

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

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023
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 31 DECEMBER 2023

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

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 31 December 2023. 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.

Significant activities

Following a period of change in 2022 Phoenix has now settled well and former Interim Executive Director, Lucy Day is now Executive Director, leading on the artistic strategy and working with the Board on governance, vision and development.

Our commitment to actioning and promoting inclusion and diversity through the arts was further developed through 5 key exhibitions in 2023 in our Main Gallery, and was also strongly represented in our Project Space programme. All exhibitions were open to the public and free to visit. Family workshops and events aligned to the exhibition themes ran throughout the 2023 programme. 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 2023 Laura Morgan was the recipient of the award, which included mentoring with Director Lucy Day,. She went on to have a solo exhibition in the Window Gallery in 2024.

Led by the director, staff and Trustees have been working hard to implement the recommendations of the 2021 Governance Review through extensive consultation with our membership. This will ensure that the charity is more robust for guiding the organisation forward, managing change and developing the next Business Plan. We recruited for and welcomed four new Trustees to the board this year, and are looking to further develop the diversity of our Board in 2024.

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. In terms of studio rents an affordable rent level has been assessed against the current comparable market and the Phoenix rent level is in line with this.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

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 artists keen to join the talented community of artists. We have provided a studio for recent graduates in partnership with CASS and University of Brighton and through the Phoenix Studio Award offer a free studio to one artist annually. This award supports artists at any stage of their careers including emerging and under-represented practices. We particularly welcome applications from artists who are marginalised or experience intersecting forms of discrimination with the award allocated based on talent and need. The Rockets, (an inclusive group of visual and performance artists who challenge barriers around art, diversity, learning and communication) continue to have a studio on the ground floor at Phoenix. Our waiting list and call for applications is currently paused whilst we review our application process.

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.

Hire Space

Phoenix provides a lively and welcoming space in a creative hub. Many external organisations hire the rooms for meetings, workshops or rehearsals. The Project Space had a healthy number of bookings during 2023, with market and competitor analysis being undertaken to gauge our market rate and marketing opportunities. This has resulted in an increase in bookings for 2024. We note that January and February represent very quiet times in the calendar and are looking at different ways to generate income from the space during these times.

Exhibitions

Phoenix has a large main gallery, suitable for major exhibitions and events, the Window Gallery and the Project Space, all on the ground floor and an experimental exhibition space, Gallery DODO, which is run by Phoenix studio artists. On occasion there have been four different exhibitions opening in the building at one time, all free entry, providing the public with a rich cultural experience.

MAIN GALLERY

We presented 5 main exhibitions in the Main Gallery in 2023. Some were funded through Arts Council England and other Trusts and Foundations, and some from our own income or in partnership with other organisations (e.g. Brighton Festival).

Project Art Works and Phoenix Art Space presented the process and works of three emerging neurodivergent artists in the exhibition 'Lucy, Jack, Gabby'.

Reuben Bastienne Lewis 'Parachute' A solo exhibition, co-presented with Brighton Festival, capturing intimate portraits of people, places and events, forming a visual autobiography enlivened by friendship, family, community and love.

Collective Conversations Residency - a platform for artist collectives to showcase, experiment, and play, using the space as a shared exploratory studio, workshop and event space.

Community Takeover 2023- A Seat At The Table gave a voice to the people who we have collaborated with through our projects. Feeding our families, looking after our neighbours, and how change can affect us all were central themes within this exhibition. Three projects, SHIFT HAPPENS, the Phoenix Food Shop partnership and the film A Difficult Place are featured in this year's Community Takeover. A Difficult Place is now touring locally and nationally.

Are You a Woman In Authority ? Broken Grey Wires and Phoenix Art Space presented an exhibition of work by artists who explore empowerment, gender, and community. Are You A Woman in Authority? communicated the powerful rhetoric behind key social issues: mental illness, class struggles, race, queerness and feminist discourse, and how these intersect. It brought together established, critically acclaimed artists and provides a platform for emerging artists.

Press+Play Festival of Print 2023- a celebration of contemporary and traditional printmaking, including screen printing, linocut, lithography, drypoint, monotype, risograph, letterpress and more - took place over a weekend in December with 523 people visiting and buying works directly from artist printmakers. We trialled a £2 entrance free and found this to be a successful way of raising income from an event of this type, and at this time of year.

In December 2023 the charity Amaze (that gives information, advice and support to families with children and young people with special educational needs and disabilities in Brighton & Hove and East Sussex) held a weekend art exhibition in the Main Gallery.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

PROJECT SPACE EXHIBITIONS

We programmed the Platform Graduate Award, in the Project Space in 2023. A CVAN SE (Contemporary Visual Arts Network South East) initiative it brings together HE fine art recent graduates with arts organisations in their region for an exhibition. In 2023 (as in previous years) one exhibitor went on to win the £ 2,000 award and mentoring for one year.

Our Project Space is available to hire for exhibitions and events throughout the year. In 2023 this included :

Events and workshops with Brighton Women's Centre and Outside In, an exhibition from Bhopal Medical Futures, University of Brighton researchers working with young people and the environment, including participants from Chile and London; an exhibition by University of Falmouth recent graduates; and a mixed media exhibition of international artists including Ukrainian and Russian artists and Ukrainian refugees working together.

WINDOW GALLERY

Our Window Gallery showcased the work of our Studio Award artist through a solo exhibition in January 2023. Throughout the year Studio artists are given an opportunity to propose an exhibition for the Window Gallery, which is supported by the Exhibitions team. This year six studio member artists held solo exhibitions and we also presented the work of our CASS Art / Phoenix Art Space award holders (recent graduates selected through an open call with University of Brighton) at the end of their year long studio award with us. For 2024 we are looking to offer the Window Gallery out to the wider arts community on a hire basis.

One artist from the Platform Graduate Award, and one from the CASS Art / Phoenix award have gone on to work with us in a freelance capacity as Front of House staff, enabling them to gain employment and develop their CV, alongside networking opportunities with the staff team and studio members at Phoenix.

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.

Education, Engagement and Learning

Phoenix has a vibrant and inclusive learning programme which offers many free art activities associated with the year-round programme of exhibition. Our 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. Our creative courses for adults are taught by professional artists, and continue to be well subscribed.

Our link with the local community continues to flourish as we 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.

In 2023 we worked closely with our local community older residents and families, for whom the cost of living crisis has proven especially challenging. We know that creative activity can provide a huge benefit to wellbeing. 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 held at least one free Family workshop, where visitors engaged with themes or materials in a hands-on creative way. Where funding was in place we ran creative workshops with specific groups related to the exhibition themes. These included working with groups in Brighton who support individuals neurodivergent and disabled individuals and their families. We also ran creative workshops related to mental wellbeing as part of the exhibition Are You A Woman in Authority?

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

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, 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 the artist duo Leap Then Look to design and deliver a programme of activities as part of our Extra Time partnership with the Russell Martin Foundation, a charity that works with secondary school children who are struggling with mainstream education. Our partnership with the Probation Service continued with The Art Studio, a weekly meeting space for people on probation. The programme was established at Phoenix Art Space in the wake of the COVID-19 pandemic. It aims to improve mental health and reduce reoffending by providing participants with opportunities for social connection, creative expression, and a sense of belonging within the arts community.

Our partnership with CASS Art and the University of Brighton remains strong with two University of Brighton graduates being awarded the 2023 prize of a studio for a year and an exhibition in the Window Gallery. University of Brighton third year students are also invited to apply for the Platform Graduate Award, alongside those from East Sussex College, Hastings.

Events

We were delighted to hold our annual Open Studios event in May 2023, which saw 2,300 people visiting the studios. We were part of Artist Open Houses Festival, in the Hanover Trail. Both members of the public and artists benefit from this annual event, with visits by local curators and galleries, as well giving an opportunity for visitors to buy work directly from the artist/maker. We welcome families to Open Studios, providing an art trail through the building and encouraging an understanding of careers in the art sector for young people. It is a high point on our calendar each year, and takes place in May during the Brighton Festival.

In August we hosted a sold out panel discussion on the occasion of Turner Prize winning artist and studio member Helen Cammoch's takeover of multiple billboards in Brighton. Helen was joined by former director of Brighton Centre for Contemporary Art (Brighton CCA), Ben Roberts, Executive Director of Phoenix Lucy Day and artist collective ProjectOurs, and was moderated by author and The Art Newspaper journalist Anny Shaw.

Collective Conversations in August 2023 included a number of screenings, socials, workshops and events led by the three different collectives, appealing to a diverse range of audiences.

As part of our Community Takeover 2023 we worked with Brighton Women's Centre to host a very popular and well received Open Mic night in the Main Gallery and also held a special screening of A Difficult Place, a short film on the devastating personal effects of the rise in food prices, created by artist Katy Beinart and film-maker John Edwards. Introduced by Caroline Lucas MP, it helped raise money for the Phoenix Food Shop and has gone on to tour to other venues.

Cafe

Canvas Café 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. The cafe attracts a broad visitor range, from students through to families and older residents of Brighton.

Excluding café customer numbers we welcomed 14,917 to our building in 2023.

FINANCIAL REVIEW

Financial position

Phoenix continues to invest in the planned maintenance of the building alongside our community engagement work and exhibition programme. The cumulative effects of the pandemic, cost of living crisis and the war in Ukraine has made an impact on our cost base and the availability of funding to support our work, which is reflected across the sector. Increased energy charges in particular have significantly affected our cost base in 2023. Despite this, we managed our costs well, alongside some successful fund-raising and partnerships.

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.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW

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

Phoenix remains committed to implementing the advice suggested by the Governance Review of 2021. 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. This has been challenging and lengthy, as it has required consultation with all stakeholders, however this process is near to completion and has had the added benefit of reengaging and energising the membership with what we do and our future plans.

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.

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.

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 are agreed by the Board) 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 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 recognised as an action needing to be addressed following on from the recommendations of the Governance Review.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03136932 (England and Wales)

Registered Charity number

1051551

Registered office

10/14 Waterloo Place

Brighton

BN2 9NB

Trustees

Mr S Evans (resigned 20/7/2023)

Ms K H Strachan

Mr A G Murray

Mrs J Walters

Mrs H L Chester

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

Ms S E Prime (resigned 23/1/2024)

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

Ms A G Bright (appointed 3/7/2023)

Ms A J Cameron (appointed 16/1/2023)

Dr C L F Courage (appointed 11/12/2023)

Ms A J Cummins (appointed 2/6/2023)

Ms S L Parkin (appointed 10/1/2023)

Mr J P Turko (appointed 13/6/2023)

Mr S D Wilkinson (appointed 19/7/2023)

Mr S Quiam (appointed 30/5/2023) (resigned 8/4/2024)

Company Secretary

Ms J A Durant

Independent Examiner

Dr Shona F Wardrop C.A.

Chariot House Limited

Chartered Accountants

44 Grand Parade

Brighton

East Sussex

BN2 9QA

Approved by order of the board of trustees on 30th August 2024 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 31 December 2023.

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.

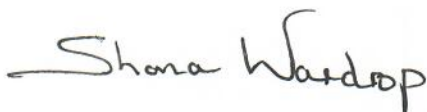
Independent examiner's statement

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 of Scotland, 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.



Dr Shona F Wardrop C.A.
The Institute of Chartered Accountants of Scotland

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

Date: 3 Sept 2024

THE PHOENIX ARTS ASSOCIATION LIMITED**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	2,534	-	63,842	66,376	67,605
Charitable activities	5					
Events, Exhibitions and Food & Bar		11,845	-	-	11,845	16,255
Studios & Room Hire		293,418	-	-	293,418	282,633
Courses		110,501	-	-	110,501	83,187
Office and Finance		2,595	-	-	2,595	823
Other trading activities	3	19,525	-	-	19,525	20,000
Investment income	4	452	-	-	452	46
Other income		1,250	-	-	1,250	10,972
Total		<u>442,120</u>	<u>-</u>	<u>63,842</u>	<u>505,962</u>	<u>481,521</u>
EXPENDITURE ON						
Charitable activities	6					
Events, Exhibitions and Food & Bar		43,345	-	-	43,345	57,293
Studios & Room Hire		30,317	-	-	30,317	31,282
Courses		89,861	-	-	89,861	70,537
Office and Finance		137,299	-	64,321	201,620	220,419
Building Maintenance		139,425	24,553	-	163,978	133,111
Total		<u>440,247</u>	<u>24,553</u>	<u>64,321</u>	<u>529,121</u>	<u>512,642</u>
NET INCOME/(EXPENDITURE)		1,873	(24,553)	(479)	(23,159)	(31,121)
RECONCILIATION OF FUNDS						
Total funds brought forward		446,247	77,590	20,477	544,314	575,435
TOTAL FUNDS CARRIED FORWARD		<u>448,120</u>	<u>53,037</u>	<u>19,998</u>	<u>521,155</u>	<u>544,314</u>

The notes form part of these financial statements

THE PHOENIX ARTS ASSOCIATION LIMITED (REGISTERED NUMBER: 03136932)**BALANCE SHEET**
31 DECEMBER 2023

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS						
Tangible assets	12	388,277	-	-	388,277	394,370
CURRENT ASSETS						
Debtors	13	25,987	-	-	25,987	36,587
Cash at bank and in hand		97,379	53,037	20,000	170,416	225,766
		<u>123,366</u>	<u>53,037</u>	<u>20,000</u>	<u>196,403</u>	<u>262,353</u>
CREDITORS						
Amounts falling due within one year	14	(63,525)	-	-	(63,525)	(108,943)
NET CURRENT ASSETS		<u>59,841</u>	<u>53,037</u>	<u>20,000</u>	<u>132,878</u>	<u>153,410</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		448,118	53,037	20,000	521,155	547,780
CREDITORS						
Amounts falling due after more than one year	15	-	-	-	-	(3,466)
NET ASSETS		<u>448,118</u>	<u>53,037</u>	<u>20,000</u>	<u>521,155</u>	<u>544,314</u>
FUNDS	17					
Unrestricted funds					501,155	523,837
Restricted funds					<u>20,000</u>	<u>20,477</u>
TOTAL FUNDS					<u>521,155</u>	<u>544,314</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2023 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

THE PHOENIX ARTS ASSOCIATION LIMITED (REGISTERED NUMBER: 03136932)

BALANCE SHEET - continued

31 DECEMBER 2023

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 30 August 2024 and were signed on its behalf by:



Mr A G Murray - Trustee

The notes form part of these financial statements

THE PHOENIX ARTS ASSOCIATION LIMITED**CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(55,802)	(22,343)
Net cash used in operating activities		(55,802)	(22,343)
Cash flows from investing activities			
Interest received		452	46
Net cash provided by investing activities		452	46
Change in cash and cash equivalents in the reporting period		(55,350)	(22,297)
Cash and cash equivalents at the beginning of the reporting period		225,766	248,063
Cash and cash equivalents at the end of the reporting period		170,416	225,766

The notes form part of these financial statements

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

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

	2023 £	2022 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(23,159)	(31,121)
Adjustments for:		
Depreciation charges	6,093	6,457
Interest received	(452)	(46)
Decrease in debtors	10,600	4,241
Decrease in creditors	(48,884)	(1,874)
Net cash used in operations	<u>(55,802)</u>	<u>(22,343)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/23 £	Cash flow £	At 31/12/23 £
Net cash			
Cash at bank and in hand	<u>225,766</u>	<u>(55,350)</u>	<u>170,416</u>
	<u>225,766</u>	<u>(55,350)</u>	<u>170,416</u>
Debt			
Debts falling due within 1 year	(26,898)	22,490	(4,408)
Debts falling due after 1 year	<u>(3,466)</u>	<u>3,466</u>	<u>-</u>
	<u>(30,364)</u>	<u>25,956</u>	<u>(4,408)</u>
Total	<u>195,402</u>	<u>(29,394)</u>	<u>166,008</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 31 DECEMBER 2023****2. DONATIONS AND LEGACIES**

	2023	2022
	£	£
Donations	531	301
Grants	65,845	67,304
	<u>66,376</u>	<u>67,605</u>

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

	2023	2022
	£	£
Brighton and Hove City Council	7,350	-
Chalk Trust	2,000	-
Arts Council - Accessibility	-	895
Arts Council - Community Takeover	-	900
Sussex Police	350	-
University of Brighton	9,075	-
Arts Council - Culture Recovery Fund	-	17,334
Art Club/Prisons & Probation	-	5,000
Sussex Partnership NHS Foundation Trust	17,450	-
Inclusivity Development Project	-	4,825
Arts Council - Breaking the Cycle / Alberta Whittle	-	38,350
The Arts Society	3,000	-
A Woman's Place Project CIC	2,000	-
Project Art Works 2023	24,020	-
South East Dance	100	-
The Trust for Developing Communities	500	-
	<u>65,845</u>	<u>67,304</u>

3. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Car Parking	19,525	20,000

4. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	452	46

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

5. INCOME FROM CHARITABLE ACTIVITIES

	Events, Exhibitions and Food & Bar £	Studios & Room Hire £	Courses £
Studio Income	-	245,638	-
Workspace hire	8,335	36,325	-
Course fees	-	-	110,351
Events, exhibitions and food & bar	1,197	-	-
Office and finance	2,313	11,455	150
	<u>11,845</u>	<u>293,418</u>	<u>110,501</u>
		2023	2022
	Office and Finance £	Total activities £	Total activities £
Studio Income	-	245,638	233,647
Workspace hire	-	44,660	61,964
Course fees	-	110,351	83,187
Events, exhibitions and food & bar	-	1,197	2,074
Office and finance	2,595	16,513	2,026
	<u>2,595</u>	<u>418,359</u>	<u>382,898</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Events, Exhibitions and Food & Bar	43,345	-	43,345
Studios & Room Hire	30,317	-	30,317
Courses	89,861	-	89,861
Office and Finance	64,317	137,303	201,620
Building Maintenance	163,978	-	163,978
	<u>391,818</u>	<u>137,303</u>	<u>529,121</u>

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

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

7. SUPPORT COSTS

	Management	Governance	Totals
	£	costs	£
	£	£	£
Office and Finance	133,516	3,787	137,303

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

	2023	2022
	Office	Total
	and	activities
	Finance	£
	£	£
Wages	95,099	94,787
Social security	6,562	5,197
Pensions	2,368	1,930
Advertising	2,508	6,129
Direct Costs	-	44
Operating costs	26,979	34,695
Accountancy and legal fees	3,787	4,483
	137,303	147,265

8. NET INCOME/(EXPENDITURE)

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

	2023	2022
	£	£
Depreciation - owned assets	6,093	6,457
Independent Examiner	2,800	2,800

9. TRUSTEES' REMUNERATION AND BENEFITS

During the year, the charity paid two of the artist trustees a total of £228 (2022: £770) for invigilation and course tutor fees.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

10. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	211,998	198,013
Social security costs	11,152	9,952
Other pension costs	4,245	3,766
	<u>227,395</u>	<u>211,731</u>

The total remuneration paid to key management personnel during the year was £164,753 (2022: £159,444).

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

2023	2022
<u>11</u>	<u>11</u>

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

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	17,335	-	50,270	67,605
Charitable activities				
Events, Exhibitions and Food & Bar	16,255	-	-	16,255
Studios & Room Hire	282,633	-	-	282,633
Courses	83,187	-	-	83,187
Office and Finance	823	-	-	823
Other trading activities	20,000	-	-	20,000
Investment income	46	-	-	46
Other income	10,972	-	-	10,972
Total	<u>431,251</u>	<u>-</u>	<u>50,270</u>	<u>481,521</u>
EXPENDITURE ON				
Charitable activities				
Events, Exhibitions and Food & Bar	57,293	-	-	57,293
Studios & Room Hire	31,282	-	-	31,282
Courses	70,537	-	-	70,537
Office and Finance	147,263	-	73,156	220,419
Building Maintenance	113,915	19,196	-	133,111
Total	<u>420,290</u>	<u>19,196</u>	<u>73,156</u>	<u>512,642</u>
NET INCOME/(EXPENDITURE)	10,961	(19,196)	(22,886)	(31,121)
RECONCILIATION OF FUNDS				
Total funds brought forward	435,288	96,785	43,362	575,435

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	<u>446,249</u>	<u>77,589</u>	<u>20,476</u>	<u>544,314</u>

12. TANGIBLE FIXED ASSETS

	Freehold property £	Equipment £	Totals £
COST			
At 1 January 2023 and 31 December 2023	<u>400,000</u>	<u>43,908</u>	<u>443,908</u>
DEPRECIATION			
At 1 January 2023	10,000	39,538	49,538
Charge for year	<u>5,000</u>	<u>1,093</u>	<u>6,093</u>
At 31 December 2023	<u>15,000</u>	<u>40,631</u>	<u>55,631</u>
NET BOOK VALUE			
At 31 December 2023	<u>385,000</u>	<u>3,277</u>	<u>388,277</u>
At 31 December 2022	<u>390,000</u>	<u>4,370</u>	<u>394,370</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	13,821	12,512
Other debtors	575	-
Prepayments and accrued income	<u>11,591</u>	<u>24,075</u>
	<u>25,987</u>	<u>36,587</u>

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts (see note 16)	4,408	26,898
Trade creditors	2,614	22,460
Social security and other taxes	-	7,069
Other creditors	2,759	2,968
Refundable deposits held	29,449	28,696
Income in advance	7,506	12,355
Accrued expenses	16,789	8,497
	<u>63,525</u>	<u>108,943</u>

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

	2023	2022
	£	£
Bank loans (see note 16)	-	3,466
	<u>-</u>	<u>3,466</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>4,408</u>	<u>26,898</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>-</u>	<u>3,466</u>

17. MOVEMENT IN FUNDS

	At 1/1/23	Net movement in funds	At 31/12/23
	£	£	£
Unrestricted funds			
General fund	446,247	1,871	448,118
Designated Fund - Planned Maintenance	<u>77,590</u>	<u>(24,553)</u>	<u>53,037</u>
	523,837	(22,682)	501,155
Restricted funds			
BHCC G&G	2,483	-	2,483
Kingswood Millner project	4,714	(1,121)	3,593
ACE Accessibility	6,066	(1,728)	4,338
Arts Club/Prisons & Probations	2,389	382	2,771
Inclusivity Development Project	4,825	(4,825)	-
Communities & Conversations	-	651	651
Cost of Living Film Project	-	6,164	6,164
	<u>20,477</u>	<u>(477)</u>	<u>20,000</u>
TOTAL FUNDS	<u>544,314</u>	<u>(23,159)</u>	<u>521,155</u>

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

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	442,120	(440,249)	1,871
Designated Fund - Planned Maintenance	-	(24,553)	(24,553)
	442,120	(464,802)	(22,682)
Restricted funds			
Kingswood Millner project	-	(1,121)	(1,121)
ACE Accessibility	-	(1,728)	(1,728)
Arts Club/Prisons & Probations	17,449	(17,067)	382
Inclusivity Development Project	-	(4,825)	(4,825)
Communities & Conversations	6,799	(6,148)	651
Cost of Living Film Project	8,575	(2,411)	6,164
BHCC Communities Fund	7,000	(7,000)	-
Project Art Works 2023	24,019	(24,019)	-
	63,842	(64,319)	(477)
TOTAL FUNDS	505,962	(529,121)	(23,159)

Comparatives for 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
	532,073	(8,236)	523,837
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
	43,362	(22,885)	20,477
TOTAL FUNDS	575,435	(31,121)	544,314

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 DECEMBER 2023**

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	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>

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.

- The Accessibility fund is supported by Arts Council of England to enable better access provision at Phoenix Art Space

- 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.

- Phoenix received funding in relation to our Inclusivity Development Project which allows us to continue working with diverse communities through our engagement programme.

- Communities and Conversations is a multi-partnership funding to deliver a number of our community engagement projects

- The Cost of Living Film project was part of the University of Brighton's Ignite (2022/23) community-university partnership programme, which is funded under the Arts and Humanities Research Council's Impact Acceleration Account. The film A Difficult Place was filmed in Brighton by filmmaker John Edwards and artist and researcher at University of Brighton Katy Beinart in partnership and collaboration with Phoenix Food Shop and Phoenix Arts Space.

THE PHOENIX ARTS ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

17. MOVEMENT IN FUNDS - continued

- The BHCC Communities Fund supported two family workshop sessions at Phoenix Art Space for children aged 5yrs+ to enjoy being creative together with their parents / carers; one Artist-led Family Workshop at Phoenix Community Centre in the February half term school holiday - one free place was allocated to a local child from a low-income household ; three sessions Creative Drop In Sessions for Older Residents (aged 50yrs+); three sets of Family Art Packs and distributed to local families via the Phoenix Food Shop.
- Project Art Works and Phoenix Art Space presented the process of three emerging neurodivergent artists in the exhibition 'Lucy, Jack, Gabby'

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2023.