

CHAPTER 11

THE BUDGET

The budget for your society should aim at a modest surplus remaining at the end of the financial year. Some of this can be held in credit to meet the initial expenses of the next year's activities, and some or all of the remainder can be set aside in a reserve fund. In both the short and long term, the societies funds can only be used to further the aims set out in the Constitution. No surpluses or profits can be distributed to members. Membership fees should be fixed to cover all estimated expenses as well as an allowance for emergencies. Setting the fee is a difficult task: too low a subscription may result in a crippling loss, too high will keep potential members away. The most important thing is to make it realistic, i.e. not-too-optimistic estimate of the probable total membership for the season. Another rule of thumb is that most film societies charge approximately three times the current admission charges to a commercial cinema for a season of ten films. If you want to increase the number of programs, increase the number of members, not the membership fee.

To provide an example of a typical film society budget is impossible, as the circumstances surrounding the activities of each society differ considerably from the points of view of financial resources, location, number of screenings, number of members, character of films shown, availability of hall, projection equipment and projectionists etc. Listed below are the main items of expenditure that you are likely to come across. Use this as a check list when planning a budget.

The major source of income is membership fees. Major expenditure items would be film hire and perhaps venue hire.

Expenditure

- Film rental** This item depends on the balance between rental and “free” films. For some societies, this item is low while for others it may be a major item
- Venue Rental** Another major item on most film society budgets. Some are lucky to have found a free or cheap venue. Look around.
- Film Freight** In some cities, one of your members may be able to collect and return the films, saving this cost. Many societies will have to pay freight, which seems to be ever increasing. Air freight is usually the most expensive and best avoided unless you can access the account of a friendly company which has a contract with an airline. Rail may be available and competitive in some States. Otherwise you will have to use road freight. Check out your local operators; the rates may vary considerably. Cheaper rates maybe available if you are an account holder. Some Federations may have an account that you can utilize. Some Societies use parcel post and find the rates satisfactory. Whatever you use, remember the films must return by the due date. Check the transit time with the freight operator. Always ensure that the freight movement can be

traced and that a signature is obtained on delivery. Experience proves that items believed irretrievably lost have been found at their destination when a signed copy of the consignment note has been produced proving delivery. When sending by mail, use Registered mail

- Equipment** If you own your equipment, allow annual amounts for maintenance and depreciation. If you hire equipment, include the hire fees in your budget.
- Membership Fees** To your State Federation.
- Projectionist's Fees** If you don't use your own members.
- Printing** One of your committee members may have access to a photocopying machine and may be able to negotiate cheap copying. High quality brochures and membership cards may require a professional printer. A general checklist is as follows:
 Brochures
 Posters
 Membership cards
 Newsletter
 Film appraisal slips
- Advertising** Newspaper ads you will have to pay for, but try to get free listings in the local press as well as in

the electronic media

- Library** It's nice for the film society to have its own library, but if you're hard up, check your regional library. It may stock what you want, or, with a little persuasion may purchase your requirements. These could be:
- Subscriptions to journals
 - Purchase of books
 - Catalogues etc
- Telephone** If you are remote from the libraries or other film sources save by using the mail, fax or email.
- Mail** If you have over 100 newsletters to post, consider the cost advantage of registering for Print Post through your local Post Office. It does take more effort to pre-sort and label, but there could be cost savings for the society.
- Stationery** You need pens, papers, clips, sticky tape, pencils, marking pens, glue, etc. Don't forget to budget for them. They all add up.
- Insurance** Public Liability
(compulsory if you are an incorporated association)
Volunteer Workers
Film Loss & Damage
(This is included in your Federation membership)
Workers' Compensation

Projector, Screen etc.

Refreshments Disposable paper cups are more expensive but they are a small initial outlay and also save on cleaning. Some societies charge for coffee, others have it free
(Note that if you charge you can not make a mandatory charge, since this can be construed as an admission charge)
Cups
Coffee, tea, cordial
Sugar, milk
Biscuits

Miscellaneous Travel
Representation at other committees.

A Reserve Fund

What if something goes wrong? It's nice to have something "in the kitty" to cover this possibility. A new society can provide an initial working capital and operating reserve by asking foundation members to each contribute a reasonable sum (\$10 to \$50) as a loan to the society, to be repaid as soon as the society has generated enough surplus to establish and maintain its own reserve fund.

An established society should aim to have at least 33 to 50% of a year's operating expenses in reserve before committing itself to spending the surplus on other items such as projectors, etc. Unless the society is incorporated under State law, all members are individually liable for debts incurred by the society. The reserve fund is a buffer against personal payment of liabilities.

Suggested book keeping package

One of most widely used Windows based cashbook accounting packages is called “Quicken Personal ”. It is widely available through software shops and is relatively inexpensive. It is very easy to setup and use and is highly recommended.

More information can be found at;

<http://www.intuit.com.au/products/quicken/quicken.html>

The Australian package MYOB is more expensive and complicated than Quicken but they have now released a “First Accounts Package” which could more suitable for film societies. More details can be found at:

<http://www.myob.com.au>