018 £ | Total Funds 2018 £ |
|---|-----------|------------------------------------|----------------------------------|----------------------|-----------------------------|------------------------------------|----------------------------------|----------------------|-----------------------------|
| Income and endowments from: | | | | | | | | | |
| Donations and legacies | 4 | 687,000 | 100,000 | - | 787,000 | 679,000 | - | - | 679,000 |
| Charitable activities | 5 | 1,302,433 | 955,765 | - | 2,258,198 | 1,195,296 | 462,032 | - | 1,657,328 |
| Other trading activities | 6 | 534,231 | - | - | 534,231 | 553,557 | - | - | 553,557 |
| Investments | 7 | 1,884 | - | - | 1,884 | 476 | - | - | 476 |
| Total Income | | 2,525,548 | 1,055,765 | - | 3,581,313 | 2,428,329 | 462,032 | - | 2,890,361 |
| Expenditure on: | | | | | | | | | |
| Raising funds | | | | | | | | | |
| Raising donations & legacies | 9 | 57,125 | - | - | 57,125 | 67,528 | - | - | 67,528 |
| Other trading activities | 10 | 236,435 | - | - | 236,435 | 244,017 | - | - | 244,017 |
| Charitable activities | 12 | 2,256,040 | 828,289 | - | 3,084,329 | 2,237,111 | 375,280 | - | 2,612,391 |
| Other expenditure | 13 | - | - | 40,000 | 40,000 | - | - | 16,000 | 16,000 |
| Total Expenditure | | 2,549,600 | 828,289 | 40,000 | 3,417,889 | 2,548,656 | 375,280 | 16,000 | 2,939,936 |
| Net (expenditure) / income for the year | | (24,052) | 227,476 | (40,000) | 163,424 | (120,327) | 86,752 | (16,000) | (49,575) |
| Transfers between funds | | 100,000 | (100,000) | - | - | - | - | - | - |
| Other recognised (losses) / gains | | | | | | | | | |
| Actuarial (losses) / gains on defined benefit pension schemes | | - | - | (129,000) | (129,000) | - | - | 489,000 | 489,000 |
| Net movement in funds | | 75,948 | 127,476 | (169,000) | 34,424 | (120,327) | 86,752 | 473,000 | 439,425 |
| Funds reconciliation | | | | | | | | | |
| Total Funds brought forward | 24 | 2,646,760 | 218,596 | 112,000 | 2,977,356 | 2,767,087 | 131,844 | (361,000) | 2,537,931 |
| Total Funds carried forward | 24 | 2,722,708 | 346,072 | (57,000) | 3,011,780 | 2,646,760 | 218,596 | 112,000 | 2,977,356 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

BALANCE SHEET AS AT 31 MARCH 2019

| | | 2019 | 2018 |
|---|------|------------------|------------------|
| | Note | £ | £ |
| Fixed assets: | | | |
| Tangible assets | 16 | 2,705,799 | 2,723,083 |
| Intangible assets | 17 | 17,706 | 29,510 |
| Total Fixed Assets | | <u>2,723,505</u> | <u>2,752,593</u> |
| Current assets: | | | |
| Stocks | 18 | 8,780 | 9,759 |
| Debtors | 20 | 469,484 | 87,723 |
| Cash at bank and in hand | 27 | 776,840 | 856,144 |
| Total Current Assets | | <u>1,255,104</u> | <u>953,626</u> |
| Liabilities: | | | |
| Creditors falling due within one year | 21 | (439,110) | (345,246) |
| Net Current assets | | <u>815,994</u> | <u>608,380</u> |
| Creditors falling due after one year | 23 | (470,719) | (495,617) |
| Net assets excluding pension (liability) / asset | | <u>3,068,780</u> | <u>2,865,356</u> |
| Defined benefit pension scheme (liability) / asset | 28 | (57,000) | 112,000 |
| Net assets | | <u>3,011,780</u> | <u>2,977,356</u> |
| The funds of the charity: | | | |
| General Funds | | 621,276 | 559,155 |
| Designated Funds | | 2,101,432 | 2,087,605 |
| Total Unrestricted Funds | | <u>2,722,708</u> | <u>2,646,760</u> |
| Restricted Funds | | 346,072 | 218,596 |
| Pension Reserve | | (57,000) | 112,000 |
| Total charity funds | 24 | <u>3,011,780</u> | <u>2,977,356</u> |

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

Approved by the Trustees and signed on their behalf.


Name: Denise Mina


Name: Paul Zealey

Date: 13 August 2019
Company No: SC005932

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 31 MARCH 2019

| | Note | Total Funds 2019 £ | Prior Year 2018 £ |
|---|-------------|---------------------------------------|--------------------------------------|
| <i>Cash flows from operating activities:</i> | | | |
| Net cash provided by operating activities | 26 | 138,969 | 288,457 |
| | | <hr/> | <hr/> |
| | | 175,969 | 288,457 |
| <i>Cash flows from investing activities:</i> | | | |
| Interest received | | 1,884 | 476 |
| Interest paid | | (17,138) | (18,122) |
| Purchase of property, plant and equipment | | (179,528) | (92,581) |
| Proceeds from sales of fixed assets | | 370 | - |
| Net cash (used in) investing activities | | <hr/> | <hr/> |
| | | (179,158) | (110,227) |
| <i>Cash flows from financing activities:</i> | | | |
| Repayment of long term loans | | (23,861) | (22,877) |
| Net cash (used in) financing activities | | <hr/> | <hr/> |
| | | (23,861) | (22,877) |
| <i>Change in cash and cash equivalents in the year</i> | | | |
| | | <hr/> | <hr/> |
| | | (79,304) | 155,353 |
| Cash and cash equivalents brought forward | 27 | 856,144 | 700,791 |
| Cash and cash equivalents carried forward | 27 | <hr/> | <hr/> |
| | | 776,840 | 856,144 |

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS 102.

The charity's presentation currency is sterling and amounts in the financial statements are rounded to the nearest £.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

(b) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of each fund are disclosed in note 24.

(c) Income recognition

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

Income received in advance of the provision of a specified service deferred until the criteria for income recognition are met (see note 22).

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

- Costs of raising funds comprise the costs of commercial trading including development wages and salaries;
- Expenditure on charitable activities includes wages & salaries, programme costs and other activities undertaken to further the purposes of the charity and their associated support costs;

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

(e) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. Refer to the Report of the Trustees for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

(f) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the time spent by staff members. The allocation of support and governance costs is analysed in note 11.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

(g) Tangible fixed assets and depreciation

All assets costing more than £2,000 are capitalised and valued at historical cost. Depreciation is charged as follows:

| | Basis |
|-----------------------|---------------------|
| Heritable Property | 5% on cost |
| Fixtures and fittings | 10% / 12.5% on cost |

(h) Intangible fixed assets

Website development costs are capitalised and amortised over a useful life of 4 years.

(i) Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

(j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(m) Pensions

The company operates a defined contribution pension scheme and the pension charge in the statement of financial activities represents the amounts payable by the company to the fund in respect of the year.

The company also operates a defined benefit pension scheme. In accordance with the Financial Reporting Standard 102, the operating and financing costs of defined benefit plans are recognised separately in the statement of financial activities: service costs are systematically spread over the service lives of employees, and financing costs are recognised in the periods in which they arise.

(n) Contingent liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

(o) Operating leases

The charity classifies the lease of printing, specialist lighting and audio equipment as operating leases; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 10 years. Rental charges are charged on a straight line basis over the term of the lease.

(p) Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(q) 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.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2. Legal status of the Charity

The charity is a registered Scottish charity.

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

3. Related party transactions and trustees' expenses and remuneration

No Trustees received any remuneration during the year (2018: £Nil). Trustees are not entitled to claim expenses. All trustees were given an annual pass allowing them free entry to the cinema during the year, which thus allows them to discharge their responsibilities to actively engage in the work of the charity.

Due to the nature of the company's operations and the composition of its Board of Directors it is inevitable that transactions will take place with companies or other organisations in which a Director may have an interest. All transactions involving companies or organisations in which a Director may have an interest are conducted at arm's length and in accordance with normal project and programme rules. Directors are not permitted to participate in discussions on transactions involving their related business.

One trustee made a donation to the charity during the year of £50 (2018: One Trustee - £100)

Glasgow Film Theatre controlled 20% of Scottish Film (Ceased activity on 31 July 2018). During the year Glasgow Film Theatre did not invoice Scottish Film (2018: £15,220). There are no balances due from Scottish Film at the year end (2018: £193).

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

4. Income from donations and legacies

| | 2019 | 2018 |
|----------------|----------------|----------------|
| | £ | £ |
| General grants | 787,000 | 679,000 |
| | <u>787,000</u> | <u>679,000</u> |

5. Income from charitable activities

| | 2019 | 2018 |
|----------------------------|------------------|------------------|
| | £ | £ |
| GFT | 1,794,386 | 1,263,633 |
| GFF (including GSFF) | 393,125 | 305,445 |
| Education (including GYFF) | 70,687 | 88,250 |
| | <u>2,258,198</u> | <u>1,657,328</u> |

6. Income from other trading activities

| | 2019 | 2018 |
|-------------------|----------------|----------------|
| | £ | £ |
| Bar operations | 252,061 | 256,376 |
| Premises income | 40,975 | 47,964 |
| Sponsorship – GFT | 111,728 | 99,258 |
| Sponsorship – GFF | 128,892 | 149,917 |
| Bookshop Sales | 575 | 42 |
| | <u>534,231</u> | <u>553,557</u> |

7. Investment income

| | 2019 | 2018 |
|---------------------------|--------------|-------------|
| | £ | £ |
| Interest on cash deposits | 1,884 | 476 |
| | <u>1,884</u> | <u>476</u> |

8. Government grants

| | 2019 | 2018 |
|---|------------------|----------------|
| | £ | £ |
| Glasgow City Council | 86,100 | 76,770 |
| Glasgow Life | 67,515 | 81,500 |
| Creative Scotland | 1,026,110 | 634,000 |
| VisitScotland | 44,980 | 31,000 |
| Big Lottery Fund | 7,000 | 9,075 |
| Scottish Government Innovation & Invest Hub | 4,000 | - |
| | <u>1,235,705</u> | <u>832,345</u> |

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

8. Government grants (continued)

Glasgow City Council provide grant funding for general running costs and towards a programme of education and community events.

Glasgow Life provided funding for the GFF pioneer strand and event support for the Glasgow Film Festival.

Creative Scotland provided funding for general running costs of the Glasgow Film Theatre as well as support for all of our Festivals.

VisitScotland provided funding towards the costs of the Glasgow Film Festival.

Big Lottery Fund provided funding for a Glasgow Film Festival pop-up event.

Scottish Government Innovation & Invest Hub provided funding for the Glasgow Film Festival on tour event.

9. Raising funds – expenditure on raising donations and legacies

| | Direct Costs | Support Costs | Total 2019 | Total 2018 |
|-------------------|-------------------------|--------------------------|-----------------------|-----------------------|
| | £ | £ | £ | £ |
| Development staff | 43,519 | 13,606 | 57,125 | 67,528 |
| | <u>43,519</u> | <u>13,606</u> | <u>57,125</u> | <u>67,528</u> |

10. Raising funds – expenditure on other trading activities

| | Direct Costs | Support Costs | Total 2019 | Total 2018 |
|----------|-------------------------|--------------------------|-----------------------|-----------------------|
| | £ | £ | £ | £ |
| Bar Café | 195,506 | 40,929 | 236,435 | 244,017 |
| | <u>195,506</u> | <u>40,929</u> | <u>236,435</u> | <u>244,017</u> |

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

11. Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

| Cost type | Total allocated £ | Raising Funds £ | GFT £ | GFF £ | Education £ | Bar Café £ | Governance £ | Basis of apportionment |
|-------------------------------------|----------------------|--------------------|----------------|----------------|----------------|---------------|-----------------|------------------------|
| Salary costs | 997,075 | - | 648,099 | 189,444 | 109,678 | 19,942 | 29,912 | Time spent |
| Marketing | 54,128 | 1,624 | 45,468 | 2,706 | 2,706 | 1,624 | - | Time spent |
| Overheads | 145,054 | 4,352 | 89,933 | 29,011 | 11,604 | 4,352 | 5,802 | Time spent |
| Depreciation | 207,572 | 6,227 | 128,695 | 41,514 | 16,606 | 6,227 | 8,303 | Time spent |
| Postage, stationary, telephone etc. | 44,821 | 1,345 | 26,893 | 11,653 | 3,137 | - | 1,793 | Time spent |
| Bank charges | 74,260 | - | 48,269 | 14,852 | 3,713 | 7,426 | - | Time spent |
| Travel/ subsistence | 2,917 | 58 | 2,567 | 117 | 58 | 117 | - | Time spent |
| Royalties/ licenses | 14,570 | - | 9,616 | 3,934 | 1,020 | - | - | Time spent |
| Total | 1,540,397 | 13,606 | 999,540 | 293,231 | 148,522 | 39,688 | 45,810 | |

| | 2019 £ | 2018 £ |
|-------------------|---------------|---------------|
| Governance costs: | | |
| Audit fees | 5,975 | 3,665 |
| Support costs | 45,810 | 51,098 |
| | 51,785 | 54,763 |

| Allocation of governance and other support costs: | Support £ | Governance £ | 2019 £ | 2018 £ |
|---|------------------|-----------------|------------------|------------------|
| Raising funds | 13,606 | - | 13,606 | 14,757 |
| GFT | 999,540 | 34,170 | 1,033,710 | 1,025,070 |
| GFF | 293,231 | 10,381 | 303,612 | 296,169 |
| Education | 148,522 | 5,993 | 154,515 | 118,337 |
| Bar Café | 39,688 | 1,241 | 40,929 | 46,510 |
| Total allocated | 1,494,587 | 51,785 | 1,546,372 | 1,500,843 |

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

12. Analysis of expenditure on charitable activities

| | GFT | GFF | Education | 2019 | 2018 |
|-------------------|------------------|----------------|------------------|------------------|------------------|
| | £ | £ | £ | Total | Total |
| | | | | £ | £ |
| Programme costs | 860,359 | 390,042 | 92,332 | 1,342,733 | 941,496 |
| Promotional costs | 609 | 170,431 | - | 171,040 | 133,345 |
| Research costs | 5,838 | - | - | 5,838 | 8,487 |
| General Expenses | 5,864 | 66,008 | 1,009 | 72,881 | 89,488 |
| Governance costs | 34,170 | 10,381 | 5,993 | 50,544 | 53,233 |
| Support costs | 999,540 | 293,231 | 148,522 | 1,441,293 | 1,386,342 |
| | <u>1,906,380</u> | <u>930,093</u> | <u>247,856</u> | <u>3,084,329</u> | <u>2,612,391</u> |

13. Other expenditure

| | Direct | Support | Total | Total |
|---------------------------------|---------------|----------------|---------------|---------------|
| | Costs | Costs | 2019 | 2018 |
| | £ | £ | £ | £ |
| (Gain) / Loss on pension assets | (2,000) | - | (2,000) | 9,000 |
| Net Service Cost | 42,000 | - | 42,000 | 7,000 |
| | <u>40,000</u> | <u>-</u> | <u>40,000</u> | <u>16,000</u> |

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

14. Analysis of staff costs and remuneration of key management personnel

| | 2019 | 2018 |
|---------------------------------|------------------|------------------|
| | £ | £ |
| Salaries and wages | 1,171,848 | 1,046,791 |
| Social security costs | 94,482 | 83,346 |
| Other pension costs | 83,375 | 73,442 |
| Current service costs (Note 28) | 47,000 | (36,000) |
| Total staff costs | <u>1,396,705</u> | <u>1,167,579</u> |

| | | |
|---------------------------------------|----------------|----------------|
| Key Management Personnel remuneration | <u>198,939</u> | <u>180,153</u> |
|---------------------------------------|----------------|----------------|

The Trustees are not in a position to disclose the benefit to key management personnel from the actuarial movement in the pension, as in the Trustees' opinion, the charge by the actuaries to obtain the information was disproportionate to the benefit to the reader. The trustees did not consider that this was reasonable use of charitable funds.

There were no employees whose employee benefits were over £60,000 in the year (2018: None)

| | 2019 | 2018 |
|--|-------------|-------------|
| | No. | No. |
| The average weekly number of persons, by headcount, employed by the charity during the year was: | <u>62</u> | <u>57</u> |

15. Net income/(expenditure) for the year

| | | |
|-------------------------------------|--------------|--------------|
| This is stated after charging: | 2019 | 2018 |
| | £ | £ |
| Interest paid | 17,138 | 18,122 |
| Amortisation | 11,804 | 11,804 |
| Depreciation | 195,768 | 204,226 |
| Loss on disposal of fixed assets | 674 | - |
| Auditor's remuneration – Audit Fees | <u>4,240</u> | <u>3,665</u> |

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

16. Tangible Fixed Assets

| | Heritable Property £ | Plant and Equipment £ | Total £ |
|--------------------------|-------------------------------------|--------------------------------------|--------------------|
| Cost or valuation | | | |
| At 1 April 2018 | 4,256,514 | 1,124,689 | 5,381,203 |
| Additions | 6,500 | 173,028 | 179,528 |
| Disposals | - | 1,627 | 1,627 |
| At 31 March 2019 | <u>4,263,014</u> | <u>1,296,090</u> | <u>5,559,104</u> |
| Depreciation | | | |
| At 1 April 2018 | 1,765,804 | 892,316 | 2,658,120 |
| Charge for the year | 144,960 | 50,808 | 195,768 |
| Eliminated on disposals | | 583 | 583 |
| At 31 March 2019 | <u>1,910,764</u> | <u>942,541</u> | <u>2,853,305</u> |
| Net book value | | | |
| At 31 March 2018 | <u>2,490,710</u> | <u>232,373</u> | <u>2,723,083</u> |
| At 31 March 2019 | <u>2,352,250</u> | <u>353,549</u> | <u>2,705,799</u> |

17. Intangible Fixed Assets

| | Website £ | Total £ |
|--------------------------|----------------------|--------------------|
| Cost or valuation | | |
| At 1 April 2018 | <u>47,216</u> | <u>47,216</u> |
| At 31 March 2019 | <u>47,216</u> | <u>47,216</u> |
| Amortisation | | |
| At 1 April 2018 | 17,706 | 17,706 |
| Charge for the year | 11,804 | 11,804 |
| At 31 March 2019 | <u>29,510</u> | <u>29,510</u> |
| Net book value | | |
| At 31 March 2018 | <u>29,510</u> | <u>29,510</u> |
| At 31 March 2019 | <u>17,706</u> | <u>17,706</u> |

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

18. Stock

| | 2019 | 2018 |
|-----------------------|--------------|--------------|
| | £ | £ |
| Bar Stock | 6,758 | 8,498 |
| Stationery & Cleaning | 1,018 | 1,261 |
| Merchandise & Books | 1,004 | - |
| | <u>8,780</u> | <u>9,759</u> |

19. Investments

The charity controls 25% (2018: 25%) of Scottish Film, a company limited by guarantee, which was incorporated on 22 May 2014.

The assets and liabilities of the joint venture were:

| | As at 31 March 2019 |
|---------------------|--------------------------------|
| | £ |
| Current assets | 105,771 |
| Current liabilities | <u>(105,771)</u> |
| Net assets | <u>-</u> |

20. Debtors

| | 2019 | 2018 |
|---------------|----------------|---------------|
| | £ | £ |
| Trade debtors | 68,815 | 19,832 |
| Other debtors | 400,669 | 67,891 |
| | <u>469,484</u> | <u>87,723</u> |

21. Creditors: amounts falling due within one year

| | 2019 | 2018 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Loans | 24,898 | 23,861 |
| Trade creditors | 198,457 | 91,339 |
| Other creditors and accruals | 152,922 | 150,414 |
| Deferred income (Note 22) | 25,980 | 14,062 |
| Taxation and social security costs | 36,853 | 65,570 |
| | <u>439,110</u> | <u>345,246</u> |

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

22. Deferred income

| | 2019 £ | 2018 £ |
|---|---------------|---------------|
| Balance as at 1 April 2018 | 14,062 | 15,437 |
| Amount released to income earned from charitable activities | (14,062) | (15,437) |
| Amount deferred in year | 25,980 | 14,062 |
| Balance as at 31 March 2019 | <u>25,980</u> | <u>14,062</u> |

Deferred income comprises advance box office ticket sales.

23. Creditors: amounts falling due after more than one year

| | 2019 £ | 2018 £ |
|----------------------|----------------|----------------|
| Loans | <u>470,719</u> | <u>495,617</u> |
| Analysed as: | | |
| Within 1-2 years | 24,898 | 24,898 |
| Within 2-5 years | 96,109 | 96,109 |
| In more than 5 years | <u>349,712</u> | <u>374,610</u> |
| | <u>470,719</u> | <u>495,617</u> |

The loans are secured by a standard security over the assets of the charity.

24. Analysis of Charitable Funds

| Analysis of Fund movements | 2017 Balance b/fwd £ | Income £ | Expenditure £ | Transfers £ | Gains/ (Losses) £ | 2018 Fund c/fwd £ |
|---------------------------------|-------------------------------|------------------|------------------|----------------|-------------------------|----------------------------|
| Unrestricted funds | | | | | | |
| Fixed asset fund | 2,169,123 | - | 196,976 | 115,458 | - | 2,087,605 |
| Building Development | 120,000 | - | - | (120,000) | - | - |
| Total designated funds | <u>2,289,123</u> | <u>-</u> | <u>196,976</u> | <u>(4,542)</u> | <u>-</u> | <u>2,087,605</u> |
| General funds | 477,964 | 2,428,329 | 2,351,680 | 4,542 | - | 559,155 |
| | <u>2,767,087</u> | <u>2,428,329</u> | <u>2,548,656</u> | <u>-</u> | <u>-</u> | <u>2,646,760</u> |
| Pension fund | (361,000) | - | 16,000 | - | 489,000 | 112,000 |
| Total unrestricted funds | <u>2,406,087</u> | <u>2,428,329</u> | <u>2,564,656</u> | <u>-</u> | <u>489,000</u> | <u>2,758,760</u> |
| Restricted funds | | | | | | |
| GFF | - | 230,875 | 228,475 | - | - | 2,400 |
| GSFF | - | 11,600 | 11,600 | - | - | - |
| Education | 8,594 | 87,760 | 73,666 | - | - | 22,688 |
| GFT | - | 131,797 | 54,289 | - | - | 77,508 |
| Capital Development | | | | | | |
| – Phase 1 | 123,250 | - | 7,250 | - | - | 116,000 |
| Total restricted funds | <u>131,844</u> | <u>462,032</u> | <u>375,280</u> | <u>-</u> | <u>-</u> | <u>218,596</u> |
| TOTAL FUNDS | <u>2,537,931</u> | <u>2,890,361</u> | <u>2,939,936</u> | <u>-</u> | <u>489,000</u> | <u>2,977,356</u> |

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

24. Analysis of charitable funds (continued)

| Analysis of Fund movements | 2018 Balance b/fwd £ | Income £ | Expenditure £ | Transfers £ | Gains/ (Losses) £ | 2019 Fund c/fwd £ |
|----------------------------------|-------------------------------|-------------|------------------|----------------|-------------------------|----------------------------|
| Unrestricted funds | | | | | | |
| Fixed asset fund | 2,087,605 | - | 188,518 | 202,345 | - | 2,101,432 |
| Total designated funds | 2,087,605 | - | 188,518 | 202,345 | - | 2,101,432 |
| General funds | 559,155 | 2,525,548 | 2,361,082 | (102,345) | - | 621,276 |
| | 2,646,760 | 2,525,548 | 2,549,600 | 100,000 | - | 2,722,708 |
| Pension fund | 112,000 | - | 40,000 | - | (129,000) | (57,000) |
| Total unrestricted funds | 2,758,760 | 2,525,548 | 2,589,600 | 100,000 | (129,000) | 2,665,708 |
| Restricted funds | | | | | | |
| GFF | 2,400 | 235,460 | 237,860 | - | - | - |
| GSFF | - | 16,119 | 16,119 | - | - | - |
| Education | 22,688 | 50,076 | 50,867 | - | - | 21,897 |
| GFT | 77,508 | 654,110 | 516,193 | - | - | 215,425 |
| Capital Development – Phase 1 | 116,000 | - | 7,250 | - | - | 108,750 |
| Creative Scotland | - | 100,000 | - | (100,000) | - | - |
| Total restricted funds | 218,596 | 1,055,765 | 828,289 | (100,000) | - | 346,072 |
| TOTAL FUNDS | 2,977,356 | 3,581,313 | 3,417,889 | - | (129,000) | 3,011,780 |

- a) The unrestricted funds are available to be spent for any of the purposes of the charity. The fixed asset fund reflects the funds tied up in the net book value of the fixed assets.

In 2017/18, amounts collected in the previous two years as part of a Seat Dedication scheme were put towards the second phase of our building development.

- b) Restricted funds comprise the following:

A total of £235,460 (2018: £230,875) was received from Glasgow Life, Event Scotland, Screen Scotland, the British Film Institute and various other Trusts and Foundations to support specific events and activities that were part of the Glasgow Film Festival.

Glasgow Short Film Festival received £16,119 (2018: £11,600) in various forms of grant funding in support of the festival.

GFT Education and Engagement received £50,076 in the year (2018: £87,760). The largest element of this was £32,744 (2018: £25,044) from the Life Changes Trust in respect of our monthly 'Movie Memories' programme, an innovative dementia friendly film initiative presenting classic and contemporary film screenings.

GFT received £654,110 (2018: £131,797) from Screen Scotland and the British Film Institute in respect of its work in managing Film Hub Scotland and in support of cross-FAN activity undertaken across the UK-wide Film Hub network. Glasgow Film took over management of Film Hub Scotland in January 2018, so funding received this year was to cover the first full year of managing this organisation.

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

24. Analysis of charitable funds (continued)

In addition, it received a £45,000 award from Glasgow City Council's Integrated Grant Fund.

GFT received funding in 2013/14 from Creative Scotland and from LandTrust in relation to Phase I of our Capital Development work. This funding carries a continuing restriction.

GFT received £100,000 from Creative Scotland (2018: £nil) as a contribution towards the cost of new projection and sound equipment purchased in the year.

25. Net assets over funds

As at 31 March 2019

| | Unrestricted Funds £ | Restricted Funds £ | Pension Scheme Liability £ | Total 2019 £ |
|-----------------------|-------------------------------------|-----------------------------------|---|-----------------------------|
| Fixed assets | 2,614,755 | 108,750 | - | 2,723,505 |
| Stock | 8,780 | - | - | 8,780 |
| Debtors | 469,484 | - | - | 469,484 |
| Cash | 539,518 | 237,322 | - | 776,840 |
| Current liabilities | (439,110) | - | - | (439,110) |
| Long Term Liabilities | (470,719) | - | - | (470,719) |
| Pension | - | - | (57,000) | (57,000) |
| | <u>2,722,708</u> | <u>346,072</u> | <u>(57,000)</u> | <u>3,011,780</u> |

As at 31 March 2018

| | Unrestricted Funds £ | Restricted Funds £ | Pension Scheme Asset £ | Total 2019 £ |
|-----------------------|-------------------------------------|-----------------------------------|---|-----------------------------|
| Fixed assets | 2,636,593 | 116,000 | - | 2,752,593 |
| Stock | 9,759 | - | - | 9,759 |
| Debtors | 87,723 | - | - | 87,723 |
| Cash | 753,548 | 102,596 | - | 856,144 |
| Current liabilities | (345,246) | - | - | (345,246) |
| Long Term Liabilities | (495,617) | - | - | (495,617) |
| Pension | - | - | 112,000 | 112,000 |
| | <u>2,646,760</u> | <u>218,596</u> | <u>112,000</u> | <u>2,977,356</u> |

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

26. Reconciliation of net income/(expenditure) to net cash flow from operating activities

| | 2019 | 2018 |
|--|----------------|----------------|
| | £ | £ |
| Net income for the year (as per the Statement of Financial Activities) | 34,424 | 439,425 |
| Adjustments for: | | |
| Interest received | (1,884) | (476) |
| Interest paid | 17,138 | 18,122 |
| Loss on disposal | 674 | - |
| Depreciation charges | 195,768 | 204,226 |
| Amortisation Charges | 11,804 | 11,804 |
| Decrease in stocks | 979 | 1,478 |
| (Increase) / Decrease in debtors | (381,761) | 47,155 |
| Increase in creditors | 92,827 | 39,723 |
| Increase / (Decrease) in pension liability | 169,000 | (473,000) |
| Net cash provided by operating activities | <u>138,969</u> | <u>288,457</u> |

27. Analysis of cash and cash equivalents

| | 2019 | 2018 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| Cash in hand | 776,840 | 856,144 |
| Total cash and cash equivalents | <u>776,840</u> | <u>856,144</u> |

28. Pension commitments

The Strathclyde Pension Fund (SPF) is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contributions made for the year ended 31 March 2019 were £84,000, of which employer's contributions totalled £71,000 and employee's contributions totalled £13,000.

The major assumptions made by the actuary in valuing the scheme are as follows:

| | 2019 | 2018 |
|----------------------------------|--------------|--------------|
| | % p.a | % p.a |
| Inflation/ Pension Increase Rate | 2.5 | 2.4 |
| Salary Increase Rate | 3.7 | 3.6 |
| Discount rate | 2.4 | 2.7 |

Life expectancy is based on the Fund's VitaCurves assuming the current rate of improvements has peaked and will converge to long term rates of 1.5% p.a. for males and 1.25% p.a. for females. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

| | Males | Females |
|--------------------|--------------|----------------|
| Current pensioners | 21.4 years | 23.7 years |
| Future pensioners | 23.4 years | 25.8 years |

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

28. Pension commitments (continued)

The net pension liability was:

| | 2019 | 2018 |
|-------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Estimated Employer Assets | 3,598 | 3,379 |
| Present Value of Scheme Liabilities | (3,655) | (3,267) |
| Net Pension (Liability) / Asset | <u>(57)</u> | <u>112</u> |

There are no unfunded liabilities for which provision needs to be made.

FRS102 –Statement of Financial Activities disclosure

| | 2019 | 2018 |
|--------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Past service cost | 36 | - |
| Current service cost | <u>77</u> | <u>74</u> |
| | 113 | 74 |
| Contributions by employer | <u>(71)</u> | <u>(67)</u> |
| Pension service cost provision | <u>42</u> | <u>7</u> |

| Reconciliation of fair value of scheme assets: | 2019 | 2018 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Opening fair value of scheme assets | 3,379 | 3,194 |
| Expected Return on Assets | 91 | 83 |
| Contributions by Members | 13 | 13 |
| Contributions by Employer | 71 | 67 |
| Actuarial Gains/(Losses) | 110 | 132 |
| Estimated Benefits Paid | <u>(66)</u> | <u>(110)</u> |
| | <u>3,598</u> | <u>3,379</u> |

Reconciliation of defined benefit obligation:

| | 2019 | 2018 |
|------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Opening defined benefit obligation | 3,267 | 3,555 |
| Current Service Cost | 77 | 74 |
| Interest Cost | 89 | 92 |
| Contributions by Members | 13 | 13 |
| Actuarial Losses/(Gains) | 239 | (357) |
| Past Service Costs/(Gains) | 36 | - |
| Estimated Benefits Paid | <u>(66)</u> | <u>(110)</u> |
| | <u>3,655</u> | <u>3,267</u> |

THE GLASGOW FILM THEATRE
(A company limited by guarantee)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

28. Pension commitments (continued)

History of experience gains and losses for the years ended 31 March:

| | 2019 | 2018 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Scheme Assets | 3,598 | 3,379 |
| Defined benefit obligation | 3,655 | (3,267) |
| Deficit | <u>(57)</u> | <u>112</u> |
| Experience adjustments on scheme assets | 110 | 132 |
| Experience adjustments on scheme liabilities | (239) | 357 |
| Analysis of the amount charged to staff costs (Note 14): | 2019 | 2018 |
| | £'000 | £'000 |
| Current Service costs | 77 | 74 |
| Past service cost | 36 | - |
| Total operating charge | <u>113</u> | <u>74</u> |
| Less: contributions paid | (66) | (110) |
| Current service cost provision | <u>47</u> | <u>(36)</u> |
| Amount charged to operating costs: | | |
| Expected Return on Employer Assets | 91 | 83 |
| Interest on Pension Scheme Liabilities | <u>(89)</u> | <u>(92)</u> |
| Net cost of financing and assets | <u>2</u> | <u>(9)</u> |
| | 2019 | 2018 |
| | £'000 | £'000 |
| Changes in value of scheme assets: Actuarial Gains | 110 | 132 |
| Changes in defined benefit obligations: Actuarial Gain/(Losses) | (239) | 357 |
| Actuarial gain/(loss) recognised in SOFA | <u>(129)</u> | <u>489</u> |
| Movement in deficit during the year: | 2019 | 2018 |
| | £'000 | £'000 |
| Surplus/(deficit) at beginning of the year | 112 | (361) |
| Movement in year: | | |
| Current Service Cost | (77) | (74) |
| Past Service Cost | (36) | - |
| Employer contributions | 71 | 67 |
| Net return on financing and assets | 2 | (9) |
| Actuarial gains/(losses) | <u>(129)</u> | <u>489</u> |
| Deficit at end of year | <u>(57)</u> | <u>112</u> |

The estimated employer's contributions for the year to 31 March 2019 are £71,000