In May 2015, the Executive Board of the Cinema Exhibitors’ Association agreed that the organisation should be renamed as the UK Cinema Association. While this new branding is used in this report, all of the activities set out here were undertaken under the auspices of the Cinema Exhibitors’ Association (CEA).
Introduction

2014 was undoubtedly a challenging year for many in the UK cinema sector.

The competing attractions of the football World Cup and a long hot Summer, coupled with a film slate that struggled to engage audiences in the way all would have hoped, produced mixed fortunes at the box office. While a strong start and end to 2014 helped perhaps mask the worst of these impacts, both admissions and revenues ended the year slightly down, at 157,499,641 and £1,057,683,837 respectively, compared to 2013.

Underlying those figures however, many smaller commercial companies saw significant growth, and there were signs that the wider sector was beginning to realise the full potential of the recent shift to digital cinema technology, with cinema operators working with film distribution colleagues to harness the increased flexibility and responsiveness enabled by this change. Coupled with the continuing contribution of digital 3D, as well as of ‘event cinema’, the UK cinema sector was never better-equipped to provide the broadest range of big screen entertainment to UK audiences.

Elsewhere, UK cinema staff continued during 2014 to offer unprecedented content security, with not a single video recording of a film in a cinema theatre being traced back to a UK cinema (whether online or in hard copy) and only a very small number of audio recordings lost. The year also saw a landmark conviction for film theft in a cinema.

Throughout the year, the Association remained in dialogue with the British Film Institute (BFI) as it looked to develop new audiences for British independent and specialised film. However differences in outlook and approach remain an issue and are only likely to become more pronounced as the funding programme expands. The commercial sector in particular remains ready to support this agenda but wishes to ensure that the Lottery funding underpinning these activities is used as effectively as possible.

This was a position again also reflected in the Association’s support – through funding from Cinema First and otherwise – for the organisation Into Film in delivering the BFI 5-19 film education scheme. Industry support for the Into Film Festival in 2014 saw over 370,000 children, young people and their teachers attend free screenings and other cinema events across the country.

Efforts by the Association to improve understanding of the cinema sector amongst key politicians and opinion-formers remained ongoing during the year, with a continuation of the pro-cinema campaign that began in 2011, involving MP visits, roundtable and bilateral meetings with politicians and a number of focussed dinners with key print and broadcast journalists.

While these saw significant benefits in terms of interest and support on key issues, the same could sadly not be said of the sector’s ‘home’ in Government, the Department for Culture, Media and Sport, where the lack of engagement across a range of areas – and progress even where public commitments had been made – was a source of frustration and disappointment. The Association looks forward to a more productive relationship after the upcoming General Election, whatever its outcome.
On a European level, the position was more positive, with the Association’s close involvement in UNIC, the European grouping of cinema trade associations and key operators, ensuring that matters of importance to UK members were pursued with vigour.

During the course of the year, the Association engaged with members on a range of issues. These included familiar matters such as disability and access, energy efficiency and environmental management, entertainments licensing and film classification, as well as new issues such as workplace pensions, patent challenges, and the increasingly important matter of cinema security.

November saw the Association deliver for its members (and the wider industry) a one-day conference which explored both the ‘here and now’ and the future direction of digital cinema operation, an event seemingly well-received by those who attended. With that in mind, and no shortage of issues of shared interest, thought is now being given to whether to establish such a conference as an annual fixture.

The Association remains dependent on – and hugely grateful for – the support and engagement of its Executive Board, its wider membership and partners across the industry in providing a high level of service to operators large and small as they endeavour to ensure that as many of the public as possible choose to see films in their best possible setting – the cinema theatre.
The global sector

1.1 Poorly-performing second and third quarters to the year saw UK cinema admissions in 2014 fall below those seen in 2013, finishing some 5 per cent down on the previous year. This reflected fortunes of a number of key European territories such as Germany and Italy. Others such as Spain and France – which offered discount-based national audience development programmes such as the \textit{Fiesta del Cine} and €4 for under 14s respectively – saw strong growth, as shown below.

1.2 The challenges noted previously saw the UK drop below France in terms of box office to become only the fifth largest global film market, above India, the other leading territories (in order) being the US, China and Japan.

<table>
<thead>
<tr>
<th>Country</th>
<th>Cinema admissions 2014 (million)</th>
<th>Cinema admissions 2013 (million)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>14.1</td>
<td>15</td>
<td>-5.8</td>
</tr>
<tr>
<td>Denmark</td>
<td>12.3</td>
<td>13.7</td>
<td>-10.2</td>
</tr>
<tr>
<td>Finland</td>
<td>7.4</td>
<td>7.8</td>
<td>-5.1</td>
</tr>
<tr>
<td>France</td>
<td>208.4</td>
<td>192.8</td>
<td>8.1</td>
</tr>
<tr>
<td>Germany</td>
<td>110.9</td>
<td>129.7</td>
<td>-14.5</td>
</tr>
<tr>
<td>Ireland</td>
<td>14.4</td>
<td>14.7</td>
<td>-2.0</td>
</tr>
<tr>
<td>Italy</td>
<td>91.5</td>
<td>97.4</td>
<td>-6.1</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>1.0</td>
<td>1.2</td>
<td>-17.0</td>
</tr>
<tr>
<td>Netherlands</td>
<td>30.8</td>
<td>30.8</td>
<td>-</td>
</tr>
<tr>
<td>Norway</td>
<td>11.1</td>
<td>11.8</td>
<td>-5.9</td>
</tr>
<tr>
<td>Portugal</td>
<td>12.1</td>
<td>12.5</td>
<td>-3.2</td>
</tr>
<tr>
<td>Russia</td>
<td>174.4</td>
<td>172.0</td>
<td>1.4</td>
</tr>
<tr>
<td>Spain</td>
<td>87.4</td>
<td>76.9</td>
<td>13.7</td>
</tr>
<tr>
<td>Sweden</td>
<td>16.1</td>
<td>16.5</td>
<td>-2.4</td>
</tr>
<tr>
<td>Switzerland</td>
<td>13.2</td>
<td>13.7</td>
<td>-3.6</td>
</tr>
<tr>
<td>Turkey</td>
<td>61.2</td>
<td>50.3</td>
<td>21.7</td>
</tr>
<tr>
<td><strong>United Kingdom</strong></td>
<td><strong>157.5</strong></td>
<td><strong>165.5</strong></td>
<td><strong>-4.9</strong></td>
</tr>
</tbody>
</table>

Source: UNIC
The UK year in review

1.3 The monthly figures for UK admissions in 2014, alongside those for 2013, are set out below.

1.4 The early year boost to UK box office seen in recent times from the BAFTA season was less apparent in 2014, where – possibly as a result of their challenging content – films such as *12 Years a Slave* and *The Wolf of Wall Street* failed to convert critical acclaim into cinema admissions. As a result, it was left in the main to the perhaps unanticipated success of *The Lego Movie* to carry a great deal of the box office burden into the Spring months.

1.5 That low-key performance remained the order of the day for much of the first half of 2014, with a comparatively small number of ‘franchise’ films such as *The Amazing Spider-Man 2* and *X-Men: Days of Future Past* representing comparative box office high-points during this period.

<table>
<thead>
<tr>
<th>Month</th>
<th>Cinema admissions 2014</th>
<th>Cinema admissions 2013</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>15,187,114</td>
<td>17,081,700</td>
<td>-11.1</td>
</tr>
<tr>
<td>February</td>
<td>14,332,398</td>
<td>13,960,141</td>
<td>2.7</td>
</tr>
<tr>
<td>March</td>
<td>10,360,563</td>
<td>10,885,645</td>
<td>-4.8</td>
</tr>
<tr>
<td>April</td>
<td>12,678,793</td>
<td>11,887,940</td>
<td>6.6</td>
</tr>
<tr>
<td>May</td>
<td>12,601,600</td>
<td>15,607,698</td>
<td>-19.2</td>
</tr>
<tr>
<td>June</td>
<td>10,399,406</td>
<td>13,029,685</td>
<td>-20.2</td>
</tr>
<tr>
<td>July</td>
<td>13,275,721</td>
<td>14,321,221</td>
<td>-7.3</td>
</tr>
<tr>
<td>August</td>
<td>17,066,765</td>
<td>17,639,654</td>
<td>-3.2</td>
</tr>
<tr>
<td>September</td>
<td>8,517,719</td>
<td>9,885,140</td>
<td>-13.8</td>
</tr>
<tr>
<td>October</td>
<td>13,273,205</td>
<td>11,865,573</td>
<td>11.8</td>
</tr>
<tr>
<td>November</td>
<td>12,690,141</td>
<td>13,669,359</td>
<td>-7.2</td>
</tr>
<tr>
<td>December</td>
<td>17,116,216</td>
<td>15,706,221</td>
<td>9.0</td>
</tr>
</tbody>
</table>

**Total** | **157,499,641** | **165,539,976** |

Source: Cinema Advertising Association / EDI Rentrak
1.6 With the football World Cup (and a prolonged period of sunny weather) out of the way, the Summer months finally started to take off when *How to Train Your Dragon 2*, *Dawn of the Planet of the Apes*, *Guardians of the Galaxy* and *The Inbetweeners Movie 2* built up momentum at the box office, each going on to occupy a place in the top ten films for the year.

1.7 That brief rally was however then followed by another challenging period, only relieved towards the end of the year with the arrival of *The Hunger Games: Mockingjay Part 1*, *Paddington*, and *The Hobbit: The Battle of the Five Armies* (these last two going on to be the biggest films of 2014).

1.8 While disappointing in a number of other respects, 2014 was nevertheless a record year for British independent film, which accounted for some £170 million or 16 per cent of total UK box office (compared to just 6 per cent in 2013), with *Paddington* and *The Inbetweeners Movie 2* leading the charge.

1.9 Digital 3D also remained an important strand of additional income during the year. Of the top ten films, seven were made available in the 3D format. That said, revenue from 3D screens represented just over 12 per cent of the overall box office total in 2014, down from 17 per cent the previous year. This seemed to bear out a general trend towards audiences exercising increasing choice over which film they saw in this format.
2.1 During 2014, the Association supported and represented its members across a range of strategic issues. Some of these were familiar, others comparatively new. A headline account of the relevant activities of the Association in these areas follows.

2.2 During the year, the Association remained actively involved in a number of strands of the BFI Five Year Strategy New Horizons for UK Film.

BFI Film Audience Network
2.3 The work of the Film Audience Network (FAN) – a broad coalition of film venues, coordinated on a regional basis by nominated Hub Lead Organisations (HLOs) and supported by £7.5 million of Lottery funding over four years – continued during 2014.

2.4 The Association strongly supports the underlying aim of the FAN, which is to grow audiences for British independent and specialised film. While films from the studios and other major distributors remain the key building blocks of any successful year for UK cinema, there remains a significant audience for more specialised content which needs to be nurtured and grown.

2.5 From the outset of these plans, the Association had sought to ensure that commercial operators were seen as key partners in efforts to grow audiences for specialised films, and indeed a number of HLOs are themselves members of the Association. However, as the year developed, there was a sense in some areas that the value of the commercial sector in this regard was not being as fully recognised as it might. Efforts to re-establish this principle continued as the year closed.
Neighbourhood Cinema Fund
2.6 During the year, a further strand of the BFI Strategy – the Neighbourhood Cinema Fund – came onstream. Aimed at supporting community groups wishing to establish or sustain local film venues in ‘under-served’ areas, the Fund utilises small pockets of financial support (from an overall pot of some £2 million across four years) to provide DVD-based projection equipment, seating, screens and black-out curtains etc.

2.7 Despite these laudable intentions, during the year concerns emerged in some areas that this funding was supporting activity which was in direct competition with existing commercial (and particularly smaller) operators. Again, the Association absolutely supports the aim of establishing cinema provision in (genuinely) under-served areas, but believes that there needs to be greater consultation and co-operation with existing operators who might in many instances be able to provide expertise and more sustainable support in this regard.

BFI 5-19 film education scheme
2.8 2014 saw Film Nation, the delivery partner for the £26 million BFI 5-19 film education scheme, rebranded and relaunched as Into Film, in a move which was felt would both resonate with and better engage young people.

2.9 The UK cinema industry – through Cinema First – provides funding of around £750,000 per year to Into Film, supporting its focus on introducing children and young people to the big screen experience with the aim of them become the paying audiences of the future. The key strand of activity here is the Into Film Festival, which aims to build stronger relationships between cinemas, schools and children and young people.

2.10 The 2014 Into Film Festival ran from 4-21 November, involving over 2,700 screenings and other events across 507 cinema sites. By the time the Festival ended, over 370,000 children and young people and their teachers had attended screenings and other associated events.

2.11 Festival highlights included a national interactive event with Aardman Animations (part of a wider partnership with the Industry Trust for IP Awareness) and industry involvement across a number of strands, including so-called ‘industry homecomings’, where senior executives from across the sector (including the Association and its members) returned to their schools to talk to young people about the UK cinema industry. A third of the programming was accessible including audio described, subtitled and ‘Autism Friendly’ screenings.

2.12 As the year closed, plans were already in development to build on that success, both through the next edition of the Festival and a range of cinema-related activities involving children and young people in 2015 and beyond.
Digital cinema

A fully digital sector
2.13 Digitisation of the UK sector was by the beginning of 2014 essentially complete, with many operators consequently benefiting from greater flexibility in programming, coupled with access to different types of screen content. Contrary to some media comment, 3D film remained a key element of the cinema mix, although the trend towards increasing audience selectiveness over which films were seen in this format continued.

2.14 The year also saw event cinema become an even more important source of income for operators, with revenue from live theatre, ballet and opera across the sector reaching over 3 per cent of total box office or almost £36 million during the year, almost twice the box office figure for 2013. An area of continuing innovation, the footprint of this activity was extended even further when a large number of member sites in Scotland offered audiences the opportunity to see the opening and closing ceremonies from the 2014 Glasgow Commonwealth Games live and for free.

2.15 Perhaps the final key piece of the first phase of the ‘digital jigsaw’, delivery of content by satellite and increasingly by broadband, became ever more common in 2014. While the comparatively large number of providers remained a challenge, the year saw some perhaps inevitable rationalisation as the market began to stabilise.

The digital future
2.16 Digitisation has brought a range of new considerations, including pressure to upgrade, either through improvements to the underlying digital cinema platform (from for example 2K to 4K) or through investment in developments such as immersive sound. At the same time, operators need to be aware of new technologies now or soon emerging onto the market, such a laser illumination (which offers brighter and more consistent light levels, particularly in 3D) and Higher Dynamic Range (which offers higher contrast ratios). All require investment at a level which will be a challenge for operators still recovering from the costs of digitisation.

2.17 The need to understand what the choices in all of these areas are, and what the operational and financial implications might be, is of importance for all operators, but perhaps particularly for smaller cinema companies.

2.18 To offer some insight, in November the Association ran a one-day industry conference, ‘Cinema of the Future: Innovation Driving the Audience Experience’. Held at the Cineworld at the O2 in Greenwich, the event aimed to explore the ‘here and now’ of digital cinema operation, emerging technologies, new cinema business models and what the next phase of digitisation might look like (and how it would be funded). The event was generously sponsored by a number of partners from across the industry, and the skills body Creative Skillset kindly provided travel bursaries so that members travelling some distance from across the UK would not be excluded.

2.19 In front of a sell-out audience of over 300 people from across the industry, sector experts offered their opinions on how the industry might develop over the coming years. While some sessions inevitably dealt with the technological aspects of that change, the common theme running through all of the day’s proceedings was the centrality of the audience experience.

2.20 Given the positive feedback on the day, the Association is exploring whether there is a case for establishing a member conference on matters of shared interest as an annual event.
Film theft

2.21 Efforts continued throughout the year to maintain the sector’s success in ensuring the security of UK cinemas, something which has seen an exceptionally small number of films recorded at member sites in recent years. While the lack of up to date data on the overall impact of film theft on the industry remains a frustration (the last reliable figures dating from 2011, when financial losses to the UK cinema sector were calculated at some £216 million or 21 per cent of annual box office) there remains no lack of determination on the part of UK cinema operators to play their part.

2.22 The Association continued to work closely with a range of organisations across the industry on this issue. Particular partnerships, and the Association’s work on specific issues, are summarised below.

Film theft in cinemas

2.23 As noted above, the UK maintains a position as one of the most effective territories in preventing illegal recordings in cinemas. The Association has played its full part in this, providing both financial and communications support to the key agency here, the Federation Against Copyright Theft (FACT).

2.24 During 2014, the FACT Theatrical Protection Programme, supported by funding from the Film Distributors’ Association, continued to operate successfully across the entire sector, with only four proven recordings captured at UK sites, each being an audio capture rather than the more serious full video and audio recording. The lack of the latter throughout 2014 meant that the UK had enjoyed a period of successful protection of 19 months as the year ended.

2.25 August 2014 saw another landmark legal case for FACT where, following a private prosecution by the agency for offences committed in May 2013 (specifically the recording, uploading and distribution of Fast & Furious 6), Philip Danks was convicted at Wolverhampton Crown Court and received a 33 month custodial sentence.

2.26 The vigilance of cinema staff continues to be vital in keeping UK cinemas secure. The period running up to the August 2014 trial above saw a 12 per cent year-on-year increase in reported incidents of illegal recording activity in UK cinemas. This increase was the result of even greater awareness amongst staff following an extensive programme of FACT training, where over 1,600 staff took part in sessions across 58 cinema sites.

2.27 Publicity around the Danks case however did see a significant reduction in reported attempts over the remaining four months of 2014, the severity of the sentencing presumably acting as a deterrent. By the end of the year, the total number of reported attempts totalled 63, compared to 82 for 2013.

2.28 Away from the cinema sector, FACT also continued its efforts during the year to target ‘source’ piracy, identifying those responsible for industry leaks, thefts and illegal distribution. There were several successful prosecutions, with five UK-based ‘release group’ members pleading guilty to offences of Conspiracy to Defraud and awaiting sentencing in 2015. FACT also worked to close a large number of infringing websites, a new development being the introduction of a move to direct visitors to the industry-funded site www.findanyfilm.com once the site was signed over to FACT. Such action against one particularly popular website for example saw 40,000 hits redirected in one weekend.
Wearable technology

2.29 Following increasing concerns amongst some operators (in the UK as in other territories) about the potential for those using wearable technology to record films in cinema theatres, the Association consulted with both FACT and its members on a sensible policy in this regard. The unanimous view was that customers should be requested not to bring wearable technology capable of recording images into cinema auditoriums, regardless of whether the film was playing or not.

2.30 This approach – driven by concerns around customer privacy as well as film theft – was quickly adopted by members and implemented across the UK seemingly without incident. It is worth noting that while wearable technology is a comparatively new phenomenon in Europe, in the US – where it is already more widespread – not only many cinemas but also casinos, bars and restaurants have looked to limit or ban its use.

Industry Trust for IP Awareness

2.31 The Association continued during 2014 to support the work of the Industry Trust for IP Awareness, which aims to address the ongoing challenge of copyright infringement by inspiring audiences to value content and choose legitimate sources (across all platforms) for their film viewing. During the year, the Trust continued to evolve its messaging, driving greater engagement with cinema but also promoting the value of film in every format.

2.32 Independent research confirms that there is a significant overlap between the cinema-going audience and those who access illegal content. The Moments Worth Paying For campaign, developed by the Trust, aims to utilise this fact and target positive messaging to the most relevant audience whilst engaged in enjoying content legally. During 2014, exposure to the campaign, which benefits from the donation of valuable cinema screen time by Association members, reached its highest levels ever, with over 16.6 million cinema-goers seeing the trailers.

2.33 Amongst the collaborations involved in the campaign for 2014 were bespoke executions for the Shaun the Sheep the Movie, Muppets Most Wanted, and Postman Pat: the Movie. In addition, trailers for The Amazing Spider-Man 2, Earth to Echo, and Dracula Untold all directed users to the industry-funded site www.findanyfilm.com as a means of connecting them with films from all legally-available sources, in all available formats.

2.34 During the year, traffic to the site grew significantly, reaching over 3 million visits (over twice the annual target of 1.4 million). The Trust also worked to develop dedicated booking ‘apps’ and tools based on the site, aiming to increase its visibility and usefulness to the sector. It was also commissioned by Cinema First – with Association support – to embark on an industry-led and -owned cinema listing project. While this work was ongoing as the year ended, once completed the aim will be to establish a consolidated and reliable data-feed which might be available for a host of industry applications.

2.35 2014 also saw the establishment of a partnership between the Trust and the film education body Into Film, with the former appointed as its strategic advisor on IP issues. The first manifestation of this was the launch of a dedicated IP resource, Creating Movie Magic, supported by the Government Intellectual Property Office and Aardman Animations.
The resource was hugely well-received, reaching an estimated 93,000 students and with the associated trailer playing to over 370,000 children and young people as part of the Into Film festival.

**Alliance for Intellectual Property**

2.36 Throughout 2014, the Association supported the lobbying work of the Alliance for Intellectual Property. In April, as part of its work, the Alliance launched its manifesto *The UK in 2020: A vision for growth in IP-rich businesses*, which it followed up with meetings with the key political parties to ensure that the importance of IP and the value of the creative industries were recognised prior to the 2015 General Election.

2.37 As noted elsewhere in this report however, political challenges to copyright protection came in 2014 not just from within the UK but also from some voices within the European Commission and Parliament. For that reason, the focus of Alliance attention shifted to Brussels, where the new European Commission headed by President Juncker made completion of a Digital Single Market one of its key priorities.

2.38 As part of that agenda, the Commission (and some in the Parliament) began to voice opinions around the ability of rights holders to license rights on a territorial basis and to ‘geo-block’ consumer access to certain content by location. In both areas there are strong business reasons for allowing these options to remain, and 2014 saw the Alliance actively engaged in highlighting the harm that implementing legislative changes in these areas could cause to production and jobs across the creative industries, in the UK and Europe more widely.

2.39 The Association strongly supports the principle of maintaining a clear ‘window’ between a film’s theatrical release and its release on other platforms, believing that this ensures that audiences continue to enjoy the widest possible range of films in their intended environment, the cinema theatre. It is the unique nature of the cinema experience that means that so many cinemas across the UK remain key focal points for their local communities.

2.40 While decisions on the release window around any one film are a commercial matter between exhibitors and the relevant distributor, and not therefore something in which the Association has any role, it would be concerned by any moves taken in this regard at the expense of cinema exhibition, a part of the film industry which continues to perform strongly.

2.41 During the course of 2014, the average theatrical release window increased from 108 to just over 112 days. As has been increasingly the case in recent years however, this headline figure masked a wide range of practices, with a number of films again being released on very short windows of less than two weeks and an increased number (over the preceding year) of films observing windows of 30-90 days.

2.42 This increasing flexibility in the market came at a time when key elements in the European Commission, both through public statements and funding activity, were offering open and unevidenced support for the day and date releases of films. The Association, through its involvement in the European grouping UNIC, continues to challenge this unnecessary incursion into what is in the UK rightly considered something best left to the market.
INDUCTION LOOP INSTALLED
Use T switch on your hearing aid
Disability and access

2.43 The UK cinema sector is recognised as a world-leader in its efforts to meet the needs of disabled customers. But there remains no room for complacency, and during 2014 the Association continued to support members in welcoming customers with particular access needs through improvements in the physical environment, increased provision of audio described and subtitled films and more recently supporting the growth of Autism Friendly Screenings.

2.44 In undertaking this work, the Association continued to rely again on the guidance of its retained disability advisors Freeney Williams but in particular of its longstanding Disability Working Group (DWG). Comprising representatives from circuit and independent cinema operators as well as colleagues from distribution, equipment manufacturers and those groups representing disabled people, the DWG met four times during the year, but was informally involved on a more regular basis across a range of issues.

2.45 The Association remains hugely grateful to all of those that participate in or support its work on these important issues, and that help to make the cinema-going experience as enjoyable and accessible as possible for all disabled customers.

Awareness raising

2.46 A key focus of activity during the year was on raising greater awareness of the good work that many cinemas do around access and disability, not least around subtitling and audio description, where despite best efforts take-up of such screenings remains low, with not enough cinema-goers who might benefit from these developments seemingly aware of the opportunities that now exist.

2.47 As a response to this concern, the Association – again supported by the DWG – oversaw the development and distribution of a new cinema trailer to promote the availability of these services in UK cinemas. The Association was hugely grateful to Deluxe Digital and Encore for their technical expertise and generosity in producing the trailer, which was well-received by audiences.

2.48 The Association also partnered with RNIB to highlight the availability of audio described films in UK cinemas. The campaign coincided with the release of How to Train your Dragon 2, with colleagues at Twentieth Century Fox creating a special audio described version of the film trailer, as well as generously donating items for a competition that ran on RNIB’s Insight Radio and the related Insight magazine.

Subtitling

2.49 As indicated above, over the last decade, subtitled screenings for deaf and hearing-impaired customers have grown significantly from a standing start, such that there are now over 1,000 such shows every week in UK cinemas. While this is hugely positive, the longstanding resistance of the wider audience to subtitling on screen and the resultant financial impact on operators of providing such screenings mean that continued expansion at the current rate is not economically viable in the medium term.

2.50 For that reason, and with an ongoing desire across the sector to offer disabled customers the best possible experience, there is increasing interest in emerging technologies which provide a personalised subtitling solution, whether through subtitling glasses or individual screens on which subtitles are displayed. Provision of such ‘closed captions’ would perhaps help to address the current economic barriers to the wider delivery of ‘open’ subtitled screenings, potentially opening up all screenings to deaf and hearing-impaired customers.
2.51 Having undertaken a ‘test day’ on the available systems with an invited audience of deaf and hearing-impaired people back in March 2013, the Association has kept in close contact with key technology companies and members since then, working to establish the viability of an operational model. While there is no lack of determination to find a solution on both sides, progress since then has been hindered by the purchase and cost of the most promising system. As a consequence of the low take-up of such systems in the UK, there remains little or no available film content configured for this purpose.

2.52 While arriving at a viable business model remains a challenge, the Association will continue to explore the potential of this technology as it seeks further to improve accessibility for disabled customers.

Autism-Friendly Screenings
2.53 2014 saw exceptional further growth in the provision of ‘Autism Friendly Screenings’ (AFS). Such screenings – where sound volumes are slightly reduced, lighting left on at a low level and audience members are allowed to move around and make noise – have become increasingly popular for people on the autism spectrum and their families. Working with relevant representative groups at both the national and local level, a large number of cinema operators are now able to reach out and support customers with such needs and ensure they have an enjoyable cinema experience.

2.54 In February, as part of these efforts, the Association invited its members to mark World Autism Awareness Day (WAAD) – Wednesday 2 April – by providing AFS at their theatres in the week around that date. The response was excellent, with 633 screenings across the week including 246 on WAAD itself. Many took the opportunity to put on their first such screening, of which a large number have now made these a regular feature at their sites.

2.55 Work continues to increase the number of AFS across the sector, not least given the consistent feedback amongst operators of the benefit this activity provides in growing a local and loyal audience (and an additional revenue stream).

CEA Card
2.56 The CEA Card scheme provides a way in which cinemas can meet their obligations under the disability provisions of the Equality Act 2010 to make reasonable adjustments in order to facilitate disabled people visiting their local cinema. A person holding a CEA Card is entitled to a free ticket for someone to accompany them to the cinema.

2.57 With support from the vast majority of Association members, the popularity of the scheme, which has been in existence for over ten years, remained strong during 2014, seeing over 1 million free tickets given away to over 95,000 cardholders.

2.58 That said, it was recognised during the year that modernisation was necessary to both the application and handling processes around the Card. As a result, guided by a steering group of operators and access representatives, the Association implemented a number of changes, most notably introducing for the first time an online (and part-online) application and payment process as part of a refreshed web portal. These changes were increasingly well-received as the year ended.
Music rights

2.59 The Association continued to offer its support during the year to subtitles@yourlocalcinema.com, a listings website for subtitled and audio described films. The service continues to provide information about upcoming and current subtitled screenings to over 70,000 people each week. As the year closed, discussions were beginning on how its approach might be further expanded and modernised.

2.60 The issue of music rights collection has been a long-running concern for cinema operators, not just in this country but across Europe. In the UK, such payments are collected by PRS for Music, the collecting agency for music rights of songwriters and publishers, all cinemas having to pay PRS a fee for music played in their cinemas, whether as part of a film or event or simply as background music in foyers and auditoriums.

2.61 The Association and its members support the right of all creative people to be rewarded for their work. However, all also strongly believe that it is important that the royalties paid are a fair and appropriate reflection of the value that music provides to the overall experience. There is also the need to ensure transparency in the system so that it is clear that the ‘right’ people get rewarded for their work.

2.62 Over a period of many years, cinemas have consistently argued that the fees paid to PRS are too high and do not reflect the contribution of music to the modern cinema-going experience. The longstanding tariff for such payments requires that they are paid according to a 1 per cent of box office or ‘pence per admission’ (PPA) measure – 5.33p in 2014.

2.63 While, as a result, payments by both methods have risen consistently in recent years, analysis undertaken on behalf of the Association has confirmed that – at a time when admissions have been relatively flat – box office growth has been driven almost exclusively by premium payments for additional developments such as 3D and VIP seating. As a result, while PRS and its members have not made any contribution to investment in these areas, they have still seen significant benefit.
In 2013, during the course of tariff negotiations, PRS indicated their intention to undertake compliance audits on a small number of key operators, a process which continued through 2014, eventually extending (less formally) to the wider operator sector. Lengthy discussions around differences in interpretation of the current tariff emerging from this exercise meant that consideration of any new (and more reasonable) approach had to be pushed beyond the end of the year.
3.1 2014 saw a range of policies and strategies emerge from Government which presented a challenge to the interests of the Association and its members. The unwillingness on the part of Government to engage in constructive discussion on many of these remained a key disappointment (and one on which there will be a particular focus post the 2015 General Election). A summary of areas in which the Association sought to influence the political and public policy agenda follows.

3.2 During the year, the Association continued its pro-cinema messaging campaign, seeking to ensure that key Parliamentarians and opinion-formers better understood the value of the industry in economic, social and cultural terms.

3.3 Working with colleagues at PSA Communications, an ongoing programme of visits to local cinemas by MPs and other Parliamentarians continued through the year, reaching a total of 137 visits since its inception. Feedback on this was extremely positive, with the chance of a ‘behind the scenes’ visit and the opportunity to speak in depth to cinema staff proving an illuminating experience for many.

3.4 2014 also saw a continuation of the Association’s quarterly Parliamentary Newsletter – The Big Picture – which provided MPs further information and background on industry and political developments. Editions in May and September provided updates on a range of issues including disability and access, public health, deregulation, business rates, entertainments licensing and the digitisation agenda.

3.5 The overall objective of these activities remains to build a strong and sustained relationship between politicians and their local cinemas with the aim of establishing a ready-made ‘lobby’ should the sector require support on specific legislative or regulatory challenges.
Licensing

3.6 2014 saw the Association continue in its efforts to oppose proposals from the Department for Culture, Media and Sport (DCMS) to remove ‘not for profit, community venues’ from the current entertainments licensing regime. The Association and many of its members strongly believed that the proposals would (and indeed now will) result in lower standards of safety and public protection as well as increasing the risks of film theft.

3.7 The proposals would also remove the ‘level playing field’ that all those seeking to exhibit films to the public have to date enjoyed, allowing a significant number of venues – no longer required to open themselves up to licensing inspection – to drop off the local authority ‘radar’.

3.8 In looking to challenge the proposal, the Association enjoyed the support of Opposition spokesmen in the Lords, who also questioned the rationale for the proposals, noting the lack of any substantive evidence from Government to back its case and the vagueness of promises made to ensure that current processes around film classification – which rely on the licensing regime for their ‘teeth’ – would still be observed.

3.9 Despite this however, the Deregulation Bill – under which this proposal was taken through Parliament – approached the end of its passage through Parliament towards the end of the year and was expected to receive Royal Assent early in 2015. The Association will monitor the impact of these changes with great interest.

Public Health

3.10 Throughout 2014, the Association remained in contact with officials at the Department of Health responsible for taking forward the Public Health Responsibility Deal. This is an initiative which encourages businesses to sign up to various pledges around the salt, fat and sugar content of food and drink, and is something with which a number of key Association members are involved.

3.11 The Association has sought to reassure Government that even outside of this programme, all cinema operators are mindful of concerns around public health, and are taking steps both to allow customers to make informed choices on what they eat and drink during a visit to the cinema, and to provide a wider range of low or no-calorie options.

3.12 In this latter respect, the food and drink offering from the cinema sector continues to develop, with many operators offering healthy options such as frozen yoghurt alongside longstanding choices such as low or no calorie drinks (including of course mineral water). An increasing number of sites now provide information on calorific and/or fat content, and will prompt customers to consider ‘healthier’ options at point of sale, notwithstanding the basic principle that decisions in this area are a matter of personal choice for our guests.

3.13 While all of this represents positive progress, there remains a need for any action in this area to be proportionate to the relevance of the cinema sector to these issues. On average, each member of the UK public visits the cinema only 2.4 times per year, and so the impact of anything eaten or drunk at a cinema is likely to be minimal in the grand scheme of things. The cinema staples such as popcorn or fizzy drinks are commonly seen as a one-off ‘treat’ and not something that anyone would ordinarily consume on a regular basis.
Classification of screen advertising

3.14 Having welcomed in May 2013 the decision by DCMS Ministers to remove the current dual regulation facing screen advertising – whereby any content needs to be both classified by the British Board of Film Classification (BBFC) and cleared by the Cinema Advertising Association (CAA) – the sector experienced a period of frustration during 2014, with absolutely no progress being made in bringing forward legislation to remove this barrier.

3.15 With this regime still in place, screen advertising remained less competitive with other platforms such as TV and online, which were able to be more responsive and flexible in their approach. As a result the sector undoubtedly missed out on advertising income.

3.16 Increasingly robust exchanges on this between the Association and the CAA on one side, and DCMS officials and Ministers on the other, and attempts by colleagues at the BBFC (who remain wholly supportive of these changes) to broker some resolution, all came to nought.

3.17 As the year ended, and with a General Election in prospect in early 2015, the Association became increasingly resigned to further inexplicable delays in what should on the face of it be a straightforward piece of deregulation.

Alcohol advertising

3.18 As has been the case in recent years, 2014 saw issues around alcohol advertising in cinemas raised on occasion, whereupon the Association sought to support the two screen advertising agencies in demonstrating the robust controls already in place to ensure appropriate behaviour in this area.
Zero hours contracts

3.19 The issue of ‘zero hours contracts’, where individuals are offered employment with no minimum guarantee of working hours each week, continued to be a significant source of political and media commentary during the year. With a General Election in prospect in 2015, it was perhaps to be expected that the spotlight on these working practices would increase.

3.20 The Association remains absolutely confident that those of its members who employ such contracts do so sensibly, and that in particular none adopt the approaches which have drawn criticism, specifically where individuals are required to spend unpaid ‘downtime’ on site between paid shifts or where they are prevented from taking other employment regardless of their level of activity.

3.21 Nevertheless, in responding to a consultation paper from the Department for Business, Innovation and Skills (BIS) on this issue, the Association felt it necessary to offer a reminder that: the appropriate use of such contracts was a feature not just of the cinema industry but also a wide range of other leisure and retail sectors where demand was not always in predictable peaks and troughs; that cinemas could not risk being understaffed during busy periods nor overstaffed during quiet times; and that the level of flexibility offered by such contracts was essential for many in order for their business model to work.

3.22 Cinema remains a particularly desirable place for seasonal workers such as students, many of whom welcome the flexible working hours allowed by these contracts, which do not affect staff entitlement to other employment rights such as holiday pay.

3.23 As a consequence of the above consultation, BIS legislated during the year to outlaw exclusivity clauses in zero hours contracts.

Business rates discount

3.24 In his Autumn 2013 Statement, the Chancellor had announced plans for a business rates discount of £1,000 for each of two years for certain high street retailers, the intention being to provide a boost to high street businesses that drive retail footfall. Despite clear evidence that many smaller cinema sites produce just this effect, and help support a thriving local retail economy, in publishing guidance early in 2014 Treasury officials disappointingly decided to overlook the sector as one of those qualifying for this discount. The fact that those sectors expressly named included amongst others second hand car lots, video rental stores and ticket agencies only made this omission more puzzling.

3.25 During the year, the Association attempted without success to enlist the support of DCMS Ministers in arguing its case, but did have some success in supporting individual members in persuading their local authorities to use their discretion in offering the discount.

3.26 Even more positively, in April the Welsh Government confirmed that it would expressly be including cinemas amongst those retail sectors which would benefit from this, something warmly welcomed by the Association.
Deregulation of school holidays

3.27 During 2014, the Government looked to legislate to allow local authorities and some individual schools to set their own term times. Although not prescribed within the relevant bill, in presenting this proposal, one aspect which had been emphasised by the relevant Minister at the time had been the potential this presented for schools to move away from the traditional long Summer break.

3.28 A number of Association members operating cinemas in coastal towns expressed concern at this proposal, and the impact they felt any change to the Summer break might have on the businesses, where these months are core. However, having consulted members, it became clear that views on this were more mixed, with some seeing a move to a wider spread of holidays as a positive, offering more opportunities to draw in audiences across the year.

3.29 With no clear consensus, the Association was unable to take a strong position on this. In discussions with relevant Government officials however, it did make clear the need for better analysis of the potential impact of these changes on leisure and tourism-related industries, and the need for some clear mechanism through which local businesses (including cinemas) should be consulted where a local authority or school was looking to make significant changes to its term times.

VAT on event cinema tickets

3.30 During the year, a number of Association members asked that the position with regard to VAT on tickets for some event cinemas screenings – particularly live broadcasts of opera, theatre and ballet – be investigated. Currently those sitting in the audience for certain cultural events as they take place will not have paid VAT on their tickets, while those sitting in cinemas watching exactly the same performance at exactly the same time almost certainly will have done so.

3.31 While this was felt to be anomalous and worthy of further exploration, not least if beneficial changes might be made with regard to this increasingly important element of cinema revenue, attempts to engage the interest or support of DCMS Ministers on this issue proved unsuccessful.
Public advocacy
4.1 During the course of the year, the Association continued its efforts to ensure that the views of UK cinema exhibition on key issues were heard in the media. As well as those contributions detailed below, articles and responses by the Association were published over 2014 in trade publications such as *Screen International, Cinema Technology, Screen Trade* and *Cue Entertainment*, where the Association gave its views on issues including the health of the UK cinema sector, ticket pricing, changing business models, digital cinema, emerging cinema technology, disability and access, film theft and the 2015 film slate.

4.2 As a counterpart to the public affairs strand of the pro cinema messaging campaign set out in paragraphs [3.2-3.5], the Association continued during 2014 to reach out to key contacts in the print, online and broadcast media, aiming to ensure that they were up to date with the latest developments in the cinema exhibition sector, and to offer comment on and insight into particular issues.

4.3 Central to these efforts were the continuation of the programme of ‘media dinners’, bringing together key journalists with senior representatives of the cinema sector. Further events were held during the year in Bristol and London, involving over a dozen journalists covering not just film but also business and economic affairs, technology and social issues. Holding events outside of the capital has proved valuable in allowing a focus to be put on the extent to which cinema is having a role in regenerating communities across the country.

4.4 Each event was well-received, and follow-up with the journalists involved generated a good deal of positive (and better-informed) media coverage in *The Independent, The Guardian, The Times, The Sunday Times* and *The Sunday Telegraph*.

4.5 The Association also looked where appropriate to engage with broadcast media, appearing for example on Radio 5 Live to discuss the role of independent cinema, offering thoughts to *BBC News* on the challenges presented to cinema operators by wearable technology and publicising the availability of audio described screenings on RNIB *Insight Radio*.
4.6 Social media also continued to play a key role, with the Association continuing to be a regular contributor to Twitter, offering comments on a range of aspects of cinema and cinema-going as well as providing a commentary on its own activities and those of members. By the end of the year the Association’s Twitter feed had amassed almost 750 ‘followers’, with a significant number of those themselves journalists or bloggers.

4.7 In order to provide an up-to-date digest of key facts and figures, in 2014 the Association also continued to publish a monthly ‘cinema barometer’, setting out the latest admissions and box office figures, audience breakdowns by region and other key data.
Promotion and marketing
Cinema First

5.1 During the year, the work of Cinema First, the cross industry body charged with finding ways to promote and encourage cinema-going, continued.

EE Wednesdays

5.2 2014 saw the long-running EE (formerly Orange) Wednesdays 2 for 1 ticket promotion enter into its tenth year. Although the promotion remained popular with many, business considerations on both sides of the relationship led to an announcement in December that the promotion would end early in 2015. As the year closed, the Association, through its work with Cinema First, was finalising plans to announce a new and ambitious cross-industry ticket promotion.
National advertising spots

5.3 Association members continued in 2014 to support the separate ‘gold spot’ deals, where key advertising partners benefit from exposure in the advertising slot immediately before the start of the main feature. The year saw a continuation of the longstanding EE spot for ‘general audience’ films, while for those films deemed to be particularly attractive to a family audience, Sky continued to offer a range of engaging and creative advertisements. As the year closed, the sector was looking to identify new partners for both properties.

Screen Awards

5.4 For the second year, the Association supported the long-running Screen Awards, the event providing an excellent way for the sector to recognise and celebrate excellence and achievement both in exhibition and across the wider cinema industry.

5.5 As well as sponsoring the Exhibition Achievement Award – deservedly given to Andrew Myers, former CEO of Everyman Cinemas – the Association also encouraged applications from members for the two cinema of the year categories, this time offered to an individual site run by a company with 24 or fewer screens and an individual site run by a company with 25 or more screens.

5.6 In that the winners were judged not solely on box office and admissions but also on marketing, innovation and outreach, these were hotly-contested categories with the eventual winners – the Market Hall Cinema, Brynmawr (24 screens or fewer) and the Cineworld at the O2, Greenwich – richly deserving of their awards.
Operational issues

06
Energy efficiency and environmental management

6.1 Energy efficiency and environmental management remain an important operational and ethical issue for cinema operators. During 2014 the Association continued its work with the consultancy Energise to support cinemas in becoming more energy efficient and in reducing carbon emissions.

6.2 Work the Association has supported with its members to date in this area suggests that while good progress has been made, there is a great deal more potential for individual cinema sites to reduce both their energy bills and their carbon footprint.

6.3 The results of previous pilots undertaken by the Association with Energise had indicated that use of an appropriate ‘toolkit’ of approaches could make significant energy savings with relatively minor investment and changes to working practices. Efforts to broaden the application of this toolkit in 2014 saw case studies undertaken at five smaller cinema sites. This work, undertaken with the generous support of the British Film Institute (BFI), is intended to generate further best practice to be shared with the wider Association membership.

6.4 Alongside this activity, the Association also worked with Energise to begin establishing an online forum to allow the sharing by members of experience and knowledge. As the year closed, it was anticipated that the forum would be operational early in 2015.

6.5 During the course of the year, the Association’s Energy and Sustainability Working Group met three times to discuss changes in legislation affecting cinemas, with a particular focus on understanding new European legislation around so-called Energy Saving Opportunities Schemes which will be enforced in 2015. The Association is extremely grateful to the members of the Group for their advice and support.

Waste management

6.6 2013 had seen the introduction in Scotland of the Waste (Scotland) Regulations 2012, which required all cinemas – along with other businesses – to separate different streams of recyclable waste.

6.7 While initial discussions with relevant operators had indicated that there was a great deal of concern about the potential operational and financial implications of these changes, discussion with staff at the Scottish Environment Protection Agency confirmed that they recognised that this change in approach would take time to ‘bed in’, and so were keen to be both reasonable and supportive during any transitional phase.

6.8 This being the case, Scottish members were able to accommodate the demands of the new regulations without any significant additional burdens or inconvenience.
Skills and training

6.9 The Association has taken an ongoing interest in supporting members in ensuring that staff are equipped with the right skills for the modern workplace. This has involved in the main working at a strategic level – with the funding body Creative Skillset and others – in ensuring that the framework of support and provision remains appropriate.

6.10 During that time a number of circuit companies have expressed concern that there were insufficient structures in existing training provision to ensure progression of staff beyond ‘entry-level’ roles. As an attempt to address this perceived need, at the end of 2013 the Association brought together a working group of representatives from the larger companies with the idea of developing a ‘cinema operative’ apprenticeship.

6.11 This was prompted in part by a (then) recent Government announcement of changes to the processes around UK apprenticeships, and a desire for them to become more employer-led. In order to develop this approach, a ‘trailblazer’ programme had been announced, which would allow eligible sectors to submit proposals for possible financial and other logistical support.

6.12 Having worked up and submitted such a proposal, the working group was delighted to learn in March (during National Apprenticeship Week) that it had been accepted to progress onto the next stage, and began further work on agreeing a framework for the standard – outlining the requirements and objectives of the apprenticeship – and making clear how the apprenticeship would be assessed. Within the proposed role would be elements covering: hospitality; customer service; health and safety; and marketing, as well as more industry-specific areas.

6.13 Having submitted a proposal which had the support not just of the Association and the key circuit companies, but also the relevant funding agencies, it was therefore a significant disappointment when the proposal was rejected by Ministers at the Department for Business, Innovations and Skills, on the basis that it was not seen as sufficiently challenging or ‘senior’. The Association absolutely understands the need for rigour in this area, but believes that the industry is best-placed to understand and interpret its own skills needs. A rejection on this basis furthermore seemed to go against the principle of a new ‘employer-led’ approach.

6.14 Although the working group was invited to resubmit the proposal at a later date, given the amount of time and effort put in by all involved – for which the Association is hugely grateful – the decision was made to ‘rest’ the proposal for now, although the framework was made available for members to access.
Cinema security

6.15 Security remains a paramount concern for all cinema operators, who want all customers to enjoy the big screen experience in a safe and comfortable environment. Following a number of public order and other incidents in recent years, in 2012 the Association established a Security Working Group to discuss and share best practice in this area.

6.16 The Working Group – which consisted of operational colleagues from the major circuits as well as representatives from the security services – met four times during the year. Issues under consideration included counter-terrorism training and awareness as well as measures to address cyber-fraud.

6.17 During the year, the Association also became a Hub Lead Organisation for the Cross-sector Safety and Security Communications (CSSC) project, which has been established to share and safely deliver security information to key industry and business sector groups, maintaining contact and providing advice about ongoing security threats.

6.18 In September, the Association, in partnership with the National Counter Terrorism Security Office (NaCTSO), hosted a one-day training workshop for circuit members in Central London. This was designed to educate front of house staff on terrorism and security awareness and will during 2015 be followed up by a wider roll-out of similar regional workshops.

Workplace pensions

6.19 The Association does not ordinarily find itself involved in issues around the financial arrangements for individual cinema staff, recognising that these are best dealt with between employer and employee. However, in 2014 the implementation of changes to the legal requirements around workplace pensions began to take effect, and the Association judged it sensible to offer headline guidance in particular to smaller operators, for whom the requirement to ensure eligible staff were enrolled in a workplace pension scheme (and to make employer contributions to these schemes) was generally new territory.

6.20 The Association therefore provided a guidance note to members on what the new requirements were and to whom they applied, and what steps needed to be taken to ensure they were ready to comply with their so-called ‘staging date’.

6.21 On distribution of the note, it soon became apparent that some smaller operators were experiencing difficulties in finding appropriate schemes and providers. In response the Association worked to collate a list of potential providers that other operators had adopted, so hopefully helping them to make a more informed decision on which provider/scheme would be most appropriate for them.
Key partnerships
International

7.1 Throughout 2014, the Association continued to draw strength from its partnership with organisations across a wide range of cinema territories as well as closer to home.

UNIC
7.2 The Association worked closely throughout the year with European colleagues through its membership of the Union Internationale des Cinémas (UNIC – International Union of Cinemas), the European grouping of cinema trade associations and key operators, of which the Association’s Chief Executive has been President since 2013. Meetings in Brussels, Cannes and Barcelona allowed the sharing of information, ideas and expertise and information with European colleagues on admissions, release windows, film theft, digital roll-out, music rights and disability and access.

7.3 2014 saw the changes implemented in recent years at UNIC – under the leadership of CEO Jan Runge – begin to bear significant dividends, with strong and sometimes robust ongoing engagement with the European Parliament and Commission. A programme of bilateral meetings, policy breakfasts and roundtable groups with key politicians and officials saw the organisation continue to provide a strong single voice for European exhibition.

7.4 This role proved particularly valuable given the increasing interest amongst key individuals within both the Parliament and the Commission to express views, and on occasion to sanction actions, which would see public policy interventions in the market around the production, distribution and exhibition of films. Such occasions were unwelcome and misguided and risked (and risk) damaging an approach which continues to works well for the vast majority of territories, including the UK.

7.5 The year also saw the CineEurope event, now in its third year in Barcelona, continue to make strides. The official convention of UNIC, CineEurope, brought together over 3,200 professionals from across the European cinema industry to discuss issues of common concern and learn more about emerging technologies and business challenges. A particular feature of the 2014 event was the increased presence of slate presentations from smaller distributors such as Studiocanal, EOne and UniFrance, each of which was extremely well-received by attendees.

NATO
7.6 The Association’s relationship with the National Association of Theatre Owners (NATO), representing cinema exhibitors in North America and beyond, remained strong in 2014, with contacts between the two organisations spanning a wide range of issues such as digital and 3D cinema, cinema security, emerging cinema technologies, employment issues, film theft, disability and access, music rights, public health, film classification and trailers.
National

Executive Board
7.7 The decision to expand membership of the Association’s Executive Board in 2013, offering representation to a broader diversity of business models and approaches, bore considerable dividends in 2014, with lively and informed discussion of a range of strategic issues at the four meetings held during the year.

Regional branches
7.8 The Association continues to draw strength from its support not just from the larger operators, but also from a significant number of smaller operators located across the breadth of the UK. These members have historically been organised into regions, with particular efforts made over the year to support those areas where branches had in recent times been less active. Over the course of the year, meetings were held in Barnes, Barnstaple, Greenock, Leicester, Newcastle, St Andrews and Torquay. The Association is grateful in particular for the support of its regional chairmen in this area.

Other partners
7.9 The Association enjoys the support of a wide range of industry and other partner organisations throughout the year. Principal amongst these were colleagues in film distribution, with which it discussed a wide range of strategic and operational issues, including marketing, film classification and the availability of accessible formats.

7.10 Many of the other key partner organisations without whose support the Association could not do its work are mentioned elsewhere in this report, but also included the Independent Cinema Office, the Association of Independent Film Exhibitors, the British Kinematograph Sound and Television Society (BKSTS), the British Screen Advisory Council, the British Video Association, Cinema for All (formerly the British Federation of Film Societies), the Event Cinema Association, Moving Picture Distribution and the screen advertising agencies Pearl & Dean and Digital Cinema Media. Particular thanks are again due to colleagues at IHS (formerly Screen Digest) and Rentrak for their support across the year in providing key statistics and data.

7.11 As noted elsewhere, 2014 also saw regular dialogue across a range of issues with colleagues at the British Film Institute. The Association welcomed these opportunities as it sought in particular to find ways to influence the Department for Culture, Media and Sport, which seemed further to have disengaged in its support for the sector during 2014.

7.12 The Association is grateful to all those who supported its work during the year.
Profit and loss account
for the year ended 31 December 2014

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<td><strong>Retained profit/(loss) on year</strong></td>
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Balance sheet
as at 31 December 2014

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<td><strong>Members funds</strong></td>
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Excerpts from the Cinema Exhibitors’ Association Ltd Accounts 2014.
Past Presidents

E M Barker 1912-13  C H Whincup 1954-55
R Tennyson-Jupp, Dr 1913-14  R H Godfrey, JP 1955-56
W Fowler-Petrie 1914-15  B T Davis, FSAA 1956-57
A E Newbold, MP 1915-20  George Singleton, CBE 1957-58
R R Goodwin, CBE, MCC 1920-21  E J Hinge, CBE 1958-59
C G MacDonald, JP 1921-22  J D Richards 1959-60
E Trouson, Ald, JP 1922-23  Alfred Davis 1960-61
J H Dovener, Counc 1924-25  Miles M Jervis 1962-63
Thos Ormiston, CBE 1925-26  G L Barber, Ald, JP 1963-64
W N Blake 1926-27  Peter King, MA 1964-65
E Hewitson, Counc 1927-28  J F Wood 1965-66
F H Cooper 1929-30  H S Roelich 1967-68
W Stephenson 1930-31  J K Stafford Poole 1968-69
R V Crow 1931-32  Wyndham Lewis, OBE, JP 1969-70
R E Richards, Ald 1932-33  Kenneth Rive 1970-72
J Welsh, Baille 1933-34  Victor Chapman 1972-73
R Dooner 1935-36  R J Dowdeswell 1974-76
T H Figelstone, Col, MC 1936-37  C W A Painter 1976-77
C P Metcalfe 1937-38  S Shurman 1977-79
M A Nyman, BSc 1938-39  D M Cameron 1979-80
E J Hinge, CBE 1939-40  R J Dowdeswell 1980-82
H P E Mears, Ald, OBE, JP 1940-41  G W Rhodes 1982-84
S K Lewis 1941-42  D F Chamberlain 1984-85
W J Speakman 1942-43  E J Lee, MBE 1985-90
G H Scarborough 1945-46  R C Warbey 1993-94
Fred A Prior, FSAA 1946-47  S Fishman, CBE 1994-99
B T Davis, FSAA 1947-48
Dennis C Walls 1948-49
Sir Alexander B King, CBE, DL, LD, JP 1949-50
A B Watts, FSAA 1950-51
H P E Mears, Ald, OBE, JP 1951-52
W J Speakman 1952-53
J W Davies, OBE 1953-54

CEA Executive Board Chairman
Barry Jenkins, OBE 1999-2005

CEA Ltd Executive Board Chairman
Barry Jenkins, OBE 2005-12
UK Cinema Association Ltd
Executive Board Members – December 2014

Phil Clapp, Chief Executive
Mike Vickers, Honorary Treasurer

Larger Operator Board Members

Cineworld Cinemas – Matt Eyre / Justin Skinner
Curzon Cinemas – Andrew Bailey
Empire Cinemas – Justin Ribbons / Paul Baxter / Craig Jones
Everyman Cinemas – Crispin Lilly
Moviehouse Cinemas – Michael McAdam / Hugh Brown
Natl Amusements (UK) – Duncan Short / Mark Barlow / Richard Leonard
Odeon Cinemas – Duncan Reynolds / Andy Edge
Reel Cinemas – K C Suri / Naveen Suri
Scott Cinemas – Peter Hoare
Vue Entertainment – Tim Richards / Steve Knibbs / Kevin Styles

Smaller Operator Board Members/Nominated Substitutes

Pavilion Cinema, Galashiels – Andrew Poole / Pavilion Cinema, Galashiels – Neil Poole
Savoy Cinemas – James Collington
Mike Vickers / Stuart Hall
Picturedrome Cinemas – Adam Cunard / WTW Cinemas – Mark Williams
In May 2015, the Executive Board of the Cinema Exhibitors’ Association agreed that the organisation should be renamed as the UK Cinema Association. While this new branding is used in this report, all of the activities set out here were undertaken under the auspices of the Cinema Exhibitors’ Association (CEA).