

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 2022
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 2022

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

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 2022. 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 art exhibition programme and creative activities free to the public. However, in setting the rent levels and course charges the board gives careful consideration to the affordability of the services Phoenix provides. Studio rents are benchmarked against the market for similar organisations regionally and nationally.

The courses and course fees are monitored closely against similar offerings, mindful of making them accessible to members of the general public on limited means. Phoenix aims to achieve funding for special events and professional development projects and is often able to offer free places.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

OBJECTIVES AND ACTIVITIES

Significant activities

During 2022 Phoenix underwent significant staff changes, beginning in January with the appointment of an Interim Executive Director, Lucy Day and the appointment of a new Finance Manager, Sarah McConnell.

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, supporting newly qualified artists who are embarking on their careers with a month-long exhibition in the newly refurbished Project Space. Another partnership in 2022 included working with Outside In, artists experiencing significant barriers in the art world due to health, disability, social circumstance or isolation. The exhibition and associated events engaged with many new audiences who had not previously felt able to visit the gallery.

Led by the new director, staff and Trustees have been working hard to implement the recommendations of the Governance Review. This will make the charity more robust for guiding the organisation forward, managing change and developing the next Business Plan.

Canvas café/bar continues to provide tasty snacks and refreshments throughout the week, the space is wheelchair accessible and is a great creative hub for our artists, workshop users, gallery visitors and general public. Frequently changing art exhibitions in the Window Gallery can be viewed whilst sipping coffee.

We continue to work with Hanover and Elm Grove Communities Forum on joint initiatives, improving our local environment and introducing new audiences to the arts. We work with the Phoenix Community Food Shop (formerly Phoenix Food Bank), to sort and deliver produce as well as providing art packs to families to have creative fun together. Our annual 'Community Takeover' exhibition provides an opportunity for the groups that we work with in the community to exhibit what has been created. During each of the Main Gallery exhibitions, we hold a free Family workshop, where visitors can engage with themes or materials in a hands-on creative way.

Phoenix is proactive in encouraging new audiences and creating a truly welcoming, safe and accessible environment. In order to keep our approach current, staff and invigilators have a programme of training which includes H&S, Fire warden, EDI and mental health awareness. A studio within the building is provided for an under represented artist. In 2022 this artist, Daniel Griffiths, made terrific use of this opportunity taking part in our Phoenix group exhibition in the Window Gallery, meeting the public during Open Studios and in 2023 having his own solo show. Daniel is a deaf artist. We are applying for funding to continue with this very worthwhile initiative.

The learning programme at Phoenix has turned its focus to young people, who we recognise as having experienced many challenges due to the impact of the Covid pandemic. We recognise that creative activity can provide a huge benefit to wellbeing. Over the half term and for one week in the summer holidays, artists 'Leap then Look' ran creative art sessions for young people, working together on projects, and learning to cooperate and experiment with new materials and techniques. Successful fundraising has enabled us to offer free spaces on some of these courses to children of families who have been identified through the food shop as experiencing economic or personal hardship. We also commissioned 'Leap Then Look' to design and deliver a programme of activities as part of our partnership with the Russell Martin Foundation, a charity that works with secondary school children who are struggling with mainstream education. Our street art project took place in the summer, funded by Sussex Community Foundation and engages young people from the Phoenix Estate and the Turner Community Project. The Art Group is an excluded group of people who meet regularly at Phoenix for art workshops. They are referred to Phoenix by the Prisons and Probation service.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Affordable work space for the arts

The artist studios in the building, over 100 spaces, are always fully occupied and we have a sizeable waiting list of people keen to join the talented community of artists. We benchmark our offer against similar organisations in the region and nationally. To ensure we support a diverse group of artists we have created a studio for recent graduates in partnership with CASS Art and University of Brighton. We have a studio on our ground floor for artists with access needs - Rocket Artists work with people with a learning disability, people facing communication barriers or who are looking for autism friendly opportunities.

Hire Space

Phoenix provides a lively and welcoming space in a creative hub. A range of external organisations hire the rooms for meetings, workshops or rehearsals. Bookings for our newly refurbished Project Space continued to take place throughout 2022.

Exhibitions

Phoenix has a large main gallery, suitable for major exhibitions and events, the Window Gallery which showcases our studio artists, a Project Space on the ground floor and a small new experimental exhibition space, Gallery DODO, which is run by Phoenix studio members. 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

15 Jan - 20 Feb 'Undercurrents' Environmental artists Lou McCurdy and Steve Geliot focus on the plight of starlings, within the exhibition 100 bird nesting boxes were exhibited.

5 March - 27 March 'Roots' CASS Art exhibition. Work by the University of Brighton alumni who had been recipients of the CASS Art Studio award.

2 April - 24 April 'Under a Blue Sky: Alan Payler,' an exhibition with arts organisation Outside In, a national charity that aims to provide a platform for artists who face significant barriers to the art world due to health, disability, social circumstance or isolation.

30 April - 29 May Hope & Glary: Encountering Welcome. Exhibition of work by Alberta Whittle curated by Jenni Lewin Turner of Urbanflo Creative. Part of the Brighton Festival, this coincided with her solo presentation at the Scottish Pavilion for the Venice Biennale.

4 June - 26 June 'Bright Dynasty'. An exhibition of work and performances by Adam Moore. Adam describes himself as a British-St. Lucian transdisciplinary artist and most recently was a Trinity Laban Leverhulme Performing Arts Scholar.

2 July - 24 July 'Drawing after Performance' Ram Samocha. An exhibition and series of events by the multidisciplinary artist.

30 July - 27 Aug PRONOUNced by Urbanflo. The exhibition focussed on artists who identify as Trans, selected through an Open Call. It included works in a range of media, with a programme of short films in our annexe space.

3 Sept - 25 Sept 'Community Takeover' exhibition celebrated and showcased the community engagement projects that have taken place over the past year. 'Journeys' reflected on the past year's activities, the projects undertaken, people we met and experiences we shared.

6 Oct - 30 Oct 'Real Utopias' Brighton Photo Fringe. Tenth biennial Photo Fringe festival in partnership with Phoenix Art Space.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

12 Nov - 18 Dec 'Press + Play' Festival of Print exhibition. An annual celebration of the finest in contemporary and traditional printmaking, including screen printing, linocut, lithography, drypoint, monotype, risograph, letterpress and more.

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

15 Jan - 20 Feb Perdita Sinclair 'Small Towns'

5 March - 27 March 'Christina Ure 'Fragile Blooms'

2 April - 24 April Michelle Cobbin 'I'd Be Enlightened Now If It Wasn't For You'

30 April - 29 May Phoenix Artists Group Show - artworks in this exhibition were selected by Brighton Festival's Guest Co-Directors: Marwa Al-Sabouni and Tristan Sharps. Featured artists are Daniel Griffiths, Joshua Uvieghara, Isabela Vasques and Luella Martin.

4 June - 26 June David Harkins 'Era'

2 July - 24 July Kiki Stickl 'Drift'

30 July - 28 Aug Jane Camplin and Geoff Hands 'Drawn to Painting'

3 Sept - 30 Oct Liberty Cheverall 'Heartbreak for the Loveless'

12 Nov - 5 Jan 2023 Patrick O'Donnell 'Glimpses'

GALLERY DODO

An artist-led exhibition space situated on the south stairway of the building, which offers an opportunity for artists to collaborate together in an experimental way. Visitors pre-book a free timed slot for their visit when exhibitions are on.

PROJECT SPACE EXHIBITIONS (previously the Green Room)

In January 2022 refurbishment of this room took place, recognising the demand for affordable, accessible and flexible gallery spaces in Brighton. Improved lighting and hanging areas converted it into a highly desirable exhibition space for hire. This has proved very popular with artists and communities alike and continues to book well.

Example of some of the hires:

27 - 30 May - Artists Jo Bates, showcasing a film over the weekend.

31 May - 6 June Ruminators Group exhibition

7 - 13 June Jane Spedding, 'Moving Needle' exhibition

15 Jun Used by The Creative Writing Programme for a workshop

16 June Pighog Poetry evening event

17 - 20 June Artist Bernard Mills exhibition

21 - 27 June Michael Gale 'Berlin, Paris, London Road' exhibition

28 June - 4 July Group show 'Mother' by recent graduates from University of Brighton

14 Jul + 21 Jul - Emily Barrat 'Speak Out' exhibition

22 Aug - 29 Aug - Nina Wakeford Phoenix Art Space weekend project event

2 - 12 Sept - Exhibition produced by Hadia Saeh, presenting work created by children in the care system

13 - 26 Sept 'Feeling at Home', Photovoice Exhibition presented by Quiet Down There

8 - 14 Nov 'Jessica Miller Makes' exhibition

9 - 10 Dec Simon Wilkinson and Willow Ritchie AV workshops and events

29 Nov - 5 Dec Justin Hunt exhibition

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

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 well subscribed. 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, including free places on our arts courses to members of our local community who face multiple disadvantages.

Events

Phoenix has adapted to changes in the needs of local artists and art lovers. We continue to offer a welcoming, safe and creative 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 we now provide the Project Space as an affordable short term hire. This has led to a variety of exhibitions taking place, from recent graduates and professional artists to community groups. In November and December '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 the weekend of 19 - 20 November. It was a fantastic way to bring together artist printmakers and people hunting for unique gifts. This event was free entry and took place at the same time as the Press & Play exhibition. We produce many free events which run alongside our Main Gallery exhibitions, plus creative free events organised by local organisations and partners, and open to the public.

We were delighted to hold our annual Open Studios event in 2022, after a break due to Covid. It was a true celebration of our community of artists and wonderful showcase for their work. We were part of Artist Open House Festival, in the Hanover Trail. Both members of the public and artists benefit from this annual event, encouraging an understanding of careers in the art sector for young people and giving an opportunity to buy work directly from the artist/maker. It is a high point on our calendar each year, and takes place in May during the Brighton Festival.

FINANCIAL REVIEW

Financial position

In 2022, after the difficulties of the COVID pandemic, the focus of the charity was to return to some normality and to provide stimulating opportunities for the public and creatives to flourish. In light of global financial challenges such as the increase in energy costs and competition for funding, Phoenix continues to look for opportunities to reduce costs, use resources more effectively and identify other sources of income generation to achieve a sustainable position into the future.

The trustees regularly revisit 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.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

FUTURE PLANS

Competition for funding has increased significantly along with increases in overheads, especially electricity and building materials. Phoenix is constantly looking at ways to reduce costs and to make our building more sustainable. A strategy has now been devised with a clear timeline for improving the eco footprint and sustainability of the organisation. In consultation with the membership, Phoenix is also reviewing further opportunities for revenue generation.

Phoenix is working hard to implement the advice suggested by the Governance Review of 2021. This aims to stabilise the charity, clarifying the structure and responsibilities of all parties. Regular reviewing of policies and procedures will help Phoenix with business planning for the future. These changes are important if lengthy, requiring proper consultation with all stakeholders.

The studios continue to enjoy 99% occupancy, with a waiting list of artists wishing to join when a vacancy appears. Phoenix attendees at educational programmes and at exhibitions and events continue to grow, as does the engagement with our website and social media. We will continue to apply to Public Funds, Trusts and Foundations for funding, so that we can build on the highly valued work we have been doing with the community and for our diverse audiences.

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.

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 formally.

There are a minimum number of trustees required but no maximum. One third of the Trustees stand down at the Annual General Meeting but there is currently 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 sub groups meet more regularly and special meetings occur when necessary. Trustees also attend meetings with associate members and social events.

The Studio Member Representation Forum has been disbanded and discussion is ongoing on how best to communicate and get feedback from the associate members of the charity. Studio members receive a weekly news letter via email, an 'open door' system is in place in the office for members, as are 1:1 meetings with the Executive Director.

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)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

Registered Charity number

1051551

Registered office

10/14 Waterloo Place

Brighton

BN2 9NB

Trustees

Mr S Evans

Ms K H Strachan

Mr C A Lord (resigned 30/3/2022)

Mr A G Murray

Mrs J Walters

Mrs H L Chester

Ms E A Burgess (resigned 30/1/2023)

Ms S E Prime

Ms E Wilson (resigned 7/6/2022)

Ms S E Bodger (resigned 30/1/2023)

Company Secretary

Mrs B K Greenhalgh

Independent Examiner

John Thacker FCA DChA

Chariot House Limited

Chartered Accountants

44 Grand Parade

Brighton

East Sussex

BN2 9QA

Approved by order of the board of trustees on 6th June 2023 and signed on its 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 2022.

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 member of the 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
The Institute of Chartered Accountants in England and Wales

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

18th July 2023

THE PHOENIX ARTS ASSOCIATION LIMITED**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2022**

| | Notes | Unrestricted funds £ | Designated funds £ | Restricted funds £ | 2022 Total funds £ | 2021 Total funds £ |
|--|-------|----------------------------|--------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | | |
| Donations and legacies | 2 | 17,334 | - | 50,270 | 67,604 | 130,771 |
| Charitable activities | 5 | | | | | |
| Events, Exhibitions and Food & Bar | | 16,255 | - | - | 16,255 | 15,164 |
| Studios & Room Hire | | 282,633 | - | - | 282,633 | 265,571 |
| Courses | | 83,187 | - | - | 83,187 | 63,182 |
| Office and Finance | | 823 | - | - | 823 | 1,865 |
| Other trading activities | 3 | 20,001 | - | - | 20,001 | 20,225 |
| Investment income | 4 | 46 | - | - | 46 | - |
| Other income | | 10,972 | - | - | 10,972 | 29,589 |
| Total | | <u>431,251</u> | <u>-</u> | <u>50,270</u> | <u>481,521</u> | <u>526,367</u> |
| EXPENDITURE ON | | | | | | |
| Charitable activities | 6 | | | | | |
| Events, Exhibitions and Food & Bar | | 57,293 | - | - | 57,293 | 14,962 |
| Studios & Room Hire | | 31,282 | - | - | 31,282 | 33,955 |
| Courses | | 70,537 | - | - | 70,537 | 54,557 |
| Office and Finance | | 147,263 | - | 73,156 | 220,419 | 234,994 |
| Building Maintenance | | 113,915 | 19,196 | - | 133,111 | 129,948 |
| Total | | <u>420,290</u> | <u>19,196</u> | <u>73,156</u> | <u>512,642</u> | <u>468,416</u> |
| NET INCOME/(EXPENDITURE) | | 10,961 | (19,196) | (22,886) | (31,121) | 57,951 |
| RECONCILIATION OF FUNDS | | | | | | |
| Total funds brought forward | | 435,288 | 96,785 | 43,362 | 575,435 | 517,484 |
| TOTAL FUNDS CARRIED FORWARD | | <u>446,249</u> | <u>77,589</u> | <u>20,476</u> | <u>544,314</u> | <u>575,435</u> |

The notes form part of these financial statements

THE PHOENIX ARTS ASSOCIATION LIMITED (REGISTERED NUMBER: 03136932)

BALANCE SHEET
31ST DECEMBER 2022

| | Notes | Unrestricted funds £ | Designated funds £ | Restricted funds £ | 2022 Total funds £ | 2021 Total funds £ |
|--|-------|----------------------------|--------------------------|--------------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | | |
| Tangible assets | 12 | 394,370 | - | - | 394,370 | 400,827 |
| CURRENT ASSETS | | | | | | |
| Debtors | 13 | 36,587 | - | - | 36,587 | 40,828 |
| Cash at bank and in hand | | 127,699 | 77,590 | 20,477 | 225,766 | 248,063 |
| | | <u>164,286</u> | <u>77,590</u> | <u>20,477</u> | <u>262,353</u> | <u>288,891</u> |
| CREDITORS | | | | | | |
| Amounts falling due within one year | 14 | (108,943) | - | - | (108,943) | (83,015) |
| NET CURRENT ASSETS | | <u>55,343</u> | <u>77,590</u> | <u>20,477</u> | <u>153,410</u> | <u>205,876</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 449,713 | 77,590 | 20,477 | 547,780 | 606,703 |
| CREDITORS | | | | | | |
| Amounts falling due after more than one year | 15 | (3,466) | - | - | (3,466) | (31,268) |
| NET ASSETS | | <u>446,247</u> | <u>77,590</u> | <u>20,477</u> | <u>544,314</u> | <u>575,435</u> |
| FUNDS | 17 | | | | | |
| Unrestricted funds | | | | | 523,837 | 532,073 |
| Restricted funds | | | | | <u>20,477</u> | <u>43,362</u> |
| TOTAL FUNDS | | | | | <u>544,314</u> | <u>575,435</u> |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2022 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 2022

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 6th June 2023 and were signed on its behalf by:

Mr A G Murray - Trustee

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 2022**2. DONATIONS AND LEGACIES**

| | 2022 | 2021 |
|-----------|---------------|----------------|
| | £ | £ |
| Donations | 300 | - |
| Grants | 67,304 | 130,771 |
| | <u>67,604</u> | <u>130,771</u> |

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

| | 2022 | 2021 |
|---|---------------|----------------|
| | £ | £ |
| Chalk Trust | - | 3,000 |
| Arts Council - Accessibility | 895 | - |
| Arts Council - Community Takeover | 900 | - |
| Arts Council - COVID Fund | - | 3,500 |
| Arts Council - National Creative Workspace Network | - | 2,000 |
| Arts Council - Breaking the Cycle / Oxygen | - | 18,350 |
| Arts Council - Culture Recovery Fund | 17,334 | 40,446 |
| Arts Council - Press+Play | - | 17,000 |
| Art Club/Prisons & Probation | 5,000 | 15,000 |
| Festival Our Place | - | 6,475 |
| Postcode Lottery | - | 20,000 |
| Sussex Community Foundation | - | 5,000 |
| Inclusivity Development Project | 4,825 | - |
| Arts Council - Breaking the Cycle / Alberta Whittle | 38,350 | - |
| | <u>67,304</u> | <u>130,771</u> |

3. OTHER TRADING ACTIVITIES

| | 2022 | 2021 |
|-------------|---------------|---------------|
| | £ | £ |
| Car Parking | <u>20,001</u> | <u>20,225</u> |

THE PHOENIX ARTS ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2022**4. INVESTMENT INCOME**

| | 2022 | 2021 |
|--------------------------|-----------|----------|
| | £ | £ |
| Deposit account interest | 46 | - |
| | <u>46</u> | <u>-</u> |

5. INCOME FROM CHARITABLE ACTIVITIES

| | Events, Exhibitions and Food & Bar £ | Studios & Room Hire £ | Courses £ |
|------------------------------------|--|-----------------------------|--------------------------|
| Studio Income | - | 233,647 | - |
| Workspace hire | 12,978 | 48,986 | - |
| Course fees | - | - | 83,187 |
| Events, exhibitions and food & bar | 2,074 | - | - |
| Office and finance | 1,203 | - | - |
| | <u>16,255</u> | <u>282,633</u> | <u>83,187</u> |
| | | 2022 | 2021 |
| | Office and Finance £ | Total activities £ | Total activities £ |
| Studio Income | - | 233,647 | 232,037 |
| Workspace hire | - | 61,964 | 42,434 |
| Course fees | - | 83,187 | 63,145 |
| Events, exhibitions and food & bar | - | 2,074 | 5,899 |
| Office and finance | 823 | 2,026 | 2,267 |
| | <u>823</u> | <u>382,898</u> | <u>345,782</u> |

THE PHOENIX ARTS ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2022**6. CHARITABLE ACTIVITIES COSTS**

| | Direct Costs £ | Support costs (see note 7) £ | Totals £ |
|------------------------------------|----------------------|---------------------------------------|----------------|
| Events, Exhibitions and Food & Bar | 57,293 | - | 57,293 |
| Studios & Room Hire | 31,282 | - | 31,282 |
| Courses | 70,537 | - | 70,537 |
| Office and Finance | 73,154 | 147,265 | 220,419 |
| Building Maintenance | 133,111 | - | 133,111 |
| | <u>365,377</u> | <u>147,265</u> | <u>512,642</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>142,782</u> | <u>4,483</u> | <u>147,265</u> |

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

| | 2022 Office and Finance £ | 2021 Total activities £ |
|----------------------------|---------------------------------------|----------------------------------|
| Wages | 94,787 | 74,193 |
| Social security | 5,197 | 3,770 |
| Pensions | 1,930 | 2,039 |
| Advertising | 6,129 | 5,506 |
| Direct Costs | 44 | 1,590 |
| Operating costs | 34,695 | 36,829 |
| Accountancy and legal fees | 4,483 | 2,344 |
| | <u>147,265</u> | <u>126,271</u> |

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022

8. NET INCOME/(EXPENDITURE)

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

| | 2022 | 2021 |
|-----------------------------|-------------------|-------------------|
| | £ | £ |
| Depreciation - owned assets | 6,457 | 6,942 |
| Independent Examiner | 2,800 | 2,298 |
| | <u> </u> | <u> </u> |

9. TRUSTEES' REMUNERATION AND BENEFITS

During the year, the charity paid two of the artist trustees a total of £770 (2021: £601) for invigilation and course tutor fees.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2022 nor for the year ended 31st December 2021.

10. STAFF COSTS

| | 2022 | 2021 |
|-----------------------|-------------------|-------------------|
| | £ | £ |
| Wages and salaries | 198,013 | 201,211 |
| Social security costs | 9,952 | 11,195 |
| Other pension costs | 3,766 | 3,993 |
| | <u> </u> | <u> </u> |
| | <u>211,731</u> | <u>216,399</u> |

The total remuneration paid to key management personnel during the year was £159,444.

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

| 2022 | 2021 |
|-----------|-----------|
| <u>11</u> | <u>12</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 2022**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

| | Unrestricted funds £ | Designated funds £ | Restricted funds £ | Total funds £ |
|------------------------------------|----------------------------|--------------------------|--------------------------|---------------------|
| INCOME AND ENDOWMENTS FROM | | | | |
| Donations and legacies | 23,670 | - | 107,101 | 130,771 |
| Charitable activities | | | | |
| Events, Exhibitions and Food & Bar | 15,164 | - | - | 15,164 |
| Studios & Room Hire | 265,571 | - | - | 265,571 |
| Courses | 63,182 | - | - | 63,182 |
| Office and Finance | 1,865 | - | - | 1,865 |
| Other trading activities | 20,225 | - | - | 20,225 |
| Other income | 19,589 | - | 10,000 | 29,589 |
| Total | 409,266 | - | 117,101 | 526,367 |
| EXPENDITURE ON | | | | |
| Charitable activities | | | | |
| Events, Exhibitions and Food & Bar | 14,962 | - | - | 14,962 |
| Studios & Room Hire | 33,955 | - | - | 33,955 |
| Courses | 54,557 | - | - | 54,557 |
| Office and Finance | 126,271 | - | 108,723 | 234,994 |
| Building Maintenance | 103,191 | 26,757 | - | 129,948 |
| Total | 332,936 | 26,757 | 108,723 | 468,416 |
| NET INCOME/(EXPENDITURE) | 76,330 | (26,757) | 8,378 | 57,951 |
| RECONCILIATION OF FUNDS | | | | |
| Total funds brought forward | 358,958 | 123,543 | 34,983 | 517,484 |
| TOTAL FUNDS CARRIED FORWARD | 435,288 | 96,786 | 43,361 | 575,435 |

THE PHOENIX ARTS ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2022**12. TANGIBLE FIXED ASSETS**

| | Freehold property £ | Equipment £ | Totals £ |
|------------------------|---------------------------|----------------|-------------|
| COST | | | |
| At 1st January 2022 | 400,000 | 53,908 | 453,908 |
| Disposals | - | (10,000) | (10,000) |
| | <hr/> | <hr/> | <hr/> |
| At 31st December 2022 | 400,000 | 43,908 | 443,908 |
| | <hr/> | <hr/> | <hr/> |
| DEPRECIATION | | | |
| At 1st January 2022 | 5,000 | 48,081 | 53,081 |
| Charge for year | 5,000 | 1,457 | 6,457 |
| Eliminated on disposal | - | (10,000) | (10,000) |
| | <hr/> | <hr/> | <hr/> |
| At 31st December 2022 | 10,000 | 39,538 | 49,538 |
| | <hr/> | <hr/> | <hr/> |
| NET BOOK VALUE | | | |
| At 31st December 2022 | 390,000 | 4,370 | 394,370 |
| | <hr/> | <hr/> | <hr/> |
| At 31st December 2021 | 395,000 | 5,827 | 400,827 |
| | <hr/> | <hr/> | <hr/> |

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 £ | 2021 £ |
|--------------------------------|-----------|-----------|
| Trade debtors | 12,512 | 1,493 |
| Prepayments and accrued income | 24,075 | 39,335 |
| | <hr/> | <hr/> |
| | 36,587 | 40,828 |
| | <hr/> | <hr/> |

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 | 2021 |
|---|----------------|---------------|
| | £ | £ |
| Bank loans and overdrafts (see note 16) | 26,898 | 23,655 |
| Trade creditors | 22,460 | 5,509 |
| Social security and other taxes | 7,069 | - |
| Other creditors | 2,968 | 1,980 |
| Refundable deposits held | 28,696 | 28,647 |
| Income in advance | 12,355 | 13,841 |
| Accrued expenses | 8,497 | 9,383 |
| | <u>108,943</u> | <u>83,015</u> |

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

| | 2022 | 2021 |
|--------------------------|--------------|---------------|
| | £ | £ |
| Bank loans (see note 16) | <u>3,466</u> | <u>31,268</u> |

16. LOANS

An analysis of the maturity of loans is given below:

| | 2022 | 2021 |
|---|---------------|---------------|
| | £ | £ |
| Amounts falling due within one year on demand: | | |
| Bank loans | <u>26,898</u> | <u>23,655</u> |
| Amounts falling due between two and five years: | | |
| Bank loans - 2-5 years | <u>3,466</u> | <u>31,268</u> |

THE PHOENIX ARTS ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022****17. MOVEMENT IN FUNDS**

| | At 1/1/22 £ | Net movement in funds £ | At 31/12/22 £ |
|---------------------------------------|----------------|----------------------------------|---------------------|
| Unrestricted funds | | | |
| General fund | 435,288 | 10,959 | 446,247 |
| Designated Fund - Planned Maintenance | 96,785 | (19,195) | 77,590 |
| | <u>532,073</u> | <u>(8,236)</u> | <u>523,837</u> |
| Restricted funds | | | |
| BHCC G&G | 2,483 | - | 2,483 |
| Kingswood Millner project | 4,714 | - | 4,714 |
| ACE Accessibility | 5,976 | 90 | 6,066 |
| Arts Club/Prisons & Probations | 12,980 | (10,591) | 2,389 |
| Postcode Lottery | 12,905 | (12,905) | - |
| Sussex Community Foundation | 4,304 | (4,304) | - |
| Inclusivity Development Project | - | 4,825 | 4,825 |
| | <u>43,362</u> | <u>(22,885)</u> | <u>20,477</u> |
| TOTAL FUNDS | <u>575,435</u> | <u>(31,121)</u> | <u>544,314</u> |

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

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 431,251 | (420,292) | 10,959 |
| Designated Fund - Planned Maintenance | - | (19,195) | (19,195) |
| | <u>431,251</u> | <u>(439,487)</u> | <u>(8,236)</u> |
| Restricted funds | | | |
| ACE Accessibility | 895 | (805) | 90 |
| ACE Community Takeover | 1,200 | (1,200) | - |
| Arts Club/Prisons & Probations | 5,000 | (15,591) | (10,591) |
| Postcode Lottery | - | (12,905) | (12,905) |
| Sussex Community Foundation | - | (4,304) | (4,304) |
| Inclusivity Development Project | 4,825 | - | 4,825 |
| Arts Council - Breaking the Cycle / Alberta Whittle | 38,350 | (38,350) | - |
| | <u>50,270</u> | <u>(73,155)</u> | <u>(22,885)</u> |
| TOTAL FUNDS | <u>481,521</u> | <u>(512,642)</u> | <u>(31,121)</u> |

THE PHOENIX ARTS ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2022**17. MOVEMENT IN FUNDS - continued****Comparatives for 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) | - |
| | 482,501 | 49,572 | - | 532,073 |
| 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 |
| | 34,983 | 8,379 | - | 43,362 |
| TOTAL FUNDS | 517,484 | 57,951 | - | 575,435 |

THE PHOENIX ARTS ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022****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 | 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>526,367</u> | <u>(468,416)</u> | <u>57,951</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.

- Brighton and Hove City Council has funded us to work with the residents on the Phoenix Estate to renovate the Ball Park. Phoenix has also received funding to work with overlooked council estates including Kingswood and Milner to help regenerate the area via a street art project.

- 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.

- 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.

17. MOVEMENT IN FUNDS - continued

- 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. This project was completed in 2022.
- 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. This funding also supported our Youth Engagement project which resulted in a new street art piece at the back of the Phoenix building.
- In September 2022 the Community Takeover exhibition took place and showcased our Community Engagement programme.
- Phoenix received funding in relation to our Inclusivity Development Project which allows us to continue working with diverse communities.
- Arts Council of England funded Breaking the Cycle / Alberta Whittle in partnership with Urbanflo Creative. Part of the Brighton Festival, this coincided with her solo presentation at the Scottish Pavilion for the Venice Biennale.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2022.