



MEDICINEMA
(A COMPANY LIMITED BY GUARANTEE)

Trustees Report and Financial Statements
For the year ended 31 December 2021



Charity registration no 1058197 (England and Wales)

Charity registration no SC039704 (Scotland)

Company registration no 3210199 (England and Wales)



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Message from the CEO

To all our stakeholders

At the start of the fiscal year in January 2021, we found ourselves in profoundly uncertain times, nine months into the Covid-19 pandemic and continuing to experience successive waves of the virus. As a charity delivering a service within the NHS, we bore witness to many of the intense challenges which those on the frontline of medical care were facing. And as we engaged with many of our funding partners across the world of cinema and film, the longer-term impact of uncertainty and economic disruption was starting to bite.

At MediCinema, our purpose and charitable aim is to improve the wellbeing and quality of life of NHS patients, their families, and carers through the power of the shared cinema experience and the magic of film. Therefore, it's the needs of our patients which have remained front of centre of our thinking throughout the year. Alongside this, we needed to take care of our own employees, many facing their own uncertainties, whilst ensuring the long-term financial sustainability of our charity.

Starting 2021 with another lockdown, we again we found ourselves having to close some of our sites. A glimmer of light however was that we were able to keep the MediCinema running socially distanced screenings for patients at Newcastle's Royal Victoria Infirmary. At this time, it would have been the only operating cinema in the country!

As regulations eased further, we were then able to start reopening more cinemas. It's thanks to the dedication of the hospital staff we work with who see the benefits that a trip to our cinemas bring that we were able to make this happen. With the ongoing risk of transmissibility, many patients in NHS hospitals have been isolated on the wards with few or no visitors at all. So it is very much within this especially challenging context, that the joy and relief offered by a visit to a MediCinema has been really heightened for our audiences.

The Mum of 11-year-old Michael told us: *"And how did he find the screening? He loved it, loved it, loved it! He was laughing and he was happy. For those two hours he could just slip into the world of the movie and stop thinking about being unwell. It helped him forget about his pain by being involved in the story. You can't put a price on taking away a child's pain for two hours of the day."*

Building on our innovation in 2020, our free bedside film channel continued to gain momentum, and for children, Moments that Matter activity packs in partnership with Disney and with themes of resilience and connections brought much needed enjoyment. Therefore, despite the operational rollercoaster, and with staff in and out of furlough, I am proud to report that our small team provided over 46,700 film experiences for patients.

It was with huge relief towards the end of the year that public cinemas and the wider film sector started to open again. Thanks to the generosity of our partners and the public, we have ended 2021 in a stable financial position.

Having joined the charity myself in September, I have recently had the opportunity to engage with several of our hospital partners and take stock. It's becoming clear that our organisational resilience and our ability to continue to benefit patients throughout the pandemic, has been built on extraordinary levels of trust, proven benefit, and the positive relationships which MediCinema has

built. And that our physical presence within hospitals has meant we have become integrated into many aspects of patient experience. In this regard, my thanks and gratitude go to our founder Christine Hill MBE and MediCinema's leaders over the ensuing years whose care and stewardship has ensured such a robust legacy.

There's no doubt that 2022 will continue to be a complex operating environment for a charity such as ours. We'll need to keep focusing on recovery, especially in working to restore screenings within our hospitals, and build on the added impact which our bedside presence has proven so well in recent times. Our hope is that via new and renewed partnerships, we can resource the development of more cinemas and ensure that the inclusive, joyous, and magical experience of film can reach more of those in need.

With warmest regards to you all,

Colin Lawrence, CEO



Message from the Chair

This year has indeed been tough for all charities, as the pandemic has heaped additional financial and human pressures on the sector. MediCinema has had to make many shifts through a downturn in income and difficult operational environments in order to continue to deliver the services it was set up to provide.

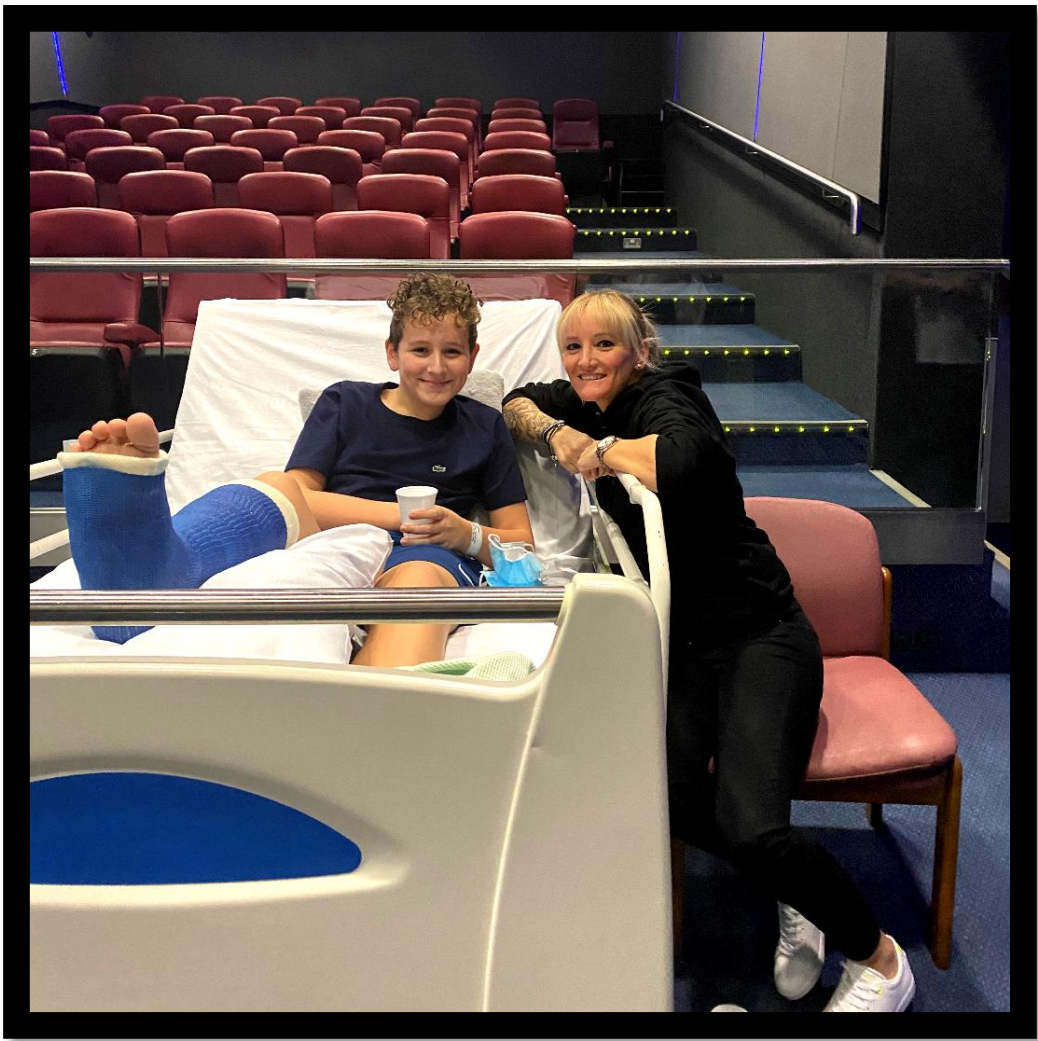
As such I would like to say a special thank you to the outgoing CEO Kat Mason who left in August after seven years in her position, and the outgoing Chair, Paul Massara, who stepped down at the end of his five-year tenure in August 2021. Their commitment to ensure that MediCinema remains resilient and continues to provide valuable impact for NHS patients during this challenging time, whilst also maintaining a team working mainly from home, some throughout periods of furlough, has left the charity in a more robust position than we might have imagined.

On behalf of the board, I wish them the very best and look forward now to continuing planning for the future, with core and additional services increasing MediCinema's impact, with Colin as our new CEO.

With warm regards

Kezia Williams, Chair





REFERENCE AND ADMINISTRATIVE DETAILS

Charity number (England and Wales)	1058197
Charity number (Scotland)	SC039704
Company number	3210199
Registered Office	Conybeare House, Guy's Hospital, London, SE1 9RT

Our advisors

Auditors	Sayer Vincent, Invicta House, 108-114 Golden Lane, London EC1Y 0TL
Bankers	Coutts & Co, 440 Strand, London, WC2R 0QS
Solicitors	Akin Gump Strauss Hauer & Feld LLP, Bishops Square, Spitalfields, London E1 6EG

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Chair	K Williams (from 1 September 2021) P Massara (resigned 31 August 2021)
Elected Trustees	L Atkinson S Bristow M Burbidge (Deputy Chair, Treasurer) J Chan (resigned 23 June 2021) P Hoy Dr N Lessof (resigned 23 June 2021) C Lilly (resigned 31 July 2021, appointed 1 November 2021) S Morrill
Secretary	L Bridger (appointed 22 September 2021) K Mason (resigned 22 September 2021)

Key management personnel

Chief Executive	Colin Lawrence Kat Mason (resigned 22 September 2021))
Chief Operating Officer	Paul Giggall
Director of Communications	Lysette Cohen

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 December 2021

The trustees present their report and accounts for the year ended 31 December 2021.

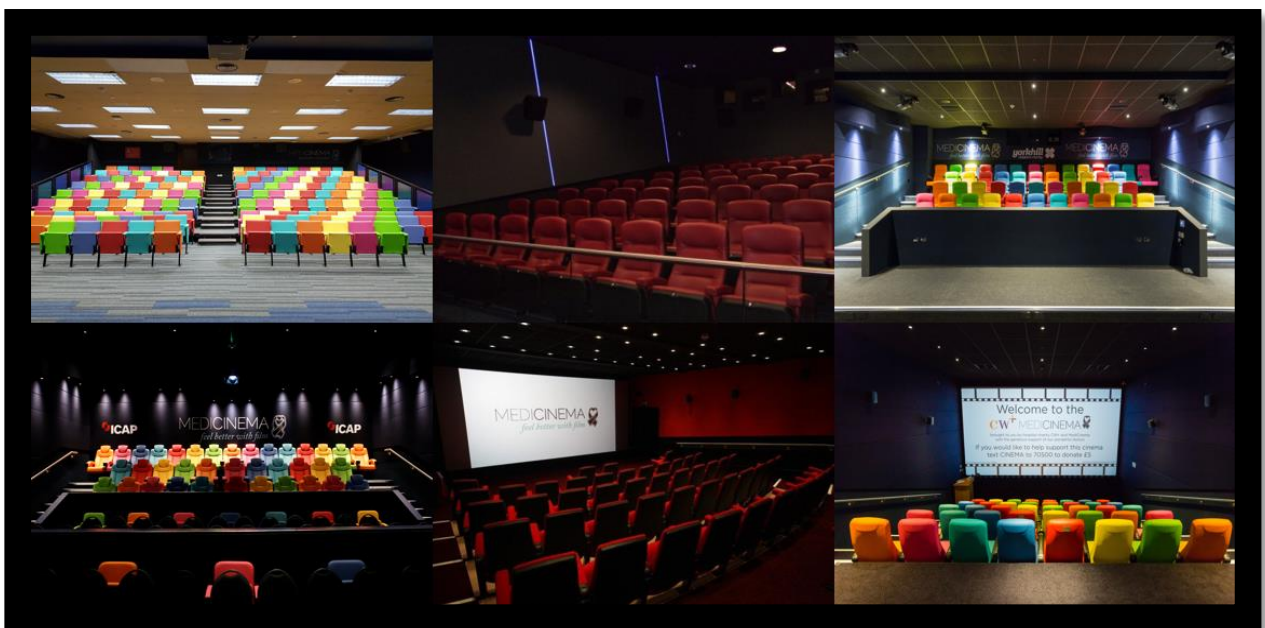
The accounts have been prepared in accordance with the accounting policies set out in Note 1 and comply with the charity's memorandum and articles of association, *the Charities Act 2011, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard application in the UK and Republic of Ireland (FRS 102)*.

Our objectives and activities

The object of MediCinema is the relief of sickness, infirmity and old age by providing cinematic and kindred entertainment in hospitals, hospices, residential establishments and other establishments of a similar nature; and the promotion of any other charitable purpose for the relief of sick, infirm or elderly patients or residents as the trustees shall from time-to-time think fit. The charity aims to enrich the quality of life in hospitals and places of care for patients young and old by screening, free of charge, current cinema releases in an on-site cinema, away from the ward.

We currently have six MediCinemas in the following locations:

- MediCinema at the Royal Victoria Infirmary, Newcastle
- MediCinema at the Serennu Children's Centre, Newport
- The ICAP MediCinema at Guy's Hospital, London
- The Yorkhill MediCinema at Southern General Hospitals (Royal Hospital for Children & Queen Elizabeth University Hospital), Glasgow
- CW+ MediCinema at Chelsea and Westminster Hospital, London
- *MediCinema at St. Thomas' Hospital, London (now under reconstruction)*



MediCinemas are designed to accommodate wheelchairs and hospital beds to support as many patients as possible. Patients using the MediCinemas include those with drips and on respirators; those recovering from operations; undergoing chemotherapy or dialysis; and many, many more. As well as being looked after by our volunteers and cinema managers, patients receive constant medical care from our nurses who attend screenings throughout. Safeguarding and care are central to MediCinema's offering, and our resourcing arrangements reflect this.

Families and carers are welcome to attend alongside patients, ensuring that the cinema offers an opportunity for patients to escape the isolation of their wards and spend quality time with their loved ones outside of the medical setting, in the 'normal' activity of going to the cinema. Of course, this has changed during COVID-19 when no or very few visitors have been allowed and we have held either personal or socially distanced screenings. We hope to return to our usual practice when circumstances allow.

Outside of the MediCinemas' use as a cinema, we work in partnership with the Hospital Trusts and partner organisations to ensure the best usage of the space throughout the year. Pre-COVID-19 this has included supporting medical teaching and training, clinical multi-disciplinary meetings, external and internal lectures and meetings, as well as other arts and entertainment activities as part of the non-clinical support of patients. While our cinemas have been suspended on and off due to COVID-19, we are proud that the spaces have instead been used to train staff and for staff wellness amongst other things.

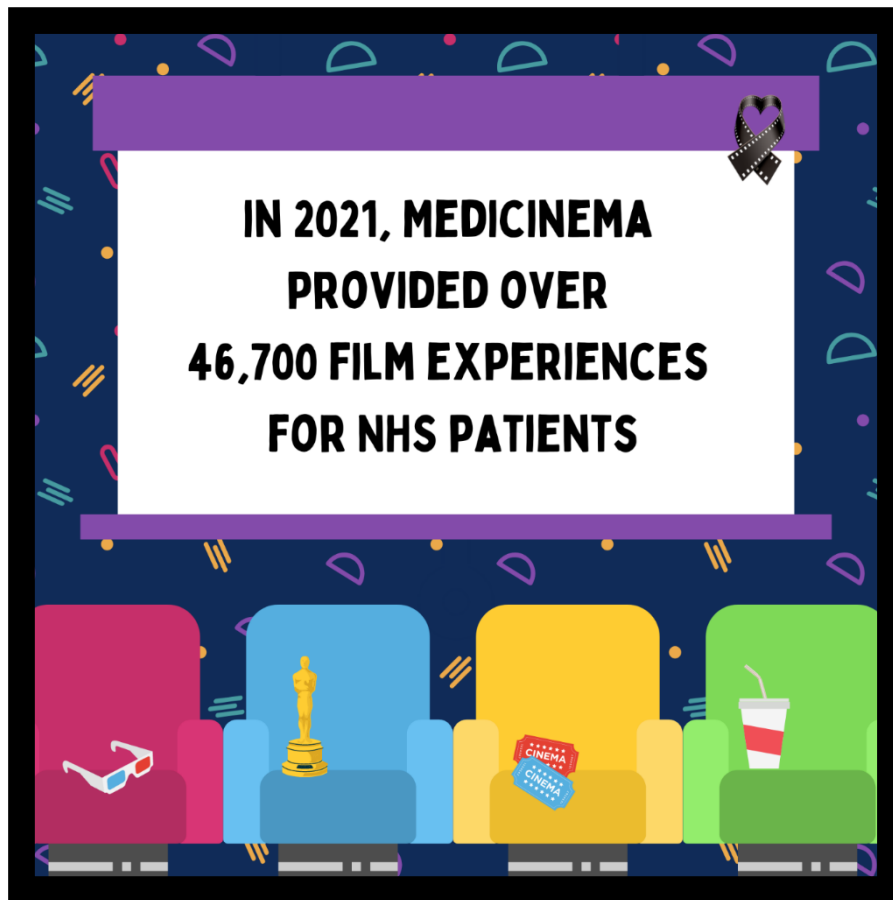
MediCinema's work benefits all patients signed off by the medical staff as well enough to attend screenings under the care of the dedicated nurses, their families, and carers. In addition, MediCinema has a wider benefit to carers, families, and staff in our sites of operation, as well as to our own staff and volunteers. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance *Public Benefit: Running a Charity (PB2)*.

The trustees have considered these matters and concluded:

- 1) that the aims of the organisation continue to be charitable;
- 2) that the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need;
- 3) that the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay; and
- 4) that there is no detriment or harm arising from the aims or activities.



Achievements and Performance



Nearly 200,000 cinema experiences given by MediCinema since the charity started in 1999

In 2021 MediCinema provided 46,739 experiences to patients compared to 43,697 in 2020

- **7.9%** of these through **core MediCinema screenings**
3,728 attendees at 656 cinema screenings
- **65.1%** through **free bedside screen service**
30,411 users watching for 84,810 hours at their bedside
- **27%** through **Moments that Matter activity packs**
12,600 people through Activity Packs

In 2021 we continued to deliver our core and newer services to patients. Having pivoted to launch a new free bedside film channel in 2020 when our cinemas had to quickly shut, this channel reached more patients in 2021 coming at a time when there were once again few to no visitors in the hospitals due to COVID-19 restrictions. We continued work on the implementation of the 2018-2025 strategic plan as we also take note of changes within the NHS operating environment.

Supporting patients and their families through the power of film

Cinema screenings

Throughout 2021 there were a series of lockdowns and changes to COVID-19 regulations fluctuating across the country. We continued to work closely with our hospital partners and throughout this time were able to keep our cinemas open where possible, whether by keeping socially distanced screenings, or as personal screenings only as in the case of the Glasgow's Yorkhill MediCinema at Southern General Hospital. After being closed since March 2020, we were thrilled to be able to reopen the ICAP MediCinema at Guys Hospital in London in November 2021.



Eva Maria has repeated visits to the Chelsea and Westminster Hospital in London.

“Being unwell and in hospital can be very difficult. **But being given opportunities, like going to the MediCinema, can help heal your mind.** That is so important when you're unwell. MediCinema gives people the chance to be normal, to carry on with normal life and not to miss out just because they are

unwell. Just the *thought* of having a few hours of cinema, gave me my energy back and made my day. **But ultimately, it gave me hope – hope that I could have my life back.”**

The MediCinema free to use bedside service goes from strength to strength

Our new free bedside film channel proved to be increasingly popular. Ideated and launched by our Operations team just one month after lockdown in 2020, this service has meant that patients, the majority of whom were on their own on the wards unable to receive visitors due to COVID-19 restrictions, could at least immerse themselves in a good film.

“When she was in hospital she said [the bedside] films not only took her mind off the pain and worry about her surgery, but it also cheered her up and she felt more relaxed and calmer in a ‘hospital’ clinical environment, especially with all the additional restrictions and PPE.”

Parent of inpatient at Manchester’s Royal Children’s Hospital



This service is made possible thanks to the continued partnership with Hospedia, the leading supplier of hospital bedside screens, non-theatrical film distributors Filmbankmedia and the support of our theatrical film distributor partners. Two films are played each week and are on rotation every two hours. At the time of writing our bedside service has been extended to eight hospital sites.

Moments that Matter Activity Packs for children

Throughout the COVID-19 crisis MediCinema, together with its long-term partner The Walt Disney Company, has been designing and distributing activity packs with extra-special meaning to children in hospitals and hospices. While visitors have been severely restricted, these colourful packs based on everyone's favourite Disney characters are designed to help foster positive feelings, increase confidence, help build emotional resilience and reduce isolation during a period in which connecting with others is even more challenging.

- **12,600 packs delivered**
- **28 hospitals reached**
- **4 different Disney themed packs:**
Marvel Mania, Moana, Star Wars Day, World Princess Week

“Wow the packs are stunning! The artwork is beautiful, and you can see all the care and thought that has gone into them to make sure they have a real positive impact on the children. We know these really do make such a difference to our children at times of anxiety and stress and can help inspire them, feel strong and shine. I really can't wait for the messages of kindness and courage to spread through the wards all week and bring everyone together – staff as well as the children and families! It's going to be so special.”

Michele, Playworker, Evelina Children's Hospital



Impact

Since the pandemic lockdowns started the impact on hospital patients has been profound. For nearly two years they have faced increased isolation on the wards due to COVID-19 protocols. This has affected young and old patients alike, along with family members who are either not allowed to visit and children who have been allowed only one parent to visit.

A visit to one of our MediCinemas gives a much-needed opportunity to leave the wards and medical environment for a short while to enjoy the shared experience of watching a film with others. This might be the only opportunity they have to spend time operating away from the isolated hospital setting. In some instances, over this year ours have been the only operating cinemas in the country.

MediCinema's bedside screen service means that patients can watch a movie for free bringing the distraction from their daily environment and sometimes medical treatment. And the activity packs which are specifically designed and created to help build resilience and connectivity in children have been welcomed by hospital playworkers and families alike.

Patient Stories

The stories our beneficiaries tell us about the difference we have made to them and their families' lives. The following case studies demonstrate the impact our services have on patients. Here are just a few from the many received throughout the year:

Vanessa



Vanessa was in Newcastle's Royal Victoria Infirmary for over two months having been admitted for a bone marrow transplant. But after suffering from a stroke, she was moved to intensive care before going back to the ward. Her mum Bukie told us, **"It was a traumatic and isolating time for our family, the hardest time of my life,** where we didn't know what we were going to meet, and we didn't know how long we were going to be in there for. The stay was made harder because of Covid because Vanessa couldn't see other children on the ward and wasn't allowed any visitors other than me.

We went together, Vanessa in her wheelchair. The MediCinema was beautiful – even better than I had expected – and being able to watch a young patient come in on a bed... I thought, "Wow, that is really lovely." Everyone was included and it felt really good seeing that. Staying in hospital isn't always an easy

journey and when you have something long-term, you can be made to feel as though you have the plague. **Watching other patients come in, even in their beds, and watching their parents sit down**

next to them ... it gave me goosebumps. No matter what you're going through, life goes on and you don't have to stay in your room, you can be a part of it. Vanessa really enjoyed it. She felt so much happier afterwards – it changed her whole mood. She'd been getting agitated, and we were so worried about her, but the screening gave her something to enjoy and something we could do together that could get us out of the shock of what had happened to her. **MediCinema gives joy to people when they may be going through troubling times. It puts smiles on people's faces and gives people, like us, hope."**

Jake



"My little boy, Jake, was three when we came to the MediCinema. We had just been hit with the news that he had Leukaemia," his Dad Craig told us. "It was a truly awful time for our family. We were faced with a rollercoaster of emotions and what felt like endless days in hospital. He didn't really understand the severity of the challenge that he had ahead of him, but we did. **It was such a difficult time for us as parents, but to spend an evening as a family at the MediCinema was the relief that we both needed. It took us out of the clinical, bright white hospital room and gave us something normal to enjoy. And to see Jake laughing was like a tonic that came at the perfect time for us both.**

And while MediCinema provided relief and normality for us, for Jake it was an adventure. He's lived a third of his life with Covid and lockdown, so it was his first ever trip to the cinema. He had no concept of what the cinema was, what he was seeing, or how he was seeing it. **After three very long weeks in hospital, he got to do something special he had never done before – something that wasn't hospital related. He wasn't getting jabbed or getting his temperature taken for the 4000th time. He was escaping into a different world.**

MediCinema provides patients and families an escape from very real and troublesome times. **Your life may have been turned upside down, but you're given this fantastic opportunity, these special moments, that you will always cherish. It was the most magical experience for my little boy and it's something me and my wife will never forget.**

Tom



“MediCinema was fantastic!” Tom told us. “To have the opportunity to watch films within the hospital is such a need!

The doctors and nurses can look after your physical health but unfortunately, they don't always have the time to help you with the mental health side of being in hospital. It's such a rollercoaster of emotions and there's no escape to it all. To be able to be taken away from the ward and drift into the depths of a film is invaluable and helps the patients' overall recovery process. **And so for some of the MediCinemas to have been able to stay open during Covid – even when other cinemas have been closed – has been crucial.** I've been in and out of hospital receiving physical and mental health treatment and most recently because I had relapsed with an eating disorder. **Having the MediCinema is something that saved me from the very dark days. More and more young people have been entering hospitals because**

of mental illness and going into hospital is such a daunting and, in some ways, a very lonely experience, so having a service like this is vital to give essential help in the darkest of hours.”

Shelby



Mum Emma told us: “My seven-year-old daughter, Shelby, has Down's Syndrome and there are numerous health conditions associated with that. When she was first born, I was so worried; I wanted to do the best by my little girl, and I had so many concerns about the unknown. But things changed when we started bringing Shelby to the Serennu Children's Centre. When you're there, you're listened to, and you meet so many amazing people. When the team emailed us recently to say they had some spaces for a screening of Peter Rabbit 2 me, Shelby and her older brother, Logan went along. **Nothing could have topped it. It felt normal – like a much-needed dose of normality – to be able to go to the cinema for the first time in over a year.**

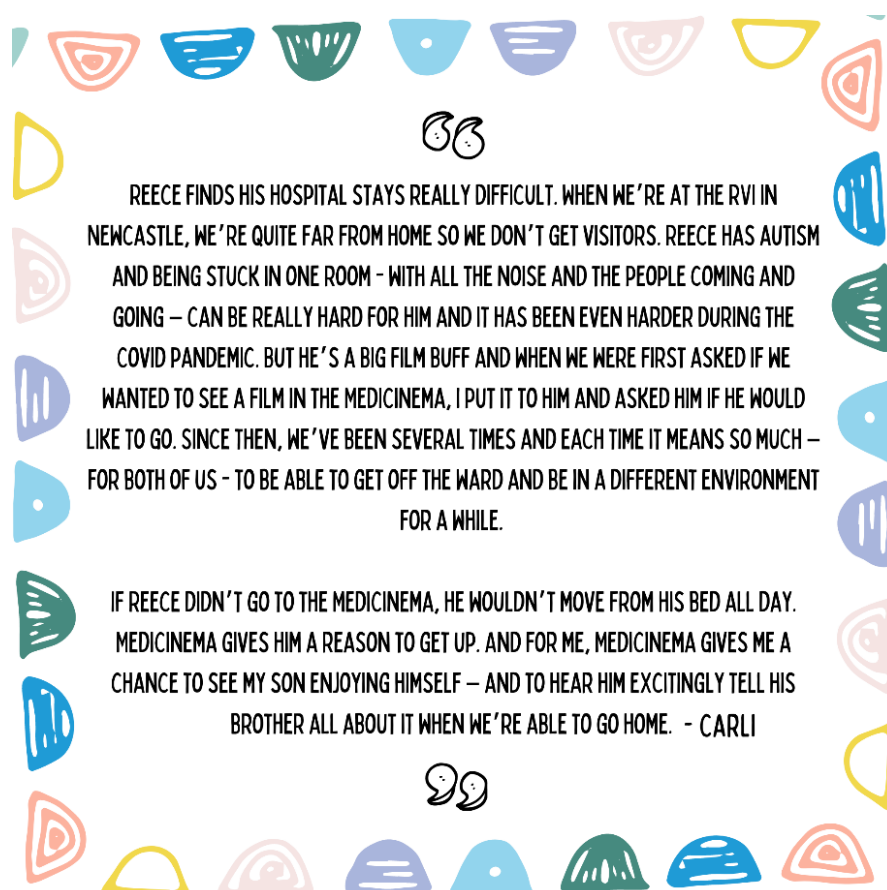
It was so lovely to see Shelby so happy. She missed out on a lot when she was shielding, and she just couldn't understand why, so to be able to see her enjoy herself and laugh throughout the film was amazing. It was lovely for Logan to see too. He's ten years old and very protective over his little sister, Shelby. He just wants to see her happy. **It was so precious to see and hear the children laughing in that cinema, to see how happy they all were. And to see parents not having to worry if their child might be showing behaviour that other parents might not understand. We were all in the same boat**

and there's something very bonding about not feeling alone in that situation. Having a child can be challenging and having a child with additional needs can be extra challenging. There's a certain pressure that can come with a diagnosis. It can be painted black, but **places like MediCinema and the Serennu Centre paint it yellow. They bring the light back in and remind you that people care.** I'm so very grateful for that. When I asked Shelby what she thought of the MediCinema, she just asked: "Please can I go again every day?"

Gathering and evaluating feedback

Screenings

Whilst we were unable to do formal surveys with patients after screenings due to COVID-19 protocols, our Operations team did continue to gather feedback by email in order to evaluate the service. **We were able to add 300 previous patients to our database, offering all of them the opportunity to provide us with feedback.**



Activity Packs: Ultimate Princess Celebration Activity Pack Hospital Survey 2021

In the UK we delivered 7,000 Activity Packs to 28 UK hospitals, and at the same time screened Moana in our MediCinemas and showed Disney Princess films on the hospital bedside screens.

In September 2021 we sent a survey to hospital Play Teams requesting feedback on our Princess Celebration packs, produced in partnership with Disney UK.

Fifty-five respondents from across 20 UK Hospitals told us the following:



- **100%** of staff felt the packs made a **positive difference to patients' hospital stays**
- **98%** felt the packs **made a positive difference to them as staff members**
- **87%** of hospital staff felt the UPC packs **helped to reduce children's fear and anxiety**

"These packs have been great for our patients. They have really boosted their wellbeing. It's been lovely to see children playing with the stickers and parents joining in with the activities. Thank you so much for providing such a lovely resource to celebrate Princess Week."

Julie, Play Service Manager, Bristol Royal Hospital for Children

"The packs help enormously, particularly at this critical time when we are short-staffed and don't have as much preparatory time for play as we might wish. We have been able to distribute the packs throughout all inpatient areas and ask parents to assist with the prepared activity, this in turn has meant we have been able to dedicate longer to the children who need our 1-1 support."

Glasgow Royal Hospital for Children

Volunteer Support

MediCinema continues to benefit from an expansive volunteer network which works alongside our paid staff (cinema managers and nurses at our in-hospital sites and technical assistant at the Serennu Centre) to collect patients from the wards, walk with them or push wheelchairs or beds, bring them to the cinema and then return them to their wards after the film. More importantly, volunteers put patients, who may be very anxious about leaving the ward, at ease and gives them the chance to talk about something completely unrelated to their condition. This social interaction is vital for patients and their families, especially patients who don't get many, if any, visitors.

“We simply couldn’t deliver the MediCinema screening programme without the support of our incredible volunteers. People are at the absolute heart of what we do – the patients are at the centre of everything – and our volunteers not only help on a practical level in bringing patients to the MediCinemas, but more importantly they bring the caring human side and help create the warm, welcoming, community atmosphere that makes everything so special. We cannot express how much we value their time, care and dedication - it is no mean feat to walk the wards and engage patients whilst ensuring their experience is positive and adds to their wellbeing. As we reopened each site, it has been just wonderful to welcome back our volunteers to the team doing their fantastic work again.”

Paul Giggall, Chief Operating Officer

Organisational Development

In September 2021 Colin Lawrence was appointed as MediCinema’s new Chief Executive Officer, after Kat Mason stepped down in August following seven years in the role. In the short intervening period, Board Member Crispin Lilly stepped down as a Trustee and took over as Interim-CEO and returned to the Board once Colin took up his role.

In September 2021 Kezia Williams, was appointed MediCinema Board Chair - from her position as Deputy Chair - taking over from Paul Massara who came to the end of his five-year tenure. Treasurer Michael Burbidge also took on the role of Deputy Chair. Trustees Judith Chan and Dr. Nick Lessof resigned 23 June 2021 and we would like to thank them for their time and dedication.

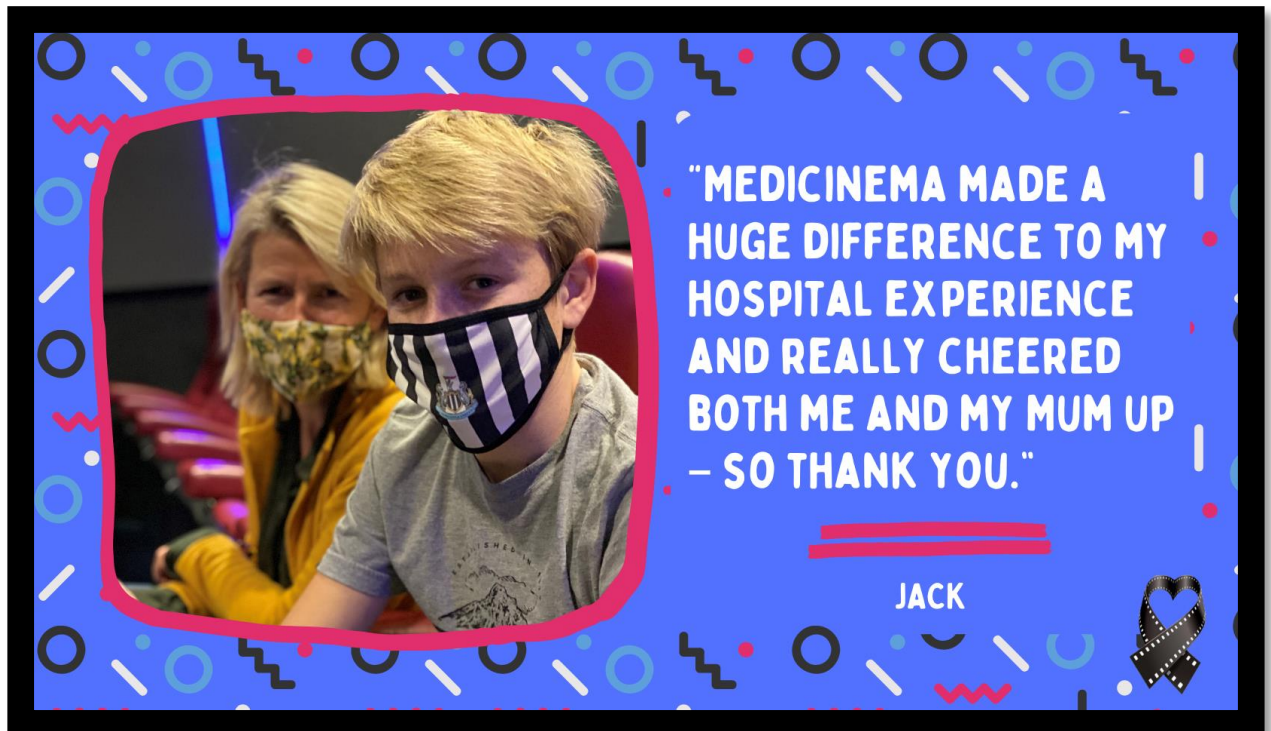
Within the staff team, in September 2021 Paul Giggall was promoted to Chief Operating Officer from his role as Director of Operations. September also saw the appointment of a new Fundraising Manager for Individual Giving and Trusts and Foundations, Mabs Rahman.

We would like to say a special thanks to our staff who have dealt with many challenges in 2021 including times on the furlough scheme when it was not possible to operate our cinemas and a period of salary reduction. As for many of our corporate partners the economic conditions have been challenging and we are grateful to staff for making this sacrifice to ensure our long-term sustainability.



MediCinema Ireland

In 2021 MediCinema Ireland was in the process of registering as a charity having been registered as a company in 2020. A MediCinema Ireland Board team has now been established with Trish Long, The Walt Disney Company's VP and MD for Ireland, as Chair. Board Members are Grainne Humphreys, Allen Kiernan, Sarah Williams Gavin Worrell and Lawrence Atkinson.



Fundraising

Fundraising Strategy

During 2020, as with many charities, a number of our traditional fundraising channels were impaired or put on hold. As a result we needed to make necessary adjustments to our cost base, enabling us to be sustainable until we could see some resumption of our income streams. Historically, MediCinema has enjoyed strong support from the film distribution and exhibition sectors which had previously covered over half its costs each year.

As regular cinemas began to open their doors again in 2021, and the public thankfully started to return, the industry itself was able to gain confidence. Towards the latter end of the year and with our cinema ad featuring patron Simon Pegg being shown once again, the positive impact on our income was immediate and we ended the financial year in a more stable position.

We are therefore so grateful to all our partners who showed understanding of the challenges of financially managing a charity during these uncertain times, including pivoting our services and reallocating resources to best meet the needs of our patients and the organisation.

Looking ahead, we anticipate more change in this area, as CSR programmes become more prominent across many sectors, and digital technology may enable new routes to funding.

MediCinema would like to specifically draw attention to and thank: The Atlas Fund, Bernard Sunley Foundation, Berry Farms, Disney UK, The Marketing Store, the Masonic Charitable Foundation, Merchant Taylors, Vista and Vue Entertainment.

Trusts and Foundations

With our usual corporate income streams impaired by Covid, we focussed on surviving and then recovering as we managed throughout a year of continued change and uncertainty. And we are proud that we were able to respond to the increased needs of our patients, even more isolated than in normal times.

We are incredibly grateful for the support and flexibility given by our existing trust and foundation funders this year, all of whom unrestricted their grants to ensure we could use the funds where needed most in this crisis.

Corporate Partnerships

It is with notable and heartfelt thanks that when cinemas started to reopen in 2021, Vue Entertainment were once again able to facilitate customer donations alongside their digital ticket sales, a vital income stream for us.

At the beginning of 2020, MediCinema was in dialogue with all eight major distributors having successfully developed a Nationwide Preview Screening (NPS) programme in 2019. However due to the pandemic and closure of cinemas we had no choice but to suspend this programme. This is an income line which was of particular significance to MediCinema and one that the organisation remains keen to re-establish when the industry is ready. At the time of writing, we are starting to open these and other discussions again.

MediCinema were the chosen charity this year to benefit from Disney UK's internal Moment Maker's fundraising programme driven by their yearly intake of Interns. Pearl and Dean have for free included us in their cinema ad reel and we know that the public have donated to us having seen this. And once again eOne and Hasbro made us the recipients of their Global Day of Joy.

In August we were chosen as the charity partner for Disney and photographer, filmmaker and cultural curator, Misan Harriman *Mickey & Friends: The Power of Friendship* photography series. Harriman captured a star-studded line-up alongside untold stories to unearth inspiring friendships. The stars were photographed with their friends and loved ones to mark International Friendship Day, and to raise awareness for MediCinema. The series featured the touching story of eight-year-old Lucas who has been in and out of hospital his whole life, and has formed a strong bond with MediCinema volunteers, Billy and John, who Lucas considers as his best friends. Also taking part were MediCinema patrons actors Simon Pegg and Nick Frost.



Picture credit: Misan Harriman

Hospital Partners

MediCinema continues to maintain genuine and meaningful partnerships with its hospital partners. Throughout the year we have worked hand in hand with all our hospital partners to respond to the changing situations at each site and to take their clinical expertise in regard to sustaining our services. This included adjusting our procedures to be COVID-19-safe on reopening for socially distanced or personal screenings, whilst enabling us to also develop alternative service provision - such as bedside screens and activity packs - when the cinemas have been closed. Our funding arrangements with each have continued, linked to the costs of service provision at each site.

MediCinema is grateful to the teams in all its hospitals, and their associated charity trusts for working closely and flexibly with us at such a challenging time.

Individual Giving & Philanthropy

We are grateful that despite Covid-19 and the economic challenges that have ensued, MediCinema has had amazing public support. Donations, fundraising income and challenge events have stayed strong with sponsored events like the London Marathon, Kiltwalk and the Royal Parks Half Marathon remaining an important ongoing stream of income for the charity. We have also had an increase in in-memoriam donations. Many of those who have taken part in challenges or donated have experienced MediCinema themselves or know someone who has, understanding the value we bring to patients' time in hospital.

At the end of 2021 we ran a Christmas appeal to raise money to send 1000 patients to a MediCinema screening and are thrilled to say that thanks to the generosity of the public and some corporate partners we exceeded this target, raising enough for 1134 patients.



While our means of developing philanthropic relationships was hampered these past two years, we continue to look to develop relationships and our pathways for engagement with high-net-worth individuals, to support the current recovery and future innovation of the charity in the longer term.

Fundraising Practice and Regulation

We communicate with our individual supporters via email, mail and phone calls where appropriate. In previous years (pre-COVID-19) we have engaged them with invitations to patient screenings and events – these have been exceedingly limited in 2021. We recruit new supporters via an advert that would usually play in cinemas – and began its return this year – and through our various corporate partners who promote our cause to their customers. We utilise our social channels and general publicity of our work and initiatives to raise awareness of our services and our impact, encouraging people to become supporters through donating and when possible volunteering. Our main income streams are corporate, hospital partners, trusts and foundations and individual giving with a developing capability in philanthropy fundraising through developing mutually beneficial relationships with supporters. We also raise funds through community, challenge events, in memoriam and legacy activity.

MediCinema is registered with the Fundraising Regulator and seeks to adhere to its principles published in the Fundraising Code of Practice at all times when undertaking fundraising from the public. This includes being legal, open, honest, and respectful, and ensuring that no one who appears to be vulnerable is asked to commit to giving. We have a complaints policy published and received a total of 0 complaints, none of which were escalated to the Fundraising Regulator.

The impact of the COVID-19 pandemic

While the impact of Covid-19 continues, we have had financial support in some key areas. Our services have continued in some form with personal and socially distanced screenings, the free bedside film channel and specially designed activity packs. There has of course been an impact on income, but we have started to turn the corner to recovery and are hoping that in 2022 we can move forward with more confidence with an important role to play in improving the quality of life for patients in NHS hospitals.

"The atmosphere of the cinema is very authentic, but moreover it is the passionate and dedicated staff and volunteers that make the experience so incredibly special and part of the recovery process. Their accommodating natures makes each viewer have a comfortable, enjoyable experience, forgetting they are even unwell for a little while. Thank you."



PATIENT, CW+ MEDICINEMA



FINANCIAL REVIEW

	2021	2020
Income	£ 811,524	£ 1,347,963*
<i>Of which, Gifts in kind (head office rental cost, legal advice, license and logistics of films)</i>	£ 90,231	£ 114,741
Expenditure	£ 768,703	£ 956,086
Surplus	£ 42,821	£ 391,877
Total fixed assets	£565,786 (at 31 December 2022)	£628,204 (at 31 December 2021)
Overall assets	£1,730,472	£1,687,651

* 2020 income includes a capital grant from Disney of £569,418 which is included in restricted funds as at 31 December 2021 and 2022.

Investment powers and policy

Aside from retaining a prudent amount in reserves each year most of the charity's funds are to be spent in the short term so there are few funds for long term investment with the exception of those raised for new MediCinema installations. All funds are remitted to MediCinema head office and held in a Coutts deposit account.

Reserves policy and going concern

It is the policy of the charity that the level of free reserves (those not tied up in fixed assets and designated and restricted funds) should be maintained at a level equivalent to three months' expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. At 31 December 2021 free reserves totalled £271,953 (against 3 months' operating costs going into 2022 of £255,000). In light of the COVID-19 pandemic and the impact on the cinema industry, the trustees believe that it is prudent to hold the current level of reserves as 2022 is likely to be a challenging fundraising environment.

In 2020 the trustees designated £200,000 to support new cinema development, during 2021 this has increased to £275,000 with a widening of the designation to include new innovations alongside new builds.

The trustees have reviewed the circumstances of the charity, its fundraising, financial and cash flow plans, and consider that adequate resources continue to be available to fund the activities of the charity for the foreseeable future. Its cost base has been reviewed and, where possible without affecting service delivery, reduced. The trustees are of the view that the charity is a going concern.

Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on June 10 1996 and registered as a charity on September 23 1996. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Appointment of trustees

As an arts-in-health charity whose work focuses on a broad range of people, the directors seek to ensure that the trustee body is representative and includes members with the relevant skills. The Board consists of members from the film industries as well as members of the medical community.

Trustee induction and training

New Trustees are similarly familiarised with MediCinema and its work and also provided with an induction pack including copies of the main charity documents, latest accounts, strategy document outlining future plans and objectives and a copy of the Commission's guide 'The Essential Trustee'.

Trustees, already familiar with the practical work of the charity, are encouraged to visit the original MediCinema at St Thomas' Hospital from time to time and other MediCinemas as they open.

Organisation

The trustees meet four times a year and are responsible for the strategic direction and policy of the charity, a scheme of delegation is in place and day-to-day management rests with the Chief Executive who is responsible for ensuring that the charity delivers the services specified.

Related parties

None of our trustees receive remuneration or other benefit from their work with the charity.

During 2021, Crispin Lilly was employed as Interim CEO for a period of 3 months. He resigned from the Board of Trustees prior to his appointment and was re-elected at the end of his employment.

Pay policy for senior staff

The Directors consider the Board of Directors, who are the charity's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give their time freely, however, as noted above Crispin Lilly was employed as Interim CEO during the year, he stood down as trustee during this period. No other trustees received any payments for remuneration or expenses in the year.

The pay of senior staff is reviewed annually and against responsibilities, duties and performance as well as the financial position of the charity. In view of the nature of the charity, the Directors benchmark against pay levels in other charities of a similar nature, scope, size and ambition. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting for any additional responsibilities. If recruitment has proven difficult in the recent past a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

Risk management

The trustees have reviewed the major risks to which the charity is exposed. A risk register has been established which is updated annually. Where appropriate, systems or procedures have been established to mitigate the risks across the key areas of Operations, Fundraising, Infrastructure and Roll-Out and these are periodically reviewed to ensure that they continue to meet the needs of the charity.

The primary risk is financial, given the reduction in funding anticipated. The charity is in the process of recruiting a Director of Development who will develop a long term funding strategy.

Secondary risk is related to the safety of patients, volunteers and staff, and the trustees are confident that measures in place and approaches related to the temporary closure of cinemas and the moving of all office staff to working from home, as well as advice shared, mitigate these risks and have provided the protection required for our people. The charity continues to work with all its hospital and healthcare partners on the safe face to face service delivery in our MediCinemas, with staff offered vaccines as per the policies for frontline workers in the respective Trust, bi-weekly testing of staff undertaken, the suspension of volunteers on site, and revised policies and procedures for socially distanced screenings, when appropriate.

A further risk is to our patients themselves in terms of the loss of service, and the charity has worked incredibly hard with all its partners to establish a free bedside service to patients through this time. This is augmented where possible by activities and entertainment, especially through our activity packs and Moments that Matter programme in partnership with Disney. In 2021, given the feedback on the ongoing benefit to patients and staff of our new bedside services, we are working to extend these to ongoing services to be delivered alongside our cinema provision.

As the charity continues to extend its reach outside of UK borders through other organisations, the risks of this have been reviewed and considered. The legal structures and association of MediCinema Ireland is set up to mitigate any risks to the charity, brand, reputation and patient safety; and the work begun in 2021 to foster a closer working relationship with MediCinema Italy is being undertaken with a view to ensure the same.

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of MediCinema for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with application law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application resources. In preparing the 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 application 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 that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and the group and hence 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 as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 21 April 2022 and signed on their behalf by

By order of the board of trustees on
K Williams

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEDICINEMA

Opinion

We have audited the financial statements of MediCinema (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 December 2021 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 2006, the 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on MediCinema's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report, including the strategic report 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 trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

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.

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 regulations made under those Acts.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the Board of Trustees, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available 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 section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. 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 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)
22 April 2022
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

MediCinema

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations and legacies	2	459,454	351,954	811,408	504,102	843,505	1,347,607
Charitable activities							
Investments	3	116	–	116	356	–	356
Total income		459,570	351,954	811,524	504,458	843,505	1,347,963
Expenditure on:							
Raising funds	4	90,617	–	90,617	146,658	–	146,658
Charitable activities							
Operation of Cinemas	4	243,383	434,703	678,086	425,515	383,913	809,428
Total expenditure		334,000	434,703	768,703	572,173	383,913	956,086
Net income / (expenditure) for the year	5	125,570	(82,749)	42,821	(67,715)	459,592	391,877
Transfers between funds		(6,604)	6,604	–	(2,053)	2,053	–
Net movement in funds	15	118,966	(76,145)	42,821	(69,768)	461,645	391,877
Reconciliation of funds:							
Total funds brought forward		427,987	1,259,664	1,687,651	497,755	798,019	1,295,774
Total funds carried forward		546,953	1,183,519	1,730,472	427,987	1,259,664	1,687,651

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15a to the financial statements.

MediCinema**Balance sheet**

Company no. 3210199

As at 31 December 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	10		565,786		628,204
			565,786		628,204
Current assets:					
Debtors	11	103,051		98,338	
Cash at bank and in hand		1,199,030		1,048,473	
		1,302,081		1,146,811	
Liabilities:					
Creditors: amounts falling due within one year	12	(137,395)		(87,364)	
Net current assets			1,164,686		1,059,447
Total net assets			1,730,472		1,687,651
The funds of the charity:					
Restricted income funds	15a		1,183,519		1,259,664
Unrestricted income funds:					
Designated funds		275,000		200,000	
General funds		271,953		227,987	
Total unrestricted funds			546,953		427,987
Total charity funds			1,730,472		1,687,651

Approved by the trustees on 21 April 2022 and signed on their behalf by

Kezia Williams
Chair

Statement of cash flows

For the year ended 31 December 2021

	Note	2021 £	£	2020 £	£
Cash flows from operating activities					
Net income for the reporting period (as per the statement of financial activities)		42,821		391,877	
Depreciation charges		71,807		93,360	
Dividends, interest and rent from investments		(116)		(356)	
(Increase)/decrease in debtors		(4,713)		144,332	
Increase/(decrease) in creditors		50,031		22,048	
Net cash (used in) / provided by operating activities		159,830		651,261	
Cash flows from investing activities:					
Dividends, interest and rents from investments		116		356	
Purchase of fixed assets		(9,389)		(2,053)	
Net cash used in investing activities		(9,273)		(1,697)	
Change in cash and cash equivalents in the year		150,557		649,564	
Cash and cash equivalents at the beginning of the year		1,048,473		398,909	
Cash and cash equivalents at the end of the year	a	1,199,030		1,048,473	

Analysis of cash and cash equivalents and of net debt

	At 1 January 2021 £	Cash flows £	Other non- cash changes £	At 31 December 2021 £
Cash at bank and in hand	1,048,473	150,557		1,199,030
a Total cash and cash equivalents	1,048,473	150,557		1,199,030

1 Accounting policies

a) Statutory information

MediCinema is a charitable company limited by guarantee and is incorporated in United Kingdom.

The registered office address is Conybeare House, Guy's Hospital, London, SE1 9RT.

b) Basis of preparation

The financial statements have been prepared in accordance with 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 (FRS102) (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

On 17th August 2020 MediCinema Ireland was registered as an Irish company. MediCinema is the sole member for this company. MediCinema Ireland is in the process of registering as a charity and no transactions took place during 2020 and 2021, therefore, consolidated accounts have not been prepared.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants 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.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation 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), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, 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.

1 Accounting policies (continued)

g) Interest receivable

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.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of running the cinemas and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

- | | |
|------------------------|--------|
| ● Operation of cinemas | 72.34% |
| ● Fundraising | 22.47% |
| ● Governance costs | 5.19% |

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- | | |
|------------------------|--------|
| ● Operation of cinemas | 76.30% |
| ● Fundraising | 23.70% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|-------------------------|---------------|
| ● Cinema installations | 25 years |
| ● Fixtures and fittings | 4 or 10 years |
| ● Equipment | 5 years |

Notes to the financial statements

For the year ended 31 December 2021

1 Accounting policies (continued)

l) 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.

m) 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.

n) 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.

o) Pensions

Pension contributions are made by the company in respect of employees' individual personal money purchase pension schemes. The assets of the fund are held separately from those of the charitable company which has no liability under the scheme other than for the payment of contributions.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Individual Donations and Gift Aid	120,702	6,295	126,997	130,560	3,511	134,071
Corporate Donations	322,557	950	323,507	205,831	571,022	776,853
Grants	43,513	227,160	270,673	167,711	154,231	321,942
Gifts in kind	-	90,231	90,231	-	114,741	114,741
	<u>486,772</u>	<u>324,636</u>	<u>811,408</u>	<u>504,102</u>	<u>843,505</u>	<u>1,347,607</u>

Gifts in kind represent legal services, office rental and film delivery costs.

3 Income from investments

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Interest receivable	116	-	116	356	-	356
	<u>116</u>	<u>-</u>	<u>116</u>	<u>356</u>	<u>-</u>	<u>356</u>

MediCinema

Notes to the financial statements

For the year ended 31 December 2021

4a Analysis of expenditure (current year)

	Charitable activities				2021 Total £	2020 Total £
	Raising funds £	Running cinemas £	Governance costs £	Support costs £		
Staff costs (Note 6)	67,479	333,986	19,557	10,543	431,565	513,151
Nurses cost	-	59,000	-	-	59,000	38,254
Direct cinema costs	-	46,505	-	-	46,505	85,988
Fundraising costs	7,686	-	-	-	7,686	11,338
Communication costs	-	77	-	-	77	41,431
Finance	-	-	-	18,429	18,429	20,443
IT	-	-	-	15,144	15,144	12,511
General office	-	-	-	19,559	19,559	16,289
Governance	-	-	8,700	-	8,700	8,580
Depreciation	-	71,807	-	-	71,807	93,360
Gifts in kind	-	90,231	-	-	90,231	114,741
	75,165	601,606	28,257	63,675	768,703	956,086
Support costs	10,205	50,512	2,958	(63,675)	-	-
Governance costs	5,247	25,968	(31,215)	-	-	-
Total expenditure 2021	90,617	678,086	-	-	768,703	
Total expenditure 2020	146,658	809,428	-	-		956,086

MediCinema**Notes to the financial statements****For the year ended 31 December 2021****4b Analysis of expenditure (prior year)**

	<u>Charitable activities</u>				
	Raising funds	Running cinemas	Governance costs	Support costs	2020 Total
	£	£	£	£	£
Staff costs (Note 7)	109,422	352,278	25,291	26,160	513,151
Nurses cost	-	38,254	-	-	38,254
Direct cinema costs	-	85,988	-	-	85,988
Fundraising costs	11,338	-	-	-	11,338
Communication costs	-	41,431	-	-	41,431
Finance	-	-	-	20,443	20,443
IT	-	-	-	12,511	12,511
General office	-	-	-	16,289	16,289
Governance	-	-	8,580	-	8,580
Depreciation	-	93,360	-	-	93,360
Gifts in kind	-	114,741	-	-	114,741
	<u>120,760</u>	<u>726,052</u>	<u>33,871</u>	<u>75,403</u>	<u>956,086</u>
Support costs	16,942	54,545	3,916	(75,403)	-
Governance costs	8,956	28,831	(37,787)	-	-
Total expenditure 2020	<u>146,658</u>	<u>809,428</u>	<u>-</u>	<u>-</u>	<u>956,086</u>

Notes to the financial statements

For the year ended 31 December 2021

5 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021 £	2020 £
Depreciation	71,807	93,360
Auditor's remuneration (excluding VAT):		
Audit	7,250	7,150
Other services	-	3,200
	<u>71,807</u>	<u>103,710</u>

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	385,372	458,809
Social security costs	35,797	41,282
Employer pension contributions	10,396	13,060
	<u>431,565</u>	<u>513,151</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
£60,000 – £69,999	-	1
	<u>-</u>	<u>1</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £195,573 (2020: £252,914).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

During 2021, Crispin Lilly was Interim CEO for a period of 3 months. He resigned from the Board of Trustees prior to his appointment and was re-elected at the end of his employment.

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 11 (2020: 13).

Staff are split across the activities of the charity as follows (full time equivalent basis):

	2021 No.	2020 No.
Raising funds	2.0	2.0
Operation of Cinemas	9.0	11.0
	<u>11.0</u>	<u>13.0</u>

Notes to the financial statements

For the year ended 31 December 2021

8 Related party transactions

The charity received a donation of £500 from DDA Public Relations Limited. Lawrence Atkinson is a director of this company.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

9 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Cinema installations £	Fixtures and fittings £	Equipment £	Total £
Cost				
At the start of the year	803,354	341,217	247,974	1,392,545
Additions in year	-	-	9,389	9,389
Disposals in year	(31,716)	(50,253)	-	(81,969)
At the end of the year	<u>771,638</u>	<u>290,964</u>	<u>257,363</u>	<u>1,319,965</u>
Depreciation				
At the start of the year	246,915	290,428	226,998	764,341
Charge for the year	30,941	24,557	16,309	71,807
Disposals in year	(31,716)	(50,253)	-	(81,969)
At the end of the year	<u>246,140</u>	<u>264,732</u>	<u>243,307</u>	<u>754,179</u>
Net book value				
At the end of the year	<u>525,498</u>	<u>26,232</u>	<u>14,056</u>	<u>565,786</u>
At the start of the year	<u>556,439</u>	<u>50,789</u>	<u>20,976</u>	<u>628,204</u>

All of the above assets are used for charitable purposes.

11 Debtors

	2021 £	2020 £
Trade debtors	7,371	46,127
Prepayments and accrued income	95,680	51,608
Other debtors	-	603
	<u>103,051</u>	<u>98,338</u>

Notes to the financial statements

For the year ended 31 December 2021

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	6,201	24,894
Taxation and social security	14,849	10,330
Other creditors	1,096	2,441
Accruals and deferred income	115,249	49,699
	<u>137,395</u>	<u>87,364</u>

13 Deferred income

Deferred income comprises amounts received in 2021 relating to 2022

	2021 £	2020 £
Balance at the beginning of the year	-	-
Amount released to income in the year	-	-
Amount deferred in the year	73,321	-
Balance at the end of the year	<u>73,321</u>	<u>-</u>

14a Analysis of net assets between funds (current year)

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	-	565,786	565,786
Net current assets	546,953	617,733	1,164,686
Net assets at 31 December 2021	<u>546,953</u>	<u>1,183,519</u>	<u>1,730,472</u>

14b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	-	628,204	628,204
Net current assets	227,987	200,000	631,460	1,059,447
Net assets at 31 December 2020	<u>227,987</u>	<u>200,000</u>	<u>1,259,664</u>	<u>1,687,651</u>

Notes to the financial statements

For the year ended 31 December 2021

15a Movements in funds (current year)

	At 1 January 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2021 £
Restricted funds:					
Royal Victoria Infirmary, Newcastle	7,863	32,164	(29,556)	-	10,471
Chelsea and Westminster Hospital	-	64,456	(64,456)	-	-
Southern General Hospital Glasgow	-	51,684	(40,547)	-	11,137
Serennu Children's Centre	-	8,637	(8,637)	-	-
St Thomas's Hospital	17,336	34,932	(42,776)	(2,785)	6,707
Guy's Hospital	16,843	42,531	(59,374)	-	-
Disney Moments that Matter	-	27,319	(27,319)	-	-
Capital fund	589,418	-	-	-	589,418
Gifts in kind	-	90,231	(90,231)	-	-
Fixed Assets	628,204	-	(71,807)	9,389	565,786
Total restricted funds	1,259,664	351,954	(434,703)	6,604	1,183,519
Designated funds:					
Strategic Development	200,000	-	-	75,000	275,000
Total designated funds	200,000	-	-	75,000	275,000
General funds	227,987	459,570	(334,000)	(81,604)	271,953
Total unrestricted funds	427,987	459,570	(334,000)	(6,604)	546,953
Total funds	1,687,651	811,524	(768,703)	-	1,730,472

The narrative to explain the purpose of each fund is given at the foot of the note below.

Notes to the financial statements

For the year ended 31 December 2021

15b Movements in funds (prior year)

	At 1 January 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2020 £
Restricted funds:					
Royal Victoria Infirmary, Newcastle	7,393	26,822	(26,352)	-	7,863
Chelsea and Westminster Hospital	2,045	44,893	(46,938)	-	-
Southern General Hospital Glasgow	14,298	15,654	(29,952)	-	-
Serennu Children's Centre	-	6,568	(6,568)	-	-
St Thomas's Hospital	9,772	33,086	(25,522)	-	17,336
Guy's Hospital	10,000	32,323	(25,480)	-	16,843
Capital fund	35,000	569,418	(15,000)	-	589,418
Gifts in kind	-	114,741	(114,741)	-	-
Fixed Assets	719,511	-	(93,360)	2,053	628,204
Total restricted funds	798,019	843,505	(383,913)	2,053	1,259,664
Unrestricted funds:					
Designated funds:					
Strategic Development	-	-	-	200,000	200,000
Total designated funds	-	-	-	200,000	200,000
General funds	497,755	504,458	(572,173)	(202,053)	227,987
Total unrestricted funds	497,755	504,458	(572,173)	(2,053)	427,987
Total funds	1,295,774	1,347,963	(956,086)	-	1,687,651

Purposes of restricted funds

The restricted funds relate to grants and income and expenditure for the operational cost of each MediCinema.

Grants and income received to contribute towards the running costs of the MediCinema at Royal Infirmary Hospital, Newcastle:

	2021 £	2020 £
Children in Need	-	4,280
The Hospital Saturday Fund	2,000	-
Masonic Charitable Foundation	29,713	20,288
Other small grants and individual donations	451	2,254
	32,164	26,822

Grants and income received to contribute towards the running costs of the CW+ MediCinema at Chelsea and Westminster Hospital:

	2021 £	2020 £
CW+	64,256	42,595
Children in Need	-	2,045
Other small grants and individual donations	200	253
	64,456	44,893

Purposes of restricted funds (continued)

Grants and income received to contribute towards the running costs of the MediCinema at Southern General, Glasgow:

	2021 £	2020 £
Glasgow Children's Hospital Charity	41,241	12,813
Hugh Fraser	4,000	–
Other small grants and individual donations	6,443	2,841
	<u>51,684</u>	<u>15,654</u>

Grants and income received to contribute towards the running costs of the Serennu Childrens' Centre:

	2021 £	2020 £
Sparkle	8,637	6,568
	<u>8,637</u>	<u>6,568</u>

Grants and income received to contribute towards the running costs of the MediCinema at St Thomas's Hospital:

	2021 £	2020 £
Guy's and St Thomas's Charity	34,932	32,071
Other small grants and individual donations	–	1,015
	<u>34,932</u>	<u>33,086</u>

Grants and income received to contribute towards the running costs of the MediCinema at Guy's Hospital:

	2021 £	2020 £
Guy's and St Thomas's Charity	34,931	32,071
Merchant Taylors	7,600	–
Other small grants and individual donations	–	252
	<u>42,531</u>	<u>32,323</u>

Disney supports the costs of production activity packs to create moment that matter for children in hospital.

The capital fund is income to fund the development of future MediCinemas.

Purposes of designated funds

The Trustees have designated funds to be used for the strategic development of new cinema sites and new complimentary services.

16 Legal status of the 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 £1.



MEDICINEMA 
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