

REGISTERED COMPANY NUMBER: 03136932 (England and Wales)
REGISTERED CHARITY NUMBER: 1051551

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021
FOR
THE PHOENIX ARTS ASSOCIATION LIMITED

Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

THE PHOENIX ARTS ASSOCIATION LIMITED

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FOR THE YEAR ENDED 31ST DECEMBER 2021

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2021. The trustees have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's objective and principal activities are:

1. The promotion of the arts, and
2. The advancement of public education in the appreciation, production and practice of the arts, and
3. To relieve poor artists by providing workspace and studio facilities and by the provision of advice in artist development seminars.

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 on public benefit and fee charging.

Phoenix relies on the income from studio rentals and educational activities to cover operating costs and to contribute to the gallery. However, in setting the rent levels and course charges the board gives careful consideration to the affordability of the services Phoenix provides.

The course fees are set in line with similar offerings and kept at an affordable level for the general public on limited means. Phoenix aims to achieve funding for special events and professional development projects and in most cases is able to offer free places.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

OBJECTIVES AND ACTIVITIES

Significant activities

In 2021 the impact of the Pandemic was still being felt; however, Phoenix Art Space was able to provide a full programme of exhibitions free to the public, a programme of creative courses and the artists studios remained open throughout this period. Phoenix continued to develop the partnership between CASS and the University of Brighton, with UoB graduates being awarded the prize of a studio for a year and an exhibition in the Window Gallery. Phoenix hosted the 'Platform Graduate Award' again for this region, delighted to be part of this excellent initiative supporting newly qualified artists who are embarking on their careers. Other highly successful partnerships in 2021 included work with Jenni Lewin-Turner on the 'BreathTAKING' exhibition and events and work with The Museum of Ordinary People (MOOP) on their exhibition 'Home'.

A Governance Review, led by Tom Wilcox at Counterculture, was completed early in the year. Since that time the staff and Trustees have been working hard to implement the recommendations. This will make the charity more robust for guiding the organisation forward, managing change and developing the next Business Plan.

Once lockdown and COVID restrictions were lifted the café/bar returned to being a relaxing place where visitors and artists can relax and take a break. The art of the Window Gallery decorates the walls and it is great to see that the public are keen to meet and socialise together again. It has been popular with the students of arts courses, including those at Universities of Sussex and Brighton, and is a place for visitors to catch up on their emails with a coffee and network with creatives and others.

The work we do with Hanover and Elm Grove Communities Forum has led to many joint initiatives and helps to draw the locality together to deal with issues such as anti-social behaviour, as well as joining in with fun street Festivals. Over the Christmas period we worked with the Phoenix Community Food Bank, sorting and delivering produce to make sure that those struggling financially would have a nice meal to look forward to. In the Autumn the 'Community Takeover - Stories' exhibition encouraged engagement and dialogue. Every Saturday a free workshop in the gallery, led by a Phoenix Artist, had families working together on amazing collages and chalking wonderful pictures on our large gallery windows.

As people turned more and more to their mobile devices and computers for entertainment, we benefitted from our newly designed website, both advertising what we do and developing and improving on the images and videos we use to represent the organisation. In this way we were able to have an Open Studios type event online. We have used the billboard on the side of our building to reach out to passers-by and encourage them to visit our free exhibitions and events. Our focus has been on expanding audiences for art and making it easier for everyone to engage with us at Phoenix.

Staff at Phoenix in the Autumn trained in Deaf Awareness, in order to better support our new studio member and make him feel more welcome. He was awarded a free studio for the year, and it has been encouraging to see how much use he has made of this opportunity. We hope to acquire future funding to continue with this initiative.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

STRATEGIC REPORT

Achievement and performance

Charitable activities

Affordable workspace for the arts

The artist studios in the building, over 100 spaces, are always fully occupied and we have a sizeable waiting list of artists keen to join the talented community of artists. A callout for new applicants took place in Spring 2021 with a number of artists selected to join the waiting list. As we were unable to hold a full exhibition programme due to COVID restrictions, and recognising the high demand for studios in our area, we utilised the Main Gallery, when available, to provide short term studio space for artists from the waiting list. This has been a great introduction for them to the organisation with an opportunity for them to show their work to others in the building. It took place during the start of the year and in midsummer, when c.6 artists at a time were able to use the space. In 2021 an additional studio space was created from a previously underused area in the basement, ensuring that we utilise our building to the full.

Hire Space

Over 2021, we had fewer community groups and other regular arts bookings. The COVID safety policy that we put in place meant restricting use due to the continued episodes of new outbreaks. However, we are now seeing our regular users return and with our concessions for space hire for charities and local community users, we continue to nurture and develop new contact and relationships. The Canvas Café facility has encouraged repeat visitors to our space, providing a lively social and art hub for this part of the city.

Exhibitions

Phoenix has a large main gallery, suitable for major exhibitions and events: the Window Gallery which showcases our studio artists and a small new experimental exhibition space called the Dodo gallery which is run by Phoenix artist studio members. The Green Room is increasingly being used for short term pop-up exhibitions and events, and we aim to refurbish this space to make it more fit for purpose. On occasion there have been four different exhibitions opening in the building at one time, all free entry, providing the public with a fantastic cultural experience.

MAIN GALLERY

2 May - 6 June 'Home' by MOOP x MNEMOSENE

A house built within the gallery. MOOP celebrated the ripples ordinary people leave behind

16 June - 25 July 'BreathTAKING' curated by Jenni Lewin-Turner

Exploration of the trauma caused by life-limiting conditions - inequality, injustice, oppression, marginalisation, racism, displacement and social exclusion. The project was funded in part by Phoenix Art Space, Centre for Arts and Wellbeing at the University of Brighton and Arts Council England.

4 Sept - 3 Oct 'Community Takeover - Stories'

Showcasing various community Projects including: 2m Conversations, Prisons Project, and local community projects with Phoenix Residents.

9 Oct - 7 Nov 'Platform Graduate Award '

'Platform' is an award programme run by CVAN South East, and is part of a wider Arts Council England national initiative. Phoenix graduates were selected to have a show in partnership with the University of Brighton and East Sussex College and nominate one of the selected artists to be considered for the award, to include a year's mentoring.

13 Nov - 19 Dec 'Press & Play Festival of Print'

A five-week celebration of the finest in contemporary and traditional printmaking, including screen printing, linocut, lithography, drypoint, monotype, risograph, letterpress and more. Funded by Arts Council England.

WINDOW GALLERY (a programme of work by Phoenix Art Space Artists)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

3 Feb - 28 March 'Miranda Forrester and Emily Moore' CASS Artists
2 April - 25 April 'Julian Vilarubi'
1 May - 30 May 'Care' group exhibition
5 June - 27 June 'Emily Jolley'
3 July - 25 July 'Sophie Abbott'
31 July - 29 Aug 'Becky Blair'
4 Aug - 3 Oct 'Veronica Slater'
9 Oct - 7 Nov 'Hatty Malcomson'
13 Nov - 19 Dec 'Luella Martin'

DODO GALLERY

Izabela Brudkiewicz / Monica Ross archive
James William Murray / Garth Gratrix
Scott Robertson / Sid and Jim
Sarah Pager / Lucy Brown
Hermione Allsopp / Poppy Whatmore
Ty Locke / Daniella Pink / Joseph Cartwright

GREEN ROOM EXHIBITIONS (space hire)

Requests to hire this space for exhibiting artwork have increased over the year, and throughout 2021 there were short exhibitions, some by graduating students who were unable to present their work in final year exhibitions at university due to Covid restrictions.

Education

Phoenix has a vibrant and inclusive learning programme which offers many free art activities associated with the year-round programme of exhibitions. Our creative courses for adults are taught by professional artists and continue to be fully subscribed. As government restrictions relaxed, we felt able to offer more places safely on our courses, but have been mindful to be sensitive to individual needs. Our link with the local community has flourished as we continue to provide art packs for the families in our neighbourhood and to engage with issues and social events. Through successful funding bids Phoenix has provided many free creative opportunities. Working with 'Leap then Look' artists, who have a studio in Phoenix, we offered short holiday courses for children, enabling them to experiment with new materials and work together on fun group projects. These courses are always very well received.

Events

Phoenix has adapted well during the pandemic and although unable to offer to the same degree hire space and events, we have managed a safe environment for small group meetings and online gatherings. There has been a great need for a smaller exhibition space for artists to hire to show their work, and over the past year we have been developing the Green Room space to cater for this need. This has led to some interesting exhibitions taking place over weekends. The exhibition 'Acts of Transfer' took place during September in the Green Room, with specific links to the 'Community Takeover' exhibition in the Main Gallery. In November and December the 'Press & Play' Festival of print brought a new audience into the building to see and buy work from the exhibition and to take part in associated print events, such as the Tabletop Fair, 20 -21 November. It was a fantastic way to bring artist printmakers and people hunting for unique gifts together. This event was free entry and took place at the same time as the 'Press & Play' exhibition.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

We were hoping to hold our annual Open Studios event in 2021, however due to continued anxiety about the spread of the pandemic, we instead devised a way to celebrate our artist studios using film and photographs. Images were uploaded onto our website and screened during the Artist Open House Festival in May. We also encouraged the public to discover more about the creative process through our 'Plein Air' project. Three Phoenix artists worked outside their studios and took their easels to three different sites around the city to paint. They talked to passers-by about their inspiration and demonstrated their methods. This too was filmed and made available online so that those people still housebound could join in.

Financial review

Financial position

In 2021 the COVID pandemic continued to alter the behaviour of the public, and our charity adapted how it operated to ensure that we were still able to provide stimulating opportunities for the public and creatives to flourish. The measures taken, along with COVID support funding from Arts Council Funding, Brighton and Hove County Council and the government's Coronavirus Job Retention Scheme, have enabled Phoenix to maintain a healthy financial position. Phoenix continues to invest in the planned maintenance of the building whilst looking to maintain working capital at 3 month's operating expenditure.

The trustees regularly review the 20-year planned maintenance schedule of works and ensure any large upcoming works can be paid for through designated funds.

Reserves policy

Phoenix recognises that it is financially prudent to accumulate and designate funds to cover any unexpected financial circumstance and to fund strategic projects.

The trustees will therefore aim to hold reserve levels equivalent to three months average expenditure in order to help Phoenix continue to be a going concern. Any reserves accumulated above this target will be banked or designated to the planned maintenance of the building, or to strategic projects as they arise.

Future plans

A Governance Review took place during 2021 and the recommendations are now being implemented. This promises to stabilise the charity, clarifying the structure and responsibilities of all parties. By reviewing policies and procedures Phoenix will be in the best position to develop the future Business Plan for the organisation.

The studios continue to enjoy 99% occupancy, and this is expected to continue. The ending of restrictions has enabled Phoenix to increase attendees on its educational programmes and at exhibitions and events. Towards the end of 2021 Phoenix was starting to function normally with increased use of spaces and increased income from a return to activities. The community programme was funded through successful grants, e.g. the Postcode Lottery and we aim for this to continue with further applications to Trusts and Foundations, so that we can build on the work we have been doing with our different communities.

Competition for funding has however increased, along with rises in overheads, especially regarding utilities. Phoenix continues to look at ways where cost and energy savings can be made. We are developing an environmental action plan to work in parallel with our environmental policy, which will focus on developing a strategy to make the building more cost and energy efficient.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its Memorandum and Articles of Association and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustees, recruitment and appointment

Trustees are invited to apply and are interviewed by the board. Criteria for appointment are based on skills and experience that they can bring to the team, and an ability to represent the different sectors of the community. After an initial co-opted period, the prospective trustee will be presented to the affiliate members at the AGM and elected formerly.

There are a minimum number of trustees required but no maximum. One third of the Trustees stand down at the Annual General Meeting. There is no maximum term of office and trustees who wish to continue to serve may be re-elected by the members at the AGM. Phoenix has two categories of member; full members (who apply to become full members and of whom there are currently approximately 17) and associate members (who are studio members).

All trustees are offered trustee training if required. The prospective trustee has an induction meeting and is mentored to ensure a smooth transition into the organisation.

Full trustee meetings take place quarterly, however sub committees and groups may meet more regularly, and special meetings occur when necessary.

During this period two representatives from the artist studio members attended board meetings as observers and relayed information to and from the Studio Member Representation Forum. We are currently reviewing this system in consultation with studio members to see how this might be further developed.

The board may appoint new Trustees at any time during the year, but they must stand for election by the members at the AGM. The criteria for the appointment of new board members is based on the skills and experience the organisation needs at any given time and the extent to which the board represents different sectors of the community. Diversity on the board is addressed as an action following on from the Governance Review.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03136932 (England and Wales)

Registered Charity number

1051551

Registered office

10/14 Waterloo Place

Brighton

BN2 9NB

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

Trustees

Mr S Evans
Ms K H Strachan
Mr D S Meredith-Garcia (resigned 1/6/2021)
Mr C A Lord (resigned 28/3/2022)
Mr M A Edwards (resigned 4/1/2021)
Mr A G Murray
Mr P J Carroll (resigned 30/11/2021)
Mrs J Walters
Mrs H L Chester
Ms E A Burgess (appointed 7/1/2021)
Ms S E Prime (appointed 18/1/2021)
Ms E Wilson (co-opted 19/11/2021)
Ms S E Bodger (co-opted 11/01/2022)

Company Secretary

Mrs B K Greenhalgh

Independent Examiner

John Thacker FCA DChA
Institute of Chartered Accountants in England and Wales
Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 10th June 2022 and signed on the board's behalf by:

Mr A G Murray - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE PHOENIX ARTS ASSOCIATION LIMITED**

Independent examiner's report to the trustees of The Phoenix Arts Association Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st December 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

John Thacker FCA DChA
Institute of Chartered Accountants in England and Wales
Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

14th June 2022

THE PHOENIX ARTS ASSOCIATION LIMITED**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021**

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	23,670	-	107,101	130,771	90,794
Charitable activities						
Events, Exhibitions and Food & Bar	5	15,164	-	-	15,164	450
Studios & Room Hire		265,571	-	-	265,571	265,232
Courses		63,182	-	-	63,182	44,061
Office and Finance		1,865	-	-	1,865	4,952
Other trading activities	3	20,225	-	-	20,225	18,749
Investment income	4	-	-	-	-	37
Other income		19,589	-	10,000	29,589	24,489
Total		409,266	-	117,101	526,367	448,764
EXPENDITURE ON						
Charitable activities						
Events, Exhibitions and Food & Bar	6	14,962	-	-	14,962	17,899
Studios & Room Hire		33,955	-	-	33,955	12,364
Courses		54,557	-	-	54,557	40,090
Office and Finance		126,271	-	108,723	234,994	216,552
Building Maintenance		103,191	26,757	-	129,948	95,586
Total		332,936	26,757	108,723	468,416	382,491
NET INCOME/(EXPENDITURE)		76,330	(26,757)	8,378	57,951	66,273
RECONCILIATION OF FUNDS						
Total funds brought forward		358,958	123,543	34,983	517,484	451,211
TOTAL FUNDS CARRIED FORWARD		435,288	96,786	43,361	575,435	517,484

The notes form part of these financial statements

THE PHOENIX ARTS ASSOCIATION LIMITED (REGISTERED NUMBER: 03136932)

BALANCE SHEET
31ST DECEMBER 2021

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS						
Tangible assets	12	400,827	-	-	400,827	407,769
CURRENT ASSETS						
Debtors	13	40,828	-	-	40,828	8,723
Cash at bank and in hand		107,916	96,785	43,362	248,063	230,358
		<u>148,744</u>	<u>96,785</u>	<u>43,362</u>	<u>288,891</u>	<u>239,081</u>
CREDITORS						
Amounts falling due within one year	14	(83,015)	-	-	(83,015)	(74,762)
NET CURRENT ASSETS		<u>65,729</u>	<u>96,785</u>	<u>43,362</u>	<u>205,876</u>	<u>164,319</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		466,556	96,785	43,362	606,703	572,088
CREDITORS						
Amounts falling due after more than one year	15	(31,268)	-	-	(31,268)	(54,604)
NET ASSETS		<u>435,288</u>	<u>96,785</u>	<u>43,362</u>	<u>575,435</u>	<u>517,484</u>
FUNDS	17					
Unrestricted funds					532,073	482,501
Restricted funds					<u>43,362</u>	<u>34,983</u>
TOTAL FUNDS					<u>575,435</u>	<u>517,484</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

BALANCE SHEET - continued
31ST DECEMBER 2021

The financial statements were approved by the Board of Trustees and authorised for issue on 10th June 2022 and were signed on its behalf by:

Mr A G Murray - Trustee

THE PHOENIX ARTS ASSOCIATION LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	17,705	53,596
Net cash provided by operating activities		17,705	53,596
Cash flows from investing activities			
Interest received		-	37
Net cash provided by investing activities		-	37
Change in cash and cash equivalents in the reporting period		17,705	53,633
Cash and cash equivalents at the beginning of the reporting period		230,358	176,725
Cash and cash equivalents at the end of the reporting period		248,063	230,358

The notes form part of these financial statements

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	57,951	66,273
Adjustments for:		
Depreciation charges	6,942	2,590
Interest received	-	(37)
(Increase)/decrease in debtors	(32,105)	5,384
Decrease in creditors	(15,083)	(20,614)
Net cash provided by operations	<u>17,705</u>	<u>53,596</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/21 £	Cash flow £	At 31/12/21 £
Net cash			
Cash at bank and in hand	<u>230,358</u>	<u>17,705</u>	<u>248,063</u>
	<u>230,358</u>	<u>17,705</u>	<u>248,063</u>
Debt			
Debts falling due within 1 year	(23,655)	-	(23,655)
Debts falling due after 1 year	<u>(54,604)</u>	<u>23,336</u>	<u>(31,268)</u>
	<u>(78,259)</u>	<u>23,336</u>	<u>(54,923)</u>
Total	<u>152,099</u>	<u>41,041</u>	<u>193,140</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- Straight line over 50 years
Equipment	- 25% on reducing balance

The charity does not capitalise items costing less than £1,000.

The trustees have made the decision to depreciate the estimated cost of the building, £250,000, over 50 years from 1st January 2021.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular restricted purpose.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

1. ACCOUNTING POLICIES - continued

Going concern

The directors consider that there are no material uncertainties about the company's ability to continue as a going concern. The directors have taken advantage of the various sources of Government support during the COVID-19 pandemic. The directors consider that COVID-19 will not have a significant impact on the company's ability to continue trading and steps are being taken to make cost savings. The directors regard any impact to be short term rather than affecting the company's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	-	516
Grants	130,771	90,278
	<u>130,771</u>	<u>90,794</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Chalk Trust	3,000	-
Hyde - Up My Street	-	12,128
Arts Council - Rockets	-	19,300
Sussex Police	-	500
University of Brighton	-	2,500
Arts Council - COVID Fund	3,500	16,500
Arts Council - COVID Digital Learning	-	7,000
Arts Council - COVID Studios	-	8,000
National Art Collections Fund	-	1,350
Arts Council - National Creative Workspace Network	2,000	23,000
Arts Council - Breaking the Cycle / OXYGEN	18,350	-
Arts Council - Culture Recovery Fund	40,446	-
Arts Council - Press+Play	17,000	-
Art Club/Prisons & Probation	15,000	-
Festival Our Place	6,475	-
Postcode Lottery	20,000	-
Sussex Community Foundation	5,000	-
	<u>130,771</u>	<u>90,278</u>

THE PHOENIX ARTS ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021****3. OTHER TRADING ACTIVITIES**

	2021	2020
	£	£
Car Parking	20,225	18,749

4. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	-	37

5. INCOME FROM CHARITABLE ACTIVITIES

	Events, Exhibitions and Food & Bar £	Studios & Room Hire £	Courses £
Studio Income	-	232,037	-
Workspace hire	9,215	33,219	-
Course fees	-	-	63,145
Events, exhibitions and food & bar	5,899	-	-
Office and finance	50	315	37
	15,164	265,571	63,182
		2021	2020
	Office and Finance £	Total activities £	Total activities £
Studio Income	-	232,037	227,843
Workspace hire	-	42,434	37,389
Course fees	-	63,145	44,061
Events, exhibitions and food & bar	-	5,899	450
Office and finance	1,865	2,267	4,952
	1,865	345,782	314,695

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Events, Exhibitions and Food & Bar	14,962	-	14,962
Studios & Room Hire	33,955	-	33,955
Courses	54,557	-	54,557
Office and Finance	108,723	126,271	234,994
Building Maintenance	129,948	-	129,948
	<u>342,145</u>	<u>126,271</u>	<u>468,416</u>

Office and Finance Direct Costs relate to all restricted fund expenditure across the charitable activities. See note 17 for fund breakdown.

7. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Office and Finance	<u>123,927</u>	<u>2,344</u>	<u>126,271</u>

Support costs, included in the above, are as follows:

	2021 Office and Finance £	2020 Total activities £
Wages	74,193	92,629
Social security	3,770	1,402
Pensions	2,039	1,418
Advertising	5,506	941
Direct Costs	1,590	655
Operating costs	36,829	25,171
Accountancy and legal fees	2,344	2,692
	<u>126,271</u>	<u>124,908</u>

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	6,942	2,590
Independent Examiner	2,298	2,500
	<u>2,298</u>	<u>2,500</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2021 nor for the year ended 31st December 2020.

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	201,211	196,843
Social security costs	11,195	8,523
Other pension costs	3,993	3,271
	<u>216,399</u>	<u>208,637</u>

The total remuneration paid to key management personnel during the year was £161,679.

The average monthly number of employees during the year was as follows:

2021	2020
12	11
<u>12</u>	<u>11</u>

No employees received emoluments in excess of £60,000.

THE PHOENIX ARTS ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	1,016	-	89,778	90,794
Charitable activities				
Events, Exhibitions and Food & Bar	450	-	-	450
Studios & Room Hire	265,232	-	-	265,232
Courses	44,061	-	-	44,061
Office and Finance	4,802	-	150	4,952
Other trading activities	18,749	-	-	18,749
Investment income	37	-	-	37
Other income	24,489	-	-	24,489
Total	358,836	-	89,928	448,764
EXPENDITURE ON				
Charitable activities				
Events, Exhibitions and Food & Bar	17,899	-	-	17,899
Studios & Room Hire	12,364	-	-	12,364
Courses	40,090	-	-	40,090
Office and Finance	133,776	-	82,776	216,552
Building Maintenance	86,313	9,273	-	95,586
Total	290,442	9,273	82,776	382,491
NET INCOME/(EXPENDITURE)	68,394	(9,273)	7,152	66,273
Transfers between funds	(62,979)	62,816	163	-
Net movement in funds	5,415	53,543	7,315	66,273
RECONCILIATION OF FUNDS				
Total funds brought forward	353,543	70,000	27,668	451,211
TOTAL FUNDS CARRIED FORWARD	358,958	123,543	34,983	517,484

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

12. TANGIBLE FIXED ASSETS

	Freehold property £	Equipment £	Totals £
COST			
At 1st January 2021	400,000	65,765	465,765
Disposals	-	(11,857)	(11,857)
	<hr/>	<hr/>	<hr/>
At 31st December 2021	400,000	53,908	453,908
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1st January 2021	-	57,996	57,996
Charge for year	5,000	1,942	6,942
Eliminated on disposal	-	(11,857)	(11,857)
	<hr/>	<hr/>	<hr/>
At 31st December 2021	5,000	48,081	53,081
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31st December 2021	395,000	5,827	400,827
	<hr/>	<hr/>	<hr/>
At 31st December 2020	400,000	7,769	407,769
	<hr/>	<hr/>	<hr/>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	1,493	5,273
Prepayments and accrued income	39,335	3,450
	<hr/>	<hr/>
	40,828	8,723
	<hr/>	<hr/>

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 16)	23,655	23,655
Trade creditors	5,509	4,962
Other creditors	1,980	1,362
Refundable deposits held	28,647	29,651
Income in advance	13,841	12,632
Accrued expenses	9,383	2,500
	<u>83,015</u>	<u>74,762</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bank loans (see note 16)	<u>31,268</u>	<u>54,604</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>23,655</u>	<u>23,655</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>31,268</u>	<u>54,604</u>

THE PHOENIX ARTS ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021**17. MOVEMENT IN FUNDS**

	At 1/1/21 £	Net movement in funds £	Transfers between funds £	At 31/12/21 £
Unrestricted funds				
General fund	357,758	76,330	1,200	435,288
Designated Fund - Planned Maintenance	123,543	(26,758)	-	96,785
Designated Fund - Cafe	1,200	-	(1,200)	-
	<u>482,501</u>	<u>49,572</u>	<u>-</u>	<u>532,073</u>
Restricted funds				
BHCC G&G	2,483	-	-	2,483
Hyde - Up My Street	969	(969)	-	-
Kingswood Millner project	4,714	-	-	4,714
ACE Accessibility	5,976	-	-	5,976
ACE Rockets Work In Progress	4,084	(4,084)	-	-
New England Bridge	594	(594)	-	-
ACE - COVID Fund	(376)	376	-	-
ACE - National Creative Workspace Network	15,189	(15,189)	-	-
National Art Collections Fund	1,350	(1,350)	-	-
Arts Club/Prisons & Probations	-	12,980	-	12,980
Postcode Lottery	-	12,905	-	12,905
Sussex Community Foundation	-	4,304	-	4,304
	<u>34,983</u>	<u>8,379</u>	<u>-</u>	<u>43,362</u>
TOTAL FUNDS	<u>517,484</u>	<u>57,951</u>	<u>-</u>	<u>575,435</u>

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	409,266	(332,936)	76,330
Designated Fund - Planned Maintenance	-	(26,758)	(26,758)
	<u>409,266</u>	<u>(359,694)</u>	<u>49,572</u>
Restricted funds			
Chalk Cliff	3,000	(3,000)	-
Hyde - Up My Street	-	(969)	(969)
ACE Rockets Work In Progress	-	(4,084)	(4,084)
New England Bridge	-	(594)	(594)
ACE - COVID Fund	3,500	(3,124)	376
ACE - National Creative Workspace Network	2,000	(17,189)	(15,189)
National Art Collections Fund	-	(1,350)	(1,350)
ACE - Breaking the Cycle / OXYGEN	23,350	(23,350)	-
ACE - Culture Recovery Fund	16,776	(16,776)	-
ACE - Press + Play	17,000	(17,000)	-
Arts Club/Prisons & Probations	15,000	(2,020)	12,980
Festival Our Place	6,475	(6,475)	-
Postcode Lottery	20,000	(7,095)	12,905
Social Supermarket	5,000	(5,000)	-
Sussex Community Foundation	5,000	(696)	4,304
	<u>117,101</u>	<u>(108,722)</u>	<u>8,379</u>
TOTAL FUNDS	<u><u>526,367</u></u>	<u><u>(468,416)</u></u>	<u><u>57,951</u></u>

THE PHOENIX ARTS ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021**17. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1/1/20 £	Net movement in funds £	Transfers between funds £	At 31/12/20 £
Unrestricted funds				
General fund	353,543	67,194	(62,979)	357,758
Designated Fund - Planned Maintenance	70,000	(9,273)	62,816	123,543
Designated Fund - Cafe	-	1,200	-	1,200
	<u>423,543</u>	<u>59,121</u>	<u>(163)</u>	<u>482,501</u>
Restricted funds				
Computer Donation	1,003	(1,390)	387	-
Foyle Foundation	154	-	(154)	-
BHCC G&G	2,483	-	-	2,483
Hyde - Up My Street	-	969	-	969
Kingswood Millner project	8,000	(1,786)	(1,500)	4,714
ACE Accessibility	5,976	-	-	5,976
ACE Community Takeover	70	-	(70)	-
ACE Rockets Work In Progress	4,155	(71)	-	4,084
New England Bridge	5,827	(5,233)	-	594
2M Conversations	-	(1,500)	1,500	-
ACE - COVID Fund	-	(376)	-	(376)
ACE - National Creative Workspace Network	-	15,189	-	15,189
National Art Collections Fund	-	1,350	-	1,350
	<u>27,668</u>	<u>7,152</u>	<u>163</u>	<u>34,983</u>
TOTAL FUNDS	<u>451,211</u>	<u>66,273</u>	<u>-</u>	<u>517,484</u>

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	357,636	(290,442)	67,194
Designated Fund - Planned Maintenance	-	(9,273)	(9,273)
Designated Fund - Cafe	1,200	-	1,200
	<u>358,836</u>	<u>(299,715)</u>	<u>59,121</u>
Restricted funds			
Computer Donation	-	(1,390)	(1,390)
Hyde - Up My Street	12,128	(11,159)	969
Kingswood Millner project	-	(1,786)	(1,786)
ACE Rockets Work In Progress	19,300	(19,371)	(71)
New England Bridge	-	(5,233)	(5,233)
2M Conversations	2,500	(4,000)	(1,500)
ACE - COVID Fund	31,500	(31,876)	(376)
ACE - National Creative Workspace			
Network	23,150	(7,961)	15,189
National Art Collections Fund	1,350	-	1,350
	<u>89,928</u>	<u>(82,776)</u>	<u>7,152</u>
TOTAL FUNDS	<u>448,764</u>	<u>(382,491)</u>	<u>66,273</u>

Restricted funds are given to the charity for specific, time bound projects and cannot be spent on other activities. These projects greatly contribute to the social impact of our role and responsibility to our communities and wider of our work in the arts sector supporting artists. In all of these restricted funds, Phoenix artists gain paid freelance work to deliver projects thereby supporting them as self-employed workers as well as giving them wider experience of working within communities.

- Community Art Advent Calendar funded by Chalk Cliff Trust
- Brighton and Hove City Council funded community engagement projects including a street art project working with the young people on the Phoenix Estate
- Hyde Housing who are the landlords of the social housing estate based behind Phoenix have funded a yearlong community engagement programme
- Brighton and Hove City Council has funded us to work with overlooked council estates including Kingswood and Milner to help regenerate the area via a street art project
- We are now part of the anti-graffiti strategy at Brighton and Hove City Council and get funding from City Clean to work with communities on cleaning up areas and to take ownership of their estates. The New England Bridge project is working with the local church, school and residents to combat the graffiti that leads to anti-social behaviour.
- Arts Council of England have funded a feasibility study to ascertain how we can install a lift at Phoenix to allow individuals with mobility barriers to access the entire building, not just the ground floor.
- Arts Council of England funded Rockets Artists to deliver Work In Progress which looked at inclusive curation for people with a learning disability, people facing communication barriers or who are looking for autism friendly opportunities.

17. MOVEMENT IN FUNDS - continued

- Arts Council England - COVID Fund - We successfully received emergency funding from Arts Council England for the purpose of sustaining Phoenix during the COVID-19 pandemic.
- Arts Council England - National Creative Workspace Network - We successfully received a grant to create a national network for the studio provider network with the purpose to support others during the pandemic.
- National Art Collections Fund - As part of our research and development we were awarded a Jonathan Ruffer Grant, part of the National Art Collections Fund to research how international partners run similar organisations abroad
- The Arts Club / Prisons and Probations is a partnership project between Sussex Partnership NHS Foundation Trust, Sussex Probation and Phoenix Art Space, initiated by the Sussex Chiron: Intensive Intervention and Risk Management Service (IIRMS). The project aims to contribute to positive outcomes for participants through improved psychological health, wellbeing, community integration and development of pro-social behaviour and relationships.
- In 2021 we received an award from the Postcode Society Trust, a grant-giving charity funded entirely by players of People's Postcode Lottery. This funding supported the Community Takeover exhibition in September 2021, allowed us to shape a year-long programme of engagement activity alongside our exhibitions, forge new partnerships, reach new groups and continue with our family workshops and art packs.
- The Sussex Community Foundation supported a consultation process with local families to find out how we can continue to address the needs of local residents through our workshop programme.
- We worked in partnership with Brighton Festival and Our Place to identify artists and co-manage residency programmes in three residential areas of the city.
- Brighton and Hove City Council funded The Phoenix Food Shop. This enables members of the local community to buy good quality food and other essentials on a weekly basis at a very low cost.
- Arts Council England - Culture Recovery Fund - We were granted funding for the period April to June 2021 to help contribute to salary, marketing and PPE costs and to help Phoenix prepare to welcome visitors in a COVID compliant environment.
- Arts Council England funded Breaking the Cycle / Oxygen in partnership with Urbanflo Creative. Oxygen opens up a powerful new lens to creatively explore the human condition and different narratives from the perspective of communities still impacted by the legacies of colonialization.
- Arts Council England funded Press and Play - a five-week celebration of the finest in contemporary and traditional printmaking, including screen printing, linocut, lithography, drypoint, monotype, risograph, letterpress and more.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2021.