

22nd MARCH '91

BUDGET PROPOSAL

This proposed budget is based on the idea, that only one company winds up and that the other continues to carry on.

- As Cinema of Women costs more to run in terms of salaries and overheads, it could be wound up and pass its distribution rights to Circles, who could continue, ~~floating its debts.~~
- A break down of the debts is outline on pages 2,3 and 4 with a suggestion of how they could be managed.

This budget cuts cost across both companies and allows for a one month interim period for the wind up of Cinema of Women.

*over  
in  
back*

	£	original	
INCOME	68401	67288	- difference - 1,113
WIND UP COSTS (C.O.W.)	(22411)	<del>39189</del>	- " 15,778
RE-LAUNCH COSTS	( 3600)	4000	- " 400
RUNNING COSTS	(42390)		includes salaries.
INCOME REVENUE re-payment	<del>43574</del>		
	<u>9,366</u>		
SURPLUS/DEFICIT	484	-0	

*8,118*

CIRCLES DEBTS AS OUTLINE IN THE BUSINESS PLAN

Out standing Royalites 1989/90	£ 4572	<del>4,800</del>
Out standing NI	1906	*1
Outstanding Inland Revenue	3552	*2
Maya Deren B.F.I	346	*3
Estimated Royalties	- 6000	*4 - 4,800
Rent quarter ending April 91	687	*5
Minus debtors <i>creditors</i>	(6497)	*6
<b>TOTAL</b>	<b>10566</b>	<b>- 9,366</b>

*change royalty  
to lower*

↓

This is very much an estimate and a more detailed review of income figures suggest this could be lower. What ever the situation, there are a couple of strategies that could be adopted:

1. Royalty payments could be deferred as long as possible until they are forced to do from then on time.

2. A loan to cover this cost could be negotiated with the B.F.I. This could be repaid in stages or deducted from the next years grant award.

3. Rent for period ending April 91

Circles still may well be able to pay this out of the current reserves. If not, landlords could be approached in this way with other grant funded projects and have them proceed allowing payment to arise.

1: Out standing NI *Historical debt. after negotiation*

As this debt was incurred a number of years ago, and the only reason Circles agreed to pay, was because there were no records kept to show the company did, or did not owe the money. It now appears the D.H.S.S. are going to write this debt off, as they do not feel the amount in question warrants closing Circles down.

2: Out standing Inland Revenue *expenditure -*

During 1990, Circles repaid £3000 of the total Inland Revenue debt. At the time of payment, the tax inspector intimated that he would be prepared to negotiate a staggered system of repayment, for the remaining out standing amount ( £3552 ). If Circles was to remain in operation, it would be able to negotiate repayment over an extended period, possibly 2/3 years. Bearing in mind the voluntary/ non profit making nature of the business, Circles accountant considers the Inland Revenue would accept period of extension.

3: Maya Deren - B.F.I

This money was negotiated with the Institute as a charged for the un-licenced distribution of Maya Deren Films. There is more than possible that the Institute will agree to deferrer this payment.

4: Estimated Royalties for period ending April 91

This is very much an estimate and a more recent review of income figures suggest this could be lower. What ever the situation, there are a couple of strategies that could be adopted;

A: Royalty payments could be deferred as most distributors are forced to do from time to time.

B: A loan to cover this cost could be negotiated with the B.F.I. This could be repaid in stages or deducted from the next years grant award.

5: Rent for period ending April 91

Circles still may well be able to pay this out of its current reserves. If not, landlords may be prepared to wait ,as they do with other grant funded groups who share there premises allowing payment in areas.

## 6: Debtors *Creditors*

This is a problematic situation as little debt chasing has happened for well over two year. Despite this, debts from as far back as '88 are still trickling in. Therefore Circles accountant is hesitant to write off debts with out a first allowing for a period of debt chasing .

Wages to the 31st April 91	2042 #1
Rent	2000 #2
Stationery	200
Debt	4000 #3
Travel Audit	1000 #4
Telephone re-direction	150
Post	20 #5
Redundancy	1000 #6

- 1) This allows payment for one month to allow for royalties to be calculated and paid, final audit etc.
- 2) Sent 1500, less 1000 refundable deposit
- 3) The B.P.L. will continue to provide access to press for royalties, press releases, royalty reports and payments etc.

CINEMA OF WOMEN WIND UP BUDGET

17 MAY 4,563

	£		
Wages to the 31st April 91	3042	*1	original 6084 <del>7423</del> - 3042
Rent	239	*2	739 - 500
Stationary	200		
Debts	4000	→ 5,050	2nd PAY ROYALTIES
Final Audit	1000	→ poss. + 100	
Telephone re-direction	150		
Post	30	*3	
Redundancy	10,950	13750-	
<b>TOTAL</b>	<b>22411</b>		

creditors  
debtors  
balance

2 2  
4,563  
500  
5050  
1000  
150  
10,950  
22,213

22,213

- \*1 This allows payment for one month to allow for royalties to be calculated and paid, final audit etc.
- \*2 Rent £500, less £261 refundable deposit
- \*3 The B.F.I. will continue to provide access to postal for mailshots, press releases, Royalty reports and payments etc.

TAKE 2

ESTIMATED RE-LAUNCH COSTS FOR GIRCLES

	45000	
Register company with Charity- Commission and change name	£ 100	<i>- change name</i>
	1000	
New cooperate design	1500	
Publicity - <i>press pack</i> -	1000	
Transport / <i>REMOVAL COSTS</i>	100	<i>- 500 = 400</i>
	3600	
TOTAL	3700	

	213	
...	3254	
...	4361	
...	2176	
...	(1041)	
	5746	
	9279	
Five 20% growth on both catalogues	1713	
TOTAL INCOME	10992	

... have agreed to reduce its fees to 30% for the first year. Adjustments have been made in these figures to allow for increase in profits.

91/92

INCOME PROJECTION

	£
B.F.I	45000
	<hr/>

Circles Catalogue ( based on 1988/89 accounts )

Film and Video rentals	10287
Film and Video sales	4153
Other ( Bank interest, catalogues etc	400
Less- agency fee 30%	( 4332)
	<hr/>
	10508

C.O.W. Catalogue ( based on 1989/90 accounts )

Film and Video rentals ( in office )	219	
Film and Video sales ( in office )	3254	
Glenbuck	4568	*1 4351 - 10%
Other ( Bank interest, catalogues etc	2178	
Less- agency fee 30%	( 1041)	
	<hr/>	
	9178	
Plus 20% growth on both catalogues	3715	
	<hr/>	
TOTAL INCOME	68401	

*Handwritten notes:*  
 - Above agency fee: 6,527  
 - Below agency fee: 3000  
 - Next to Glenbuck: 5%  
 - Next to Glenbuck: 4351 - 10%

\*1 Glenbuck have agreed to reduce its fees to 30% for the first year. Adjustments have been made to these figures to allow for increase in profits.

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EXPENDITURE

	£	
Salaries inc NI	25013	23,965
<del>related revenue re-payment</del>	<del>1184</del>	
<u>Administration</u>		
Telephone and post	1000	
Stationary	500	
Audit	1000	
Bank charges	200	
	<hr/>	
	2700	

<u>Overheads</u>		
Rent (including UBR/heat/light)	4000	
Insurance	300	
Travel	100	- 200
Festival/Conferences	300	
Sundries	200	- 500
	<hr/>	
	4900	

<u>Film and Video Distribution</u>		
* Royalties @ average 45% <i>on royalties</i>	8000	
Video stocks	100	
<i>Slight deficit</i>	<hr/>	
	8100	
<u>Marketing</u>	1677	- 1000
	<hr/>	

TOTAL EXPENDITURE	42390	
	<del>43574</del>	
	41342	

\*



EMPLOYEE SUMMARY

14,850

1- Full Time Marketing Co-ordinator	16500
1- Part Time (2 days a week) Fund Raiser	6917
1- Part Time (2 Days a month) Book-keeper	1596

25013

\* These figures include NI

23965

1/2 workers. 15,216

Salaries 22,824

add 5% to wage bill?

NI 1,141