

# 2007 Annual Review

for the year to 31<sup>st</sup> December 2007



## Our First Full Year

Having launched in May 2006, this year was our first full year of operation.

- In 2007, Saffron Screen showed 153 different films over 343 screenings. The total audience was over 31,000 people, giving an average audience per screening of 91 people.
- We continued to screen a range of films including mainstream blockbusters, the Oscar contenders, children's films, arthouse films and foreign language films. Some films are very popular and sell out; others attract a small but loyal audience.
- We continued in 2007 to offer educational events linked to films and to work with local organisations in the community. In 2007 we welcomed producers, (Tim Bricknell and Al Morrow), directors (Gary Tarn, Jerry Rothwell and Neil Hunter) and those who feature in films (Sir Robin Knox-Johnston and Simon Crowhurst). We also worked with the Saffron Walden Literary Festival to screen films linked with their literary talks, and with the UDC chairman, hosting a charitable screening in aid of the Alzheimer's Society. We continued hosted discussions about the adaptation of films for the big screen. We staged our first trilogy in a day and our first silent movie with a live piano accompaniment.
- During 2007 we introduced additional 5pm screenings, and tested Saturday morning family screenings and a 'Saffron Scream' for parents with small babies. The latter two were not so popular so are currently not operating. We continue to try to respond to the needs of the community, while aiming overall to break even financially.
- Since September 2007 we have had a Cinema Manager who has taken on a lot of the administrative work, thereby easing the burden on the team of volunteers.

## Future Plans

- We have just launched online booking, a great step forward, especially for those customers who live outside town.
- We are planning for the introduction of digital projection in future years.
- We are determined to ensure that the cinema appeals to all sectors of the local community and will continue to programme accordingly. We monitor numbers attending the cinema and read all feedback.
- So far the audiences have been smaller in 2008 than in the first quarter of 2007 and we continue to monitor our programming and audiences and to market accordingly.

## Financial Headlines

- Our total income in 2007 was £175,938. The majority of this income came from sales of tickets and refreshments. We supplemented this with income from advertising, sponsorship and donations. As a charity we remain extremely grateful to Friends and donors for their support which enables us to grow and develop the cinema. This was our first full year of trading so we are still learning about what level of income we can expect to achieve.
- Our expenditure in 2007 was £155,046. Our largest costs are staff salaries and distributor costs (ie what we pay to rent and transport the films which we screen). We also have a high depreciation cost of £21,461 per annum due to the 5 year life set for our capital costs. We have been able to keep costs well controlled in 2007 with no major budget variances. Our salary costs will be higher in 2008 because we now have a paid cinema manager.

- In 2007 we achieved a surplus of £20,982. This was larger than expected but totally necessary as it has allowed us to appoint our first paid cinema manager. Even if we achieve similar sales in 2008 we will incur a small loss due to the cost of this new position. However, we hope that the appointment will ultimately strengthen Saffron Screen both in terms of its organisation and its ability to market itself more widely into the community.
- At the end of 2007 Saffron Screen had reserves of £184,698. The majority of this figure is represented by our capital assets – the screen, projection equipment, seating etc – which amount to £117,939. The rest mainly consists of cash balances less amounts owed to creditors and deferred income. The Directors believe that this is a reasonable level of reserves. Audience figures remain almost impossible to predict and can vary enormously from month to month so it is important to have a buffer to ensure the cinema survives the lean months and to cover our commitment to paid staff. Saffron Screen must also build up its reserves to cover the cost of buying digital projection equipment which will probably occur in the next 5 years (currently estimated at £65,000).

## Detailed Financial Position for 2007

### WHERE OUR MONEY CAME FROM

Cinema showings	£123,615	70%
Confectionery	£22,911	13%
Sponsorship and advertising	£13,555	8%
Donations and grants	£12,642	7%
Other	£3,215	2%
<b>TOTAL</b>	<b>£175,938</b>	<b>100%</b>

### WHAT WE SPENT IT ON

Staff Costs	£42,910	28%
Distributor costs	£44,122	28%
Depreciation	£21,461	14%
Printing, postage & advertising	£12,774	8%
Refreshments good purchased	£12,423	8%
Sinking fund (for repairs to premises)	£6,000	4%
Professional fees	£3,536	2%
Repairs and renewals	£3,079	2%
Office expenses	£2,879	2%
Premises expenses	£2,494	2%
Insurance	£1,995	1%
Travel and entertainment	£986	1%
Other	£664	0%
<b>TOTAL</b>	<b>£155,323</b>	<b>100%</b>

This information has been taken from the Report and Financial Statements of Saffron Screen Community Cinema Limited for the period ended 31<sup>st</sup> December 2007. These statements have been subject to a independent examiner's report.

If you would like a copy of the full document or have any further questions, please email us on [info@saffronscreen.com](mailto:info@saffronscreen.com) or write to Saffron Screen, 3 London Road, Saffron Walden, Essex, CB11 4ED.