

REGISTERED COMPANY NUMBER: 01409066 (England and Wales)
REGISTERED CHARITY NUMBER: 277415

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
FOR
THE RIO CENTRE (DALSTON) LIMITED

Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

THE RIO CENTRE (DALSTON) LIMITED

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for the Year Ended 31 March 2019

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THE RIO CENTRE (DALSTON) LIMITED

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2019**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Rio Centre (Dalston) Limited (the "Company") is a registered charity incorporated as a Company Limited by Guarantee. The organisation's day-to-day activities are carried out by a staff team led by Executive Director Oliver Meek. The Charity offers no "zero hours" contracts.

The Charity's core activity is to run the Rio Cinema, an independent cinema with a unique policy of community access and local involvement. The cinema is open 364 days of the year, and its wide-ranging and varied programme presents approximately 1,300 screenings annually incorporating: main feature films, programmes for children and the elderly, special events, festivals and independent films. The Rio provides a focal point for the area and also convenient and economical access to cinema for a wide range of Londoners and regularly offers discounted tickets both to the general public and targeted at specific groups.

Public benefit

The Directors have considered the Charity Commission guidance on public benefit and consider that the activities of the charity provide public benefit within the following charitable purposes:

1) THE ADVANCEMENT OF THE ARTS, CULTURE, HERITAGE OR SCIENCE

The Rio promotes an appreciation of the best of world cinema for the local community in the London Borough of Hackney and neighbouring boroughs. Through participation in film festivals showcasing work from around the world, the Rio demonstrates its commitment to providing local residents with as diverse a programme of high-quality cinema as possible.

2) THE ADVANCEMENT OF CITIZENSHIP OR COMMUNITY DEVELOPMENT

Cinema itself is a communal experience, an accessible art form that attracts a diverse and wide range of people. The Rio provides a home to film festivals that reflect the diversity of the local population, featuring films that may otherwise go unseen in the UK. These screenings provide an opportunity to learn about one another's cultures and heritage - aiding and developing community relations. The Rio also provides an outlet for local community organisations and charities to promote their causes, both through public screenings and our education programme.

3) THE ADVANCEMENT OF EDUCATION

The Rio Centre's extensive programme of schools screenings provides an invaluable adjunct to the class work of local schools, and is viewed by teachers as a significant educational resource. Filmmaking and animation workshops provide children with an introduction to the principles of filmmaking and animation.

4) THE RELIEF OF THOSE IN NEED, BY REASON OF YOUTH, AGE, ILL-HEALTH, DISABILITY, FINANCIAL HARDSHIP OR OTHER DISADVANTAGE

The Rio is determined to make film as accessible as possible to the local community, and therefore seeks to provide low cost access to the cinema for people on benefits and for children to facilitate the widest possible access to its services. The Rio's monthly Classic Matinée aims to reduce feelings of isolation for older people and enrich life of those in care, providing local older people with an opportunity to socialise, enjoy a film and also free tea and cake.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

2018-2019 has been steady for the Rio, with the second screen continuing to be a significant contributory factor to ticket sales, spend per head and - crucially - an increased flexibility in film booking options. With more film festivals and community events than ever, we are firmly fulfilling our purpose. Some films under-performed as is to be expected, but overall this was a year of growth.

RIOGeneration

The first main phase of RIOGeneration was completed in this period, with the building given a large overhaul and it now looks better outside and inside than it has for a long time. This is important for the comfort of our audience, but also for the well-being of the local community who wish to see a local asset in good repair, and is a key marketing image for our business and charity. We can now proudly distribute imagery of the cinema far and wide and position ourselves as a key part of cared-for cinema history. Just outside of this period, the new Rio bar by the 2nd screen was opened and is a further way to generate increased food and drink spend.

Community

Alongside our main cinema offering of the latest contemporary releases, with an independent skew, we have extended our ability to welcome community screenings, school screenings, film festivals and special events. These events have represented the range of our local community, representing the many different cultural groups on our doorstep, the LGBTQ community, our older audience, and campaigning groups. The second screen has continued to be transformative in allowing us to do this even more.

THE RIO CENTRE (DALSTON) LIMITED

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2019**

Marketing

We have continued to improve our marketing offering this year, led by Andrew Woodyatt and Tim Stevens in particular. They have developed unique designs for Rio publicity, including bespoke posters for individual films. Our engagement on social media is higher than most comparable independent cinemas, and they have worked hard on making the experience of a Rio cinema visit an 'event' experience where appropriate, including film-specific food and drink, live events, and one-off shows. Our audience is increasingly youthful and diverse and engaged with our ethics, and they like to be in close contact with us and see us as aligning with their values. We have also engaged with a local and national interest in our historical archive, and the Rio Archive instagram account has attracted praise for unearthing Hackney's heritage of the 80s and 90s.

Charitable board

In this period, long-time chair Patrick Lyons stood down, and we thank him for his many years of service to the cinema. He was succeeded by Mel Alcock.

FINANCIAL REVIEW

Financial position

The figures to March 2019 show a steady journey, with increased trading in cinema activities counteracting increased expenses related to operating costs and the final stage of RioGeneration. Now the latter is completed, it is the intention of the trustees to generate a noticeable profit in 2019-2020 and provide more comfort in an unpredictable cinema distribution landscape. Hires and grants will continue to be key areas to pursue as areas we can control. It is also intended to increase customer spend on food and drink, helped by the opening of the 2nd screen.

Reserves policy

The trustees deem it prudent to hold three months running costs in current assets. This has fluctuated in the year and is an important focus for the following financial year.

FUTURE PLANS

We are taking time to review operational systems and ensure the cinema is on an even keel financially, but are also starting to think about potential future development of the building for maximised use of its resources. This will be subject to available grant funding.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01409066 (England and Wales)

Registered Charity number

277415

Registered office

107 Kingsland High Street
London
E8 2PB

Trustees

A Brooke

J Firkins

J Lessard

P Lyons

C Phillips

Treasurer

- resigned 3.1.19

- resigned 15.8.18

Chair until March 2018

- resigned 16.8.18

Interim Chair Mar-Oct

18 & Deputy Chair

Mrs A R Collins

C Casciani

M Reinink

Ms J Culley

M Alcock

Chair from October
2018

- resigned 17.9.19

- appointed 1.10.18

- resigned 3.11.19

- appointed 26.6.19

N Ransley

Company Secretary

Mrs A R Collins

THE RIO CENTRE (DALSTON) LIMITED

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2019

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Brindley Millen Ltd
Chartered Accountants and Statutory Auditors
167 Turners Hill
Cheshunt
Hertfordshire
EN8 9BH

Solicitors

Bristows LLP
100 Victoria Embankment
London
EC4Y 0DH

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Rio Centre (Dalston) Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the 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 and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

AUDITORS

The auditors, Brindley Millen Ltd, were re-appointed at the Annual General Meeting held on Sunday 3rd November 2019.

Approved by order of the board of trustees on Nov 26, 2019 and signed on its behalf by:

Charles Phillips
Charles Phillips (Nov 26, 2019)
C Phillips - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE RIO CENTRE (DALSTON) LIMITED

Opinion

We have audited the financial statements of The Rio Centre (Dalston) Limited (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 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 (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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors 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 charitable company'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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

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 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 Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; 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 exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE RIO CENTRE (DALSTON) LIMITED**

Responsibilities of trustees

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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 Report of the Independent Auditors.

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

mwbrindley

[mwbrindley \(Dec 2, 2019\)](#)

Maurice William Brindley BSc FCA (Senior Statutory Auditor)

for and on behalf of Brindley Millen Ltd

Chartered Accountants and Statutory Auditors

167 Turners Hill

Cheshunt

Hertfordshire

EN8 9BH

Date: **Dec 2, 2019**
Date:

THE RIO CENTRE (DALSTON) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 March 2019

	Notes	Unrestricted funds £	Restricted funds £	31.3.19 Total funds £	31.3.18 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	59,686	29,708	89,394	90,519
Charitable activities					
Cinema	4	795,587	-	795,587	719,389
Investment income	3	42	-	42	15
Total		<u>855,315</u>	<u>29,708</u>	<u>885,023</u>	<u>809,923</u>
EXPENDITURE ON					
Raising funds	5	309,042	-	309,042	265,936
Charitable activities					
Cinema	6	551,512	18,364	569,876	506,358
Total		<u>860,554</u>	<u>18,364</u>	<u>878,918</u>	<u>772,294</u>
NET INCOME/(EXPENDITURE)		<u>(5,239)</u>	<u>11,344</u>	<u>6,105</u>	<u>37,629</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>104,313</u>	<u>252,561</u>	<u>356,874</u>	<u>319,245</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>99,074</u></u>	<u><u>263,905</u></u>	<u><u>362,979</u></u>	<u><u>356,874</u></u>

The notes form part of these financial statements

THE RIO CENTRE (DALSTON) LIMITED

BALANCE SHEET

At 31 March 2019

	Notes	Unrestricted funds £	Restricted funds £	31.3.19 Total funds £	31.3.18 Total funds £
FIXED ASSETS					
Tangible assets	12	143,352	263,905	407,257	351,557
CURRENT ASSETS					
Stocks	13	14,658	-	14,658	7,252
Debtors	14	29,351	-	29,351	18,502
Cash at bank and in hand		91,215	-	91,215	106,865
		<u>135,224</u>	<u>-</u>	<u>135,224</u>	<u>132,619</u>
CREDITORS					
Amounts falling due within one year	15	(158,845)	-	(158,845)	(110,974)
		<u>(23,621)</u>	<u>-</u>	<u>(23,621)</u>	<u>21,645</u>
NET CURRENT ASSETS/(LIABILITIES)					
		<u>119,731</u>	<u>263,905</u>	<u>383,636</u>	<u>373,202</u>
CREDITORS					
Amounts falling due after more than one year	16	(20,657)	-	(20,657)	(16,328)
		<u>99,074</u>	<u>263,905</u>	<u>362,979</u>	<u>356,874</u>
NET ASSETS					
		<u>99,074</u>	<u>263,905</u>	<u>362,979</u>	<u>356,874</u>
FUNDS	18				
Unrestricted funds				99,074	104,313
Restricted funds				<u>263,905</u>	<u>252,561</u>
TOTAL FUNDS				<u>362,979</u>	<u>356,874</u>

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

The financial statements were approved by the Board of Trustees on Nov 26, 2019 and were signed on its behalf by:

Charles Phillips

Charles Phillips (Nov 26, 2019)

C Phillips -Trustee

THE RIO CENTRE (DALSTON) LIMITED

CASH FLOW STATEMENT
for the Year Ended 31 March 2019

	Notes	31.3.19 £	31.3.18 £
Cash flows from operating activities:			
Cash generated from operations	1	81,268	80,062
Interest paid		(2,005)	(1,079)
Net cash provided by (used in) operating activities		<u>79,263</u>	<u>78,983</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(105,142)	(113,389)
Interest received		42	15
Net cash provided by (used in) investing activities		<u>(105,100)</u>	<u>(113,374)</u>
Cash flows from financing activities:			
New loans in year		25,000	53,546
Loan repayments in year		(14,813)	(24,303)
Net cash provided by (used in) financing activities		<u>10,187</u>	<u>29,243</u>
Change in cash and cash equivalents in the reporting period		<u>(15,650)</u>	<u>(5,148)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>106,865</u>	<u>112,013</u>
Cash and cash equivalents at the end of the reporting period		<u><u>91,215</u></u>	<u><u>106,865</u></u>

The notes form part of these financial statements

THE RIO CENTRE (DALSTON) LIMITED

NOTES TO THE CASH FLOW STATEMENT

for the Year Ended 31 March 2019

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.19	31.3.18
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	6,105	37,629
Adjustments for:		
Depreciation charges	49,441	39,563
Interest received	(42)	(15)
Interest paid	2,005	1,079
Increase in stocks	(7,406)	(3,397)
Increase in debtors	(10,849)	(5,907)
Increase in creditors	42,014	11,110
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	<u>81,268</u>	<u>80,062</u>

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 March 2019

1. ACCOUNTING POLICIES

Basis of preparing the financial statements and assessment of going concern

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- at varying rates on cost
Fixtures and fittings	- 10% on cost

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash, current bank accounts and deposit bank accounts with no withdrawal limitations.

Creditors

Creditors are recognised where then charity has a present obligation resulting from a past event that will 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 are recognised at their settlement amount.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

The accounts have been prepared on a going concern basis.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially settled at transaction value and subsequently measured at their settlement value.

THE RIO CENTRE (DALSTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2019

2. DONATIONS AND LEGACIES

	31.3.19	31.3.18
	£	£
Donations	31,806	52,727
Friends of Rio	29,213	27,792
Grants	11,404	10,000
Miscellaneous	16,971	-
	<u>89,394</u>	<u>90,519</u>

Grants received, included in the above, are as follows:

	31.3.19	31.3.18
	£	£
Film London	8,904	-
Swire	-	10,000
The Span Trust	2,500	-
	<u>11,404</u>	<u>10,000</u>

3. INVESTMENT INCOME

	31.3.19	31.3.18
	£	£
Deposit account interest	42	15
	<u>42</u>	<u>15</u>

4. INCOME FROM CHARITABLE ACTIVITIES

		31.3.19	31.3.18
		£	£
Film ticket sales	Activity Cinema	534,946	496,102
Bar, confectionery & misc sales	Cinema	164,379	142,865
Screen advertising	Cinema	24,656	22,927
Hire	Cinema	66,235	52,782
School screenings	Cinema	5,371	4,713
		<u>795,587</u>	<u>719,389</u>

5. RAISING FUNDS

Other trading activities

	31.3.19	31.3.18
	£	£
Purchases	309,042	265,936
	<u>309,042</u>	<u>265,936</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 7)	Totals
	£	£	£
Cinema	537,022	32,854	569,876
	<u>537,022</u>	<u>32,854</u>	<u>569,876</u>

THE RIO CENTRE (DALSTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the Year Ended 31 March 2019

7. SUPPORT COSTS

	Finance	Governance costs	Totals
	£	£	£
Cinema	12,463	20,391	32,854

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.19	31.3.18
	£	£
Auditors' remuneration	3,730	3,625
Depreciation - owned assets	49,442	39,563

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Key management remuneration

The trustee's consider the Key Management to consist of Executive Director, Assistant General Manager, Venue Manager and Marketing & Development Manager and Programmer.

During the year the Key Management received remuneration totalling £132,604 (2018: £109,791)

10. STAFF COSTS

	31.3.19	31.3.18
	£	£
Wages and salaries	325,401	282,143
Social security costs	15,689	13,769
Other pension costs	5,908	3,261
	<u>346,998</u>	<u>299,173</u>

The average monthly number of employees during the year was as follows:

31.3.19	31.3.18
35	35

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	30,686	59,833	90,519
Charitable activities			
Cinema	719,389	-	719,389
Investment income	15	-	15
Total	<u>750,090</u>	<u>59,833</u>	<u>809,923</u>

THE RIO CENTRE (DALSTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the Year Ended 31 March 2019

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
EXPENDITURE ON			
Raising funds	265,936	-	265,936
Charitable activities			
Cinema	477,484	28,874	506,358
Total	743,420	28,874	772,294
NET INCOME/(EXPENDITURE)	6,670	30,959	37,629
RECONCILIATION OF FUNDS			
Total funds brought forward	97,642	221,603	319,245
TOTAL FUNDS CARRIED FORWARD	104,312	252,562	356,874

12. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Totals £
COST			
At 1 April 2018	389,580	565,504	955,084
Additions	-	105,142	105,142
At 31 March 2019	389,580	670,646	1,060,226
DEPRECIATION			
At 1 April 2018	170,981	432,546	603,527
Charge for year	11,400	38,042	49,442
At 31 March 2019	182,381	470,588	652,969
NET BOOK VALUE			
At 31 March 2019	207,199	200,058	407,257
At 31 March 2018	218,599	132,958	351,557

If leasehold property has not been revalued it would have been included at its historical cost of £9,000.

Leasehold property was valued at open market value on 31 March 2005 by the management committee on the basis of the annual rent due over the remaining period of the lease.

The Rio Cinema has a tri-partite agreement with Dcinex, the supplier of a digital projector and server which is held as a fixed asset. The agreement is that for every film shown from DCP (Digital Cinema Package) within the first five weeks of its release, the distributor will pay a VPF (Virtual Print Fee) to the supplier. Where a film is shown digitally but not from DCP (e.g. from DVD or Blu-ray) or where a film does not have UK distribution, the Rio Cinema pays a VPF. Payments made by the Rio Cinema are capitalised in the year of expenditure.

The digital projector is valued at £51,350

THE RIO CENTRE (DALSTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the Year Ended 31 March 2019

13. STOCKS

	31.3.19	31.3.18
	£	£
Confectionery	<u>14,658</u>	<u>7,252</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.19	31.3.18
	£	£
Trade debtors	12,947	6,495
Sundry debtors	2,750	-
Prepayments	13,654	12,007
	<u>29,351</u>	<u>18,502</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.19	31.3.18
	£	£
Bank loans and overdrafts (see note 17)	18,772	12,915
Trade creditors	88,430	55,195
Social security and other taxes	9,871	5,620
VAT	24,604	23,562
Other creditors	13,438	10,057
Accrued expenses	3,730	3,625
	<u>158,845</u>	<u>110,974</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.19	31.3.18
	£	£
Bank loans (see note 17)	<u>20,657</u>	<u>16,328</u>

17. LOANS

An analysis of the maturity of loans is given below:

	31.3.19	31.3.18
	£	£
Amounts falling due within one year on demand: Loans	<u>18,772</u>	<u>12,915</u>
Amounts falling between one and two years: Bank loans - 1-2 years	<u>10,345</u>	<u>16,328</u>
Amounts falling due between two and five years: Bank loans - 2-5 years	<u>10,312</u>	<u>-</u>

THE RIO CENTRE (DALSTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the Year Ended 31 March 2019

18. MOVEMENT IN FUNDS

	At 1.4.18 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted funds				
General fund	59,095	7,838	(80,523)	(13,590)
RioGeneration	45,218	(13,077)	80,523	112,664
	<u>104,313</u>	<u>(5,239)</u>	<u>-</u>	<u>99,074</u>
Restricted funds				
Revaluation reserve	218,599	(11,400)	-	207,199
RioGeneration fund	33,962	22,744	-	56,706
	<u>252,561</u>	<u>11,344</u>	<u>-</u>	<u>263,905</u>
TOTAL FUNDS	<u>356,874</u>	<u>6,105</u>	<u>-</u>	<u>362,979</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	855,315	(847,477)	7,838
RioGeneration	-	(13,077)	(13,077)
	<u>855,315</u>	<u>(860,554)</u>	<u>(5,239)</u>
Restricted funds			
RioGeneration fund	29,708	(6,964)	22,744
Revaluation reserve	-	(11,400)	(11,400)
	<u>29,708</u>	<u>(18,364)</u>	<u>11,344</u>
TOTAL FUNDS	<u>885,023</u>	<u>(878,918)</u>	<u>6,105</u>

Comparatives for movement in funds

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.18 £
Unrestricted Funds				
General fund	97,642	11,695	(50,242)	59,095
RioGeneration	-	(5,024)	50,242	45,218
	<u>97,642</u>	<u>6,671</u>	<u>-</u>	<u>104,313</u>
Restricted Funds				
Revaluation reserve	229,999	(11,400)	-	218,599
Refurbishment fund	2,125	(2,125)	-	-
RioGeneration fund	(10,521)	44,483	-	33,962
	<u>221,603</u>	<u>30,958</u>	<u>-</u>	<u>252,561</u>
TOTAL FUNDS	<u>319,245</u>	<u>37,629</u>	<u>-</u>	<u>356,874</u>

THE RIO CENTRE (DALSTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

for the Year Ended 31 March 2019

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	750,090	(738,395)	11,695
RioGeneration	-	(5,024)	(5,024)
	<u>750,090</u>	<u>(743,419)</u>	<u>6,671</u>
Restricted funds			
RioGeneration fund	59,833	(15,350)	44,483
Revaluation reserve	-	(11,400)	(11,400)
Refurbishment fund	-	(2,125)	(2,125)
	<u>59,833</u>	<u>(28,875)</u>	<u>30,958</u>
TOTAL FUNDS	<u>809,923</u>	<u>(772,294)</u>	<u>37,629</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted funds				
General fund	97,642	19,533	(130,765)	(13,590)
RioGeneration	-	(18,101)	130,765	112,664
Restricted funds				
Revaluation reserve	229,999	(22,800)	-	207,199
Refurbishment fund	2,125	(2,125)	-	-
RioGeneration fund	(10,521)	67,227	-	56,706
	<u>221,603</u>	<u>42,302</u>	<u>-</u>	<u>263,905</u>
TOTAL FUNDS	<u>319,245</u>	<u>43,734</u>	<u>-</u>	<u>362,979</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,605,405	(1,585,872)	19,533
RioGeneration	-	(18,101)	(18,101)
	<u>1,605,405</u>	<u>(1,603,973)</u>	<u>1,432</u>
Restricted funds			
RioGeneration fund	89,541	(22,314)	67,227
Revaluation reserve	-	(22,800)	(22,800)
Refurbishment fund	-	(2,125)	(2,125)
	<u>89,541</u>	<u>(47,239)</u>	<u>42,302</u>
TOTAL FUNDS	<u>1,694,946</u>	<u>(1,651,212)</u>	<u>43,734</u>

THE RIO CENTRE (DALSTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2019

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2019.

20. GUARANTEE STATUS

The company is limited by guarantee, which means that every member undertakes to contribute to the assets of the company in the event of a winding up, including any member up to one year after ceasing to be a member, such amounts as may be required not exceeding one pound.