

Charity registration number 1078467

Company registration number 03867657 (England and Wales)

THE PHOENIX CENTRE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

THE PHOENIX CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|-----------------------------|----------------------------------------------------------------------------------------------------------|
| Trustees | Mr J Brown Mrs L Jones Mrs C McEwan Mrs L Ashfield Mrs J Marsh |
| Charity number | 1078467 |
| Company number | 03867657 |
| Registered office | Barnett Lane Wordsley Stourbridge West Midlands DY8 5PY |
| Independent examiner | BK Plus Limited Churchfield House 36 Vicar Street Dudley West Midlands England DY2 8RG |
| Bankers | Metro Bank Merry Hill Branch 50 Two Woods Lane Brierley Hill West Midlands DY5 1TA |

THE PHOENIX CENTRE

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THE PHOENIX CENTRE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the financial statements for the year ended 31 August 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities (FRS 102)" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the 's [governing document], the Companies Act 2006 and "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).

Structure, governance and management

The charity is a charitable company limited by guarantee and was set up 28 October 1999 and its company registration number is 03867657. It is governed by a Memorandum and Articles of Association; its objects are to advance the education of young children with learning difficulties and/or disabilities.

The directors of the charitable company are its trustees for the purposes of charity law. The trustees are appointed by the Board of Trustees and serve for three years after which they may put themselves forward for re-appointment at the Annual General Meeting. At the regular trustees' meetings, the trustees agree the broad strategy and areas of activity for the trust including reserves and risk management policies and performance. Prospective trustees are identified from parents of children using the service and through Dudley CVS who can signpost prospective trustees to the Board for initial consideration. All prospective trustees meet the Board prior to appointment to discuss their possible future role.

Enhanced data barring checks are undertaken prior to accepting appointment and a Code of Conduct is signed on appointment by each trustee. As at 31 August 2023 there are five Trustees in place who are able to effectively manage the Charity. However, another three positions are available to interested parties, be they parents, guardians or other appropriate members of the community; which is proving difficult to fill.

In terms of governance compliance, the minimum living wage and work place pensions are two specific issues that the Trustees continually monitor. In relation to pensions the implementation of the NEST Pension Scheme has gone well and during this year the lowest hourly rate was increased to £10.42 and in line with legislation would continue to be increased in a phased manner during April over the forthcoming years to ensure that we retain our valued staff.

Day to day administration of the charity is carried out by a Centre Manager who is employed by Dudley MBC, with key matters being drawn to the attention of the Chair of Trustees for consideration and discussion with other trustees as required, either at the regular Trustee meetings or by direct contact in between the same.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr J Brown
Mrs L Jones
Mrs C McEwan
Mrs L Ashfield
Mrs J Marsh

The following trustees resigned prior to the date of this report:
Mr I Smith (November 2022)

THE PHOENIX CENTRE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities

Our charity's purposes as set out in the objectives contained in the company's Memorandum of Association are to: -

- Provide specialist support to advance the education (including social and physical training) of the children in the area of benefit up to the age of 16 years with learning difficulties and/or disabilities.
- Enhance the development and education of such children by encouraging parents to understand and provide for the needs of their children and encouraging parents to take responsibility for and to become involved in the activities by which the objectives are furthered and promoted.
- Advance the education of such children by enabling them to interact with their parents and guardians and with children who do not have any learning difficulties.

The trustees have had regard to the Charity Commissions guidance on public benefit. The charity provides a public benefit by: -

- Continuing to provide a specialist pre-school nursery provision for children 2 to 4 years old with a range of special needs whose families/guardians reside within the area of Dudley Metropolitan Borough Council (DMBC) and beyond. There is limited specialist pre-school nursery provision for children under 4 with disabilities within DMBC area and as such demand exceeds the number of places available.
- Making available spaces for up to a maximum of 15 children per week from this specific disadvantaged group and engaging with parents and guardians at their homes and within the setting to enable them to discuss concerns and educational development of their child.
- Endeavouring to ensure that the staff at the Phoenix Centre has the resources and training required to maintain the support and educational requirements of the children in their care.

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Funding

The Charity has been supported in its operation by Central Government Grant funding based on each individual child that attends the Phoenix Centre, along with donations and fundraising. The DfE confirmed that funding is intended to continue for school year 2023/24.

From September 2023, Dudley Metropolitan Council will pay £90,000 per year up to August 2026.

THE PHOENIX CENTRE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Reserves policy

The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure.

Reserves

Designated reserve funding of circa £19,688 deposited in a CCLA account, is in place to meet statutory redundancy payments to staff who are entitled to receive these payments which have been calculated to be £3,663. In addition, a further £3,200 would be required to cover the 1 year's additional insurance and the remaining 3 years lease costs. Therefore, the total payments from reserves would be circa £6,863, leaving a contingency balance of £12,823 to meet any final utility or contracted payments.

The Trustees wish to stress that they sincerely trust that it will not become necessary to take the ultimate and difficult course of action to reduce staff hours or indeed make some or all of the staff redundant; but they are mindful of their legal responsibilities to ensure that the Charity does not become financially insolvent. It is hoped that over the forthcoming year that these significant challenges are able to be addressed by the constructive engagement of all parties involved in both the safe operation and the funding of the Phoenix Centre.

Transactions and financial position

The Statement of Financial Activities shows a net surplus for the year of £8,912 (2022: £4,872 deficit) and reserves stand at £86,194 (2022: £77,282) in total.

The report of the trustees has been prepared in accordance with special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities (FRS 102)".

The Trustees report was approved by the Board of Trustees.



Mr J Brown
Director, Chair Trustees

15 May 2024

THE PHOENIX CENTRE

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees (who are also directors of The Phoenix Centre for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant accounting information of which the charitable company's independent examiner is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant accountancy information and to establish that the independent examiner is aware of that information.

THE PHOENIX CENTRE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE PHOENIX CENTRE

I report to the Trustees on my examination of the financial statements of The Phoenix Centre for the year ended 31 August 2023.

Responsibilities and basis of report

As the Trustees of the (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the 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 the 's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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 that in any material respect:

- 1 accounting records were not kept in respect of the as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



Ian Wilkins
BK Plus Limited
Chartered Certified Accountants
Churchfield House
36 Vicar Street
Dudley
West Midlands
DY2 8RG
England

Dated: 15 May 2024

THE PHOENIX CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

| | | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|-------------------------------------------------------|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| | Notes | | | | | | |
| Income from: | | | | | | | |
| Donations and legacies | 3 | 16,209 | - | 16,209 | 1,349 | - | 1,349 |
| Charitable activities | 4 | 66,752 | 500 | 67,252 | 79,793 | 500 | 80,293 |
| Investments | 5 | 752 | - | 752 | 67 | - | 67 |
| Total income | | 83,713 | 500 | 84,213 | 81,209 | 500 | 81,709 |
| Charitable activities | 6 | 75,301 | - | 75,301 | 86,581 | - | 86,581 |
| Net income/(expenditure) and movement in funds | | 8,412 | 500 | 8,912 | (5,372) | 500 | (4,872) |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 September 2022 | | 71,667 | 5,615 | 77,282 | 77,039 | 5,115 | 82,154 |
| Fund balances at 31 August 2023 | | 80,079 | 6,115 | 86,194 | 71,667 | 5,615 | 77,282 |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE PHOENIX CENTRE

BALANCE SHEET

AS AT 31 AUGUST 2023

| | Notes | 2023 £ | £ | 2022 £ | £ |
|-------------------------------------------------------|-------|---------------|---------------|---------------|---------------|
| Current assets | | | | | |
| Debtors | 11 | 2,553 | | 1,946 | |
| Cash at bank and in hand | | 86,287 | | 77,848 | |
| | | <u>88,840</u> | | <u>79,794</u> | |
| Creditors: amounts falling due within one year | 12 | 2,646 | | 2,512 | |
| | | <u></u> | | <u></u> | |
| Net current assets | | | 86,194 | | 77,282 |
| | | | <u></u> | | <u></u> |
| The funds of the | | | | | |
| Restricted income funds | 15 | | 6,115 | | 5,615 |
| Unrestricted funds | | | 80,079 | | 71,667 |
| | | | <u>86,194</u> | | <u>77,282</u> |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 15 May 2024


Mr J Brown
Trustee

Company registration number 03867657 (England and Wales)

THE PHOENIX CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

The Phoenix Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is Barnett Lane, Wordsley, Stourbridge, West Midlands, DY8 5PY.

1.1 Accounting convention

The charity is a private company limited by guarantee and incorporated in England and Wales. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), The Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

The financial statements are prepared on a going concern basis under the historical cost convention. The trustees now consider with the support of the local authority that the charity can continue its activities for at least the next two academic years.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE PHOENIX CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and short term deposits repayable on or within a three month notice period.

1.7 Financial instruments

The has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the balance sheet when the becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the 's contractual obligations expire or are discharged or cancelled.

THE PHOENIX CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.8 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates pension auto-enrolment for eligible employees. Contributions are expensed as they become payable.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|---------------------|------------------------------------|------------------------------------|
| Donations and gifts | 6,208 | 1,349 |
| Eveson Trust grant | 10,001 | - |
| | <u>16,209</u> | <u>1,349</u> |

4 Income from charitable activities

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|---------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Grant funding | <u>66,752</u> | <u>500</u> | <u>67,252</u> | <u>79,793</u> | <u>500</u> | <u>80,293</u> |

THE PHOENIX CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

5 Income from investments

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|---------------------|------------------------------------|------------------------------------|
| Interest receivable | 752 | 67 |

6 Expenditure on charitable activities

| | 2023 £ | 2022 £ |
|-----------------------------------------------------------|---------------|---------------|
| Direct costs | | |
| Share of support and governance costs (see note 7) | | |
| Support | 72,807 | 84,065 |
| Governance | 2,494 | 2,516 |
| | <u>75,301</u> | <u>86,581</u> |
| Analysis by fund | | |
| Unrestricted funds | <u>75,301</u> | <u>86,581</u> |

7 Support costs allocated to activities

| | Total 2023 £ | Total 2022 £ |
|---------------------------------|--------------------|--------------------|
| Staff costs | 59,408 | 59,691 |
| Rent and rates | 650 | 572 |
| Insurance | 1,869 | 1,666 |
| Light and heat | 3,936 | 2,284 |
| Telephone | 504 | 469 |
| Printing, post and stationary | 280 | 176 |
| Sundry expenses | 3,116 | 2,843 |
| Pupil activity support | 616 | 1,533 |
| Training | 107 | 317 |
| Equipment, repairs and renewals | 2,321 | 14,514 |
| Legal and professional | 2,494 | 2,516 |
| | <u>75,301</u> | <u>86,581</u> |
| Charitable activities | | |

THE PHOENIX CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

7 Support costs allocated to activities (Continued)

| | 2023 £ | 2022 £ |
|-----------------------------------|--------------|--------------|
| Governance costs comprise: | | |
| Legal and professional | 2,494 | 2,516 |
| | <u>2,494</u> | <u>2,516</u> |

Legal and professional fees includes payments to the independent examiners of £1,650 (2022: £1,650 for independent examination fees and £552 for other services (2022: £552)).

Operating lease payments recognised as an expense £500 (2022: £500).

Within Total Resources Expended are Governance costs which the trustees estimate at 5% of unrestricted costs £3,765 (2022: £4,320). The remaining £71,536 (2022: £82,088) are costs incurred in providing the charitable activity and include costs in respect of restricted funds of £Nil (2022: £Nil)

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits during the year. (2022: £Nil)

9 Employees

The average monthly number of employees during the year was:

| | 2023 Number | 2022 Number |
|-------------------------|-------------------|-------------------|
| | 5 | 6 |
| | <u>5</u> | <u>6</u> |
| Employment costs | 2023 £ | 2022 £ |
| Wages and salaries | 57,752 | 58,022 |
| Other pension costs | 1,656 | 1,669 |
| | <u>59,408</u> | <u>59,691</u> |

There were no employees whose annual remuneration was more than £60,000.

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

THE PHOENIX CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

11 Debtors

| | 2023 | 2022 |
|--------------------------------------|--------------|--------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Other debtors | 238 | 1,758 |
| Prepayments and accrued income | 2,315 | 188 |
| | <u>2,553</u> | <u>1,946</u> |

Other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

12 Creditors: amounts falling due within one year

| | 2023 | 2022 |
|------------------------------------|--------------|--------------|
| | £ | £ |
| Other taxation and social security | 341 | 310 |
| Accruals and deferred income | 2,305 | 2,202 |
| | <u>2,646</u> | <u>2,512</u> |

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

13 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Voluntary income is received by way of grants and donations and is included in full in The Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

14 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of the resources.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

THE PHOENIX CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

15 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

| | At 1 September 2022 £ | Incoming resources £ | At 31 August 2023 £ |
|-----------------------|------------------------------------------|-------------------------------------|------------------------------------|
| Rear garden project | 163 | - | 163 |
| Sensory room | 5,452 | 500 | 5,952 |
| | <u>5,615</u> | <u>500</u> | <u>6,115</u> |
| Previous year: | At 1 September 2021 £ | Incoming resources £ | At 31 August 2022 £ |
| Rear garden project | 163 | - | 163 |
| Sensory room | 4,952 | 500 | 5,452 |
| | <u>5,115</u> | <u>500</u> | <u>5,615</u> |

Rear Garden Projects

The rear garden project relates to funding for the improvement of the outside area at the rear of the Centre to improve the environment in which the children play. The remaining funds were utilised in the year ending 31 August 2024.

Sensory Room

The Sensory Room funding relates to a donation from Jaguar Land Rover that has been designated for a sensory room equipment to be provided and installed in the year ended 31 August 2023.

A further donation from Portos in the financial year to 31 August 2023 will be spent during 2024.

It was originally planned to have been spent in the 2023 financial year but due to supply issues it was spent in the first quarter of the 2024 financial year.

16 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

| | At 1 September 2022 £ | Incoming resources £ | Resources expended £ | At 31 August 2023 £ |
|---------------|--------------------------------|----------------------------|----------------------------|---------------------------|
| General funds | <u>71,667</u> | <u>83,713</u> | <u>(75,301)</u> | <u>80,079</u> |

THE PHOENIX CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

16 Unrestricted funds

(Continued)

| Previous year: | At 1 September 2021 | Incoming resources | Resources expended | At 31 August 2022 |
|----------------|---------------------------|-----------------------|-----------------------|----------------------|
| | £ | £ | £ | £ |
| General funds | 77,039 | 81,209 | (86,581) | 71,667 |

17 Analysis of net assets between funds

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ |
|------------------------------------------------------------|------------------------------------|----------------------------------|--------------------|
| Fund balances at 31 August 2023 are represented by: | | | |
| Current assets/(liabilities) | 80,079 | 6,115 | 86,194 |
| | 80,079 | 6,115 | 86,194 |
| | | | |
| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
| Fund balances at 31 August 2022 are represented by: | | | |
| Current assets/(liabilities) | 71,667 | 5,615 | 77,282 |
| | 71,667 | 5,615 | 77,282 |

Unrestricted funds are made up of the following:

| | 2023 £ | 2022 £ |
|---------------------------|-----------|-----------|
| - General fund | 60,391 | 52,153 |
| - Designated reserve fund | 19,688 | 19,688 |
| | 80,079 | 71,841 |

The Designated Reserve Fund has been set up by the Trustees to provide a fund for future costs in line with the charity's stated reserve policy on page 4. The fund will be increased as funds permit to represent approximately three months operating costs.

THE PHOENIX CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

18 Operating lease commitments

Lessee

At the reporting end date the had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2023 £ | 2022 £ |
|----------------------------|--------------|--------------|
| Within one year | 500 | 500 |
| Between two and five years | 1,500 | 2,000 |
| | <u>2,000</u> | <u>2,500</u> |

19 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).