

Company Registration number SC161875

NEWTON STEWART CINEMA LIMITED
(A Company Limited by Guarantee)

Unaudited Financial Statements

For the year ended 31 December 2008

Montpelier Professional (Galloway) Limited
1 Dashwood Square
Newton Stewart
DG8 6EQ

NEWTON STEWART CINEMA LIMITED

Financial statements for the year ended 31 December 2008

Contents	Pages
Directors, officers and advisers	1
Directors' report	2
Accountants' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6-8
Detailed profit and loss account	9

NEWTON STEWART CINEMA LIMITED

Directors, officers and advisers

Directors

Colin Dewar (Chairman)
John MacKenzie
Sandra McDowall (Councillor)
Graham Nicol (Councillor)
George Moore
Una Jolly
Gordon Bennie
Keith Best
Kenneth Owen
William Craig (retired May 2008)
Karen Fisher (appointed 19 May 2008)

Secretary and registered office

Stewart Sheddon
35 Victoria Street
Newton Stewart
DG8

Registered number

SC161875

Principal place of business

Victoria Street
Newton Stewart
DG8 6AA

Accountants

Montpelier Professional (Galloway) Limited
1 Dashwood Square
Newton Stewart
DG8 6EQ

Bankers

The Bank of Scotland
37 Albert Street
Newton Stewart
DG8

NEWTON STEWART CINEMA LIMITED

Directors' report for the year ended 31 December 2008

The Directors have pleasure in submitting their report and financial statements for the year to 31st December 2008

Principal activity

The company was incorporated on 27th November, 1995 as a limited company by the guarantee and not having a share capital. It was formed to acquire the premises of the Newton Stewart Cinema, to take over the assets of Save the Cinema committee and apply for a grant of loan funding to enable this to be done, and to preserve the cinema in Newton Stewart as a community resource. The income and property of the company is to be applied solely towards the promotion of its objects as defined by Memorandum and Articles of the Association and will not be paid to members by dividends or bonus. The Cinema is owned by the Newton Stewart Community and exists to serve the community. No remuneration is paid to directors.

Directors

The directors who served during the year were:

Colin Dewar (Chairman)
John MacKenzie
Sandra McDowall (Councillor)
Graham Nicol (Councillor)
George Moore
Una Jolly
Gordon Bennie
Keith Best
Kenneth Owen
William Craig (retired May 2008)
Karen Fisher (appointed 19 May 2008)

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the board

STEWART SHEDDON
Secretary

Approved by the Board on

NEWTON STEWART CINEMA LIMITED

Accountants' Report to the Board of Directors on the Unaudited Financial Statements

We have prepared, without carrying out an audit or examination, the financial statements set out on pages 4 to 8 from the accounting records of the company and from information and explanations provided by the company's directors.

As described on page 5, the company's directors are responsible for the accounts and they believe the company is exempt from an audit and a report under Section 249A(1).

We have not conducted an audit or an examination of the financial statements and accordingly we express no opinion thereon.

Our work does not provide any assurance that the accounting records and the accounts are free from material misstatement.

Montpelier Professional (Galloway) Limited
1 Dashwood Square
Newton Stewart
DG8 6EQ

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NEWTON STEWART CINEMA LIMITED**Profit and loss account for the year ended 31 December 2008**

	Notes	<u>2008</u>	2007
		£	£
Turnover	2	127,835	143,282
Cost of sales		61,901	75,231
Gross profit		65,934	68,051
Distribution costs		199	911
Administrative expenses		77,069	82,145
		77,268	83,056
Operating loss	3	(11,334)	(15,005)
Other interest receivable and similar income		875	1,413
Loss on ordinary activities before taxation		(10,459)	(13,592)
Taxation on loss on ordinary activities	4	-	(119)
Loss for the financial year		(10,459)	(13,711)

The notes on pages 6 to 8 form part of these financial statements.

NEWTON STEWART CINEMA LIMITED**Balance sheet at 31 December 2008**

	Notes	2008		2007	
		£	£	£	£
Fixed assets					
Tangible assets	5		652,924		651,434
Current assets					
Stock		2,067		3,209	
Debtors	6	2,013		327	
Cash at bank and in hand		42,787		54,539	
				<u>58,075</u>	
Creditors: amounts falling due within one year	7	(7,023)		(6,282)	
Net current assets			39,844		51,793
Total assets less current liabilities			692,768		<u>703,227</u>
Capital and reserves					
Profit and loss account	8		692,768		703,227

These accounts have been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The directors are of the opinion that the company is entitled to the exemptions from audit conferred by section 249A(1) of the Companies Act 1985 for the year ended 31 December 2008.

The directors confirm that no member or members have requested an audit pursuant to subsection 2 of section 249B of the Companies Act 1985.

The directors are responsible for:-

- a) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
- b) preparing accounts which give a true and fair view of the state of affairs of the company as at 31 December 2008 and of its results for the year then ended in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

Approved by the board of directors on and signed on its behalf.

_____ **Colin Dewar (Chairman) - Director**

The notes on pages 6 to 8 form part of these financial statements.

NEWTON STEWART CINEMA LIMITED

Notes to the financial statements for the year ended 31 December 2008

1 Accounting policies

a) Basis of accounting

The financial statements are prepared on the historical cost basis of accounting and have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting a cash flow statement as it qualifies as a small company.

b) Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax.

c) Depreciation of tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the full cost or valuation less estimated residual value of each asset over its estimated useful life. The principal rates in use are:

Freehold buildings	Nil
Equipment & Furnishings	10% reducing balance
Office Equipment	20% reducing balance

d) Stocks

Stock and work in progress is valued at the lower of cost and estimated net realisable value.

Cost of raw materials is determined on the first in first out basis. In the case of work in progress and finished goods, cost includes all direct expenditure and production overheads based on the normal level of activity. Net realisable value is the price at which the stock can be released in the normal course of business, less further costs to completion of sale.

2 Turnover

The turnover and loss before taxation is attributable to the one principal activity of the company.

Turnover attributable to geographical markets outside the United Kingdom amounted to 27.50% (2007 - 27.87%).

3 Loss on ordinary activities before taxation

This is stated after charging:

	<u>2008</u>	<u>2007</u>
	<u>£</u>	<u>£</u>
Depreciation	<u>5,959</u>	<u>6,670</u>

4 Tax on profit on ordinary activities

	<u>2008</u>	<u>2007</u>
	<u>£</u>	<u>£</u>
United Kingdom corporation tax at 21%	<u>-</u>	<u>119</u>

NEWTON STEWART CINEMA LIMITED

Notes to the financial statements for the year ended 31 December 2008 (continued)

5 Tangible fixed assets

	Land and buildings	Equipment fixtures and fittings	Plant and machinery	Total
	£	£	£	£
Cost:				
At 1 January 2008	591,092	12,240	143,551	746,883
Additions	-	-	7,449	7,449
At 31 December 2008	591,092	12,240	151,000	754,332
Depreciation:				
At 1 January 2008	-	10,337	85,112	95,449
Provision for the year	-	350	5,609	5,959
At 31 December 2008	-	10,687	90,721	101,408
Net book value:				
At 31 December 2008	591,092	1,553	60,279	652,924
At 31 December 2007	591,092	1,903	58,439	651,434

The net book value of land and buildings at 31 December 2008 is made up as follows:

	2008	2007
	£	£
Freehold land and buildings	591,092	591,092

6 Debtors

	2008	2007
	£	£
Trade debtors	2,013	327

7 Creditors: amounts falling due within one year

	2008	2007
	£	£
Trade creditors	7,023	6,282

8 Reserves

	Profit and loss account
	£
At 1 January 2008	703,227
Loss for the year	10,459
At 31 December 2008	692,768

9 Related Parties

The company is controlled by the directors on behalf of the membership.

10 Company Status

The company does not have a share capital. In the event of a winding up each member has a guarantee to the company of £1 each. In the event of a winding up the assets of the company are to be donated to a like minded charitable institution.

NEWTON STEWART CINEMA LIMITED

Profit and loss account for the year ended 31 December 2008

	2008		2007	
	£	£	£	£
Sales				
Box office income		92,680		103,355
Advertising income		7,532		5,872
Other income		27,623		34,055
		127,835		143,282
Cost of sales				
Cafe purchases	13,007		13,700	
Direct costs	48,894		61,531	
		61,901		75,231
Gross profit		65,934		68,051
Deduct: Expenses				
Salaries	47,618		48,487	
Rates & water	1,001		809	
Light and heat	6,829		6,743	
Insurance	4,245		3,997	
Cleaning, hygiene & pest control	634		829	
Repairs and maintenance	5,365		9,104	
Telephone	956		1,263	
Printing & stationery	1,323		1,420	
Sundry expenses	1,703		614	
Advertising	199		911	
Bank charges and interest	31		152	
Accountancy charges	405		657	
Legal & professional charges	1,000		1,400	
Plant and machinery	5,609		6,232	
Fixtures and fittings	350		438	
		77,268		83,056
		(11,334)		(15,005)
Other income				
Interest receivable		875		1,413
Net loss before taxation		(10,459)		(13,592)