

Company Registration No. 00412856 (England and Wales)

BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.

(COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

**LB GROUP
Number One
Vicarage Lane
Stratford
London
England
E15 4HF**

**BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
(COMPANY LIMITED BY GUARANTEE)
COMPANY INFORMATION**

Directors	Mr R J Brown Mr R Hughes Mr D Carroll Ms S Trainor	(Appointed 4 June 2019)
Secretary	Mr R Hughes	
Company number	00412856	
Registered office	Number One Vicarage Lane Stratford London England E15 4HF	
Accountants	LB Group (Stratford) Number One Vicarage Lane Stratford London England E15 4HF	

BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C. (COMPANY LIMITED BY GUARANTEE) CONTENTS

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**BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
(COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

Principal activities

The principal activity of the company during the year continued to be that of serving the technical and craft skills of the film, sound and television industries.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr R J Brown	
Mr M Uren	(Resigned 13 March 2019)
Ms A Lawley-Wakelin	(Resigned 18 April 2019)
Mr R Hughes	
Mr B Cook	(Resigned 6 February 2020)
Mr D Carroll	
Mr K Taylor	(Appointed 4 June 2019 and resigned 22 January 2020)
Ms S Trainor	(Appointed 4 June 2019)

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

By order of the board

.....
Mr R Hughes
Secretary
Date:

BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C. (COMPANY LIMITED BY GUARANTEE) STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

I am presenting for the last time as President a BKSTS CIC Annual Report and unaudited Financial Statement, this being for the year to 31 December 2019.

Although the balance sheet remains positive this is only due the substantial bequest the Society received as this is finite it cannot keep the society going forever.

Due to the changing nature of our industry BKSTS CIC has not advanced in a meaningful way during 2019, in reality it has stagnated.

Our Chief Operating Officer Bryan Cook during his tenure introduced a number of initiatives and transformed our public image through our new website. Bryan was the driving force in arranging our monthly events along with the Bernard Happé Lecture and Awards ceremony. All of which maintained the public profile of the Society. These events were open to members and all who work in the industry and they were widely acknowledged as beneficial to those that attended or viewed them online.

Advisory Council members and Committee members of the Society have continued to give generously of their time throughout the year to assist Bryan with the development of innovative ideas to promote the Society for the benefit of members.

Our accreditation of courses for the media industry at pre and post graduate levels maintained a good relationship with a number of educational institutions and allowed students to learn more about the heritage of IMIS and our wider industry through our work in Progress event at the National Theatre. This allowed students to present their work in progress to their peers from other Universities and representatives from the media industry. They also heard from professionals that had made the transition from student life to being major contributors in media production.

We contributed to industry initiatives with the likes of Screen Skillset with Degree apprenticeships and the specification of workplace skills needed to work in our industry.

The Cinema Technology Journal (CTJ) published by MPS continues to be delivered free of charge to IMIS members and the Cinema industry at large. We have continued in various ways to have a presence at industry trade shows which have enabled us to promote IMIS. Although to date they have not produced any significant increase in membership for the Society.

Over the year we lost a number of key personnel to pursue other interests and I would like to thank Martin Uren, Angela Gordon and Sabine Lang for their contribution and service in the past.

Due to the departure of Martin Uren The Education and Training Committee (ETC) has ceased functioning. Paul Whatton was appointed, on a part time basis, to promote Course Accreditation and was responsible for the Student Work in Progress Event

The loss of £188,031 in 2018 was reduced to £137,702 over the last year (mainly the reduced salary costs of Sabine Lang) but if we compare earnings of £4,780 in 2018 and £16,399 for 2019 which is accounted for primarily by income from membership, accreditation, events and merchandise.

This level of deficit is unsustainable and would mean that the Society would run out of funds in the next couple of years. In February of 2019 Board of directors had concerns about the sustainability of the society and this was brought into sharp focus following a question from the auditor asking if the BKSTS CIC was a going concern. The Directors as part of their fiduciary responsibilities appointed an industry consultant to undertake a root and branch review of the business and its place in the industry. The report's findings highlighted several inadequacies in the current business model, and that BKSTS CIC needed to change direction to conserve the Legacy to ensure survival. The Board then took the decision to commence an early wind down of expenditure and to seek a new way forward for the Society to be relevant in a very changed industry.

As consequences of the winding down of events to halt the haemorrhaging of funds the role of the COO was made redundant in November and on the 5th February 2020 was his last day of employment by the Society. Bryan continues as a member and we thank him for all his endeavours to revitalise the Society. The Board continues to meet monthly to review the accounts and explore the way forward.

**BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
(COMPANY LIMITED BY GUARANTEE)
STRATEGIC REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2019

The Board and Advisory Council has every confidence in finding a solution for the Society to be relevant in this changing industry. The Society promotes diversity and equal opportunities within the industry. BKSTS CIC complies with GDPR regulations and promotes the use of environmentally friendly working practices. In conclusion I thank the Board, Advisory Council, all our sponsors and those members who have generously given of their time for their continued support of the Society during the past year. Thank you and as I close, we are in the midst of the Covid-19 Epidemic which is having a significant impact on our industry and is the greatest threat to BKSTS CIC and the media industry. We currently, in line with Government Guidelines, have ceased all operations until further notice. We trust that with your continued commitment we can ensure that the Society will be relevant for current and future generations.

By order of the board

.....
Roland Brown
President

**BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
(COMPANY LIMITED BY GUARANTEE)
ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION
OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF BRITISH
KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C. FOR THE YEAR ENDED
31 DECEMBER 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of British Kinematograph Sound And Television Society C.I.C. for the year ended 31 December 2019 which comprise the income and expenditure account, the balance sheet, the statement of changes in equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of British Kinematograph Sound And Television Society C.I.C., as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of British Kinematograph Sound And Television Society C.I.C. and state those matters that we have agreed to state to the Board of Directors of British Kinematograph Sound And Television Society C.I.C., as a body, in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than British Kinematograph Sound And Television Society C.I.C. and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that British Kinematograph Sound And Television Society C.I.C. has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and deficit of British Kinematograph Sound And Television Society C.I.C.. You consider that British Kinematograph Sound And Television Society C.I.C. is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of British Kinematograph Sound And Television Society C.I.C.. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

.....
LB Group (Stratford)
Chartered Accountants

Number One
Vicarage Lane
London
E15 4HF

BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
(COMPANY LIMITED BY GUARANTEE)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	£	£
Income	16,399	4,780
Administrative expenses	(156,377)	(194,398)
Operating deficit	(139,978)	(189,618)
Interest receivable and similar income	2,810	1,587
Deficit before taxation	(137,168)	(188,031)
Tax on deficit	(534)	-
Deficit for the financial year	(137,702)	(188,031)

BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
(COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 DECEMBER 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	2		7,150		13,774
Current assets					
Debtors	3	8,590		7,617	
Cash at bank and in hand		441,255		579,095	
		449,845		586,712	
Creditors: amounts falling due within one year	4	(11,683)		(17,472)	
Net current assets			438,162		569,240
Total assets less current liabilities			445,312		583,014
Reserves					
Equity reserve			1,036,932		1,036,932
Income and expenditure account	5	(591,620)		(453,918)	
Members' funds			445,312		583,014

For the financial year ended 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

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

.....
 Mr R J Brown
Director

.....
 Mr R Hughes
Director

Company Registration No. 00412856

BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
(COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Equity £	Income and reserve expenditure account £	Total £
Balance at 1 January 2018		1,036,932	(265,887)	771,045
Year ended 31 December 2018:				
Loss and total comprehensive income for the year		-	(188,031)	(188,031)
Balance at 31 December 2018		1,036,932	(453,918)	583,014
Year ended 31 December 2019:				
Loss and total comprehensive income for the year		-	(137,702)	(137,702)
Balance at 31 December 2019		1,036,932	(591,620)	445,312

The addition to legacy reserve relates to bequests to the company for the furthering of the Society's objects.

**BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1 Accounting policies

Company information

British Kinematograph Sound And Television Society C.I.C. is a private company limited by guarantee incorporated in England and Wales. The registered office is Number One, Vicarage Lane, Stratford, London, England, E15 4HF.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Income and expenditure

Turnover represents the following income streams:

Members' subscriptions are accounted for on an invoice basis less subscriptions paid in advance.

Sponsors' subscriptions are accounted for on an invoice basis less subscriptions paid in advance.

Grants received are accounted for on an invoice basis.

Merchandising income is accounted for on a cash received basis.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

IT Equipment	3 years straight line
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1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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

**BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in surplus or deficit immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in surplus or deficit depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.8 Taxation

The company is exempt from corporation tax, it being a company not carrying on a business for the purposes of making a profit.

1.9 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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies **(Continued)**

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.12 Financial instruments

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

2 Tangible fixed assets

	IT Equipment
	£
Cost	
At 1 January 2019	20,661
Additions	395
	21,056
At 31 December 2019	21,056
Depreciation and impairment	
At 1 January 2019	6,887
Depreciation charged in the year	7,019
	13,906
At 31 December 2019	13,906
Carrying amount	
At 31 December 2019	7,150
At 31 December 2018	13,774

3 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Membership debtors	677	(384)
Other debtors	7,913	8,001
	8,590	7,617
	8,590	7,617

BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

4 Creditors: amounts falling due within one year

	2019	2018
	£	£
Other borrowings	252	216
Trade creditors	761	2,397
Corporation tax	534	1
Other taxation and social security	1,602	2,139
Other creditors	7,036	10,012
Accruals and deferred income	1,498	2,707
	<u>11,683</u>	<u>17,472</u>

5 Income and expenditure account

	2019	2018
	£	£
At the beginning of the year	(453,918)	(265,887)
Deficit for the year	(137,702)	(188,031)
	<u>(591,620)</u>	<u>(453,918)</u>

6 COMPANY LIMITED BY GUARANTEE

In the event of the company being wound up every member or person who has been a member within the twelve months immediately preceding the date of the winding up order undertakes to contribute up to £0.01 if the assets of the company are insufficient to meet its liabilities in full.

BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2019

(COMPANY LIMITED BY GUARANTEE)

The following pages do not form part of the statutory financial statements.

BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
(COMPANY LIMITED BY GUARANTEE)
DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2019

	£	2019 £	£	2018 £
Income				
Sales of services		16,399		4,780
Administrative expenses		(156,377)		(194,398)
Operating deficit		(139,978)		(189,618)
Investment revenues				
Bank interest received	2,810		1,587	
		2,810		1,587
Deficit before taxation		(137,168)		(188,031)

BRITISH KINEMATOGRAPH SOUND AND TELEVISION SOCIETY C.I.C.
(COMPANY LIMITED BY GUARANTEE)
SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
Administrative expenses		
Wages and salaries	59,951	77,412
Exhibitions & events charges	27,671	32,099
Social security costs	7,375	9,125
Staff recruitment costs	-	919
Staff training	808	761
Staff pension costs defined contribution	1,784	1,450
Rent re licences and other	-	14
Insurance	2,323	1,448
Computer running costs	3,087	4,313
Website costs	5,518	6,433
Travelling expenses	8,742	13,204
Professional subscriptions	2,832	1,302
Legal and professional fees	(150)	4,479
Consultancy fees	18,199	1,318
Accountancy	9,718	16,930
Charitable donations	200	9,678
Bank charges	622	453
Bad and doubtful debts	-	440
Printing Postage and stationery	252	3,521
Telephone	990	-
Entertaining	-	1,248
Sundry expenses	2,400	1,806
Grants	(2,964)	-
Depreciation	7,019	6,887
Profit or loss on foreign exchange	-	(842)
	<u>156,377</u>	<u>194,398</u>