

EXETER PHOENIX LTD.
ANNUAL REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Exeter Phoenix Ltd.

Year End 31 March 2023

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Exeter Phoenix Ltd.

Year End 31 March 2023

Company Information

Charity Name

Exeter Phoenix Ltd.

Charity Registration Number

290011

Company Registration number

01844169

Registered office

Bradninch Place
Gandy Street, Exeter
EX4 3LS

Directors

A Dean

H Noye

S Khuri (appointed 21 July 2021)

P Macpherson (appointed 20 December 2021)

S Bebbington (appointed 23 February 2022)

S Barbato (appointed 25 April 2022)

L Wright (appointed 26 October 2022)

O Pearson (resigned 5 May 2022)

N Benson (resigned 26 October 2022)

Secretary

P Cunningham

Senior Management Team

P Cunningham

J Hawkins

A Peel Cusson

M Coulson

M Burrows

H Lawrence

Secretary

Digital Manager

Visitor Services Manager

Finance Manager

Galleries Manager

Fundraiser

Bankers

Bank of Scotland

17 Dix's Field, Exeter, EX1 1UZ

Auditors

Haines Watts Accountants (Exeter) Limited

3 Southernhay West, Exeter, EX1 1JG

Solicitors

Stephens & Scown

Southernhay West, Exeter, EX1 1RS

Directors Report

Company Number 01844169

Structure, Governance and Management

Governing Structure

The organisation is a charitable company limited by guarantee, incorporated on 29 August 1984 and registered as a charity on the 6 September 1984. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up each member is required to contribute an amount not exceeding £10.

Directors holding office in the year

For directors holding office in the year see Company Information on page 1.

Recruitment and Appointment of Board Members

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as the Board of Directors. Each director serves a three year period and can be co-opted for a further three years. The Articles stipulate that the Board should contain a minimum of six directors, one of which will be nominated by Exeter City Council. During this year the nominee was Mr O Pearson. Board members are requested to provide a list of their skills and in the event of particular skills being lost due to retirements individuals are approached to offer themselves for election to the Board, either through advertisement or by recommendation.

Directors' Induction and Training

New directors are informally interviewed by a sub-committee of the Board, fully familiarised with the operation and activities of the company and supplied with a pack of documents which includes:

- The Board Profile – which sets out the obligations of Board members;
- Audited Accounts – for the latest year plus current management accounts; and
- Minutes of recent Board meetings.

Organisational Structure

The company has a Board of Management with a maximum of eight members which meets six times a year and is responsible for strategic direction, policy and financial robustness of the charity. Members have a variety of professional backgrounds relevant to the work of the charity. Also in attendance at the meetings are the Company Secretary, who is also the executive director but has no voting rights, a staff representative and the company's accountant. The day-to-day responsibility for the provision of events, activities and services is delegated to the executive director who, with the help of the senior management team – who form an Executive – manages and delivers the output. The Board has two sub-committees, one for finance matters and one for fundraising/development.

Subsidiary undertakings

Exeter Arts Trading Services Limited (EATS) (company number 06280657) is a wholly owned subsidiary. EATS operates the café and bar and all commercial trading operations carried on at the premises. It donates all of its profits to the company.

Related Parties

The company has a nominated representative from Exeter City Council on its Board. The company leases its building from the City Council. The Council is also the largest single grant provider to the organisation and a service level agreement exists between the company and them.

Pay policy for senior staff

Exeter Phoenix is committed to ensuring that we pay our staff fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives.

There is a Finance/Staffing Sub-Committee of the Board – composed of the Chair and one other Board member – which recommends the pay for all staff and also considers annual cost of living increases. The Director and Finance Manager attend these meetings but no members of the Executive are members of the committee. All decisions have to be ratified by the full Board.

Risk Management

The directors are continuing to carry out a detailed assessment of the risks faced by the company, both financial and non-financial. As part of this process, the directors are implementing a risk management strategy comprising of:

- An annual review of the risks which the charity may face;
- The establishment of systems and procedures to mitigate those risks; and
- The implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

Objective and Activities

The objects of the company are:

To promote, maintain, improve, encourage and provide public education in the arts of drama, music, singing, dance, painting, sculpture, literature, cinematography and handicrafts.

The provision of facilities in the interest of social welfare for the recreation and leisure time occupation of the public with particular regard to Exeter and its surrounding districts with the object of improving the conditions of life of the persons for whom the facilities are primarily intended.

The company carries out the objects through the promotion of arts events and exhibitions, the provision of film and video resources, the provision of community arts services, and arts development work.

Vision and Mission

The vision of the organisation is:

Creative spaces that inspire, support and enable connections between artists and audiences.

We will deliver the vision by:

- Maintaining a regional creative hub where artists, audiences and cultural partners meet, create and thrive.
- Commissioning, hosting and developing exciting new work from the best emerging artists.
- Embracing diversity, accessibility and artistic rigour in everything we do.

- Supporting and nurturing the creative community and providing opportunities and platforms to develop its skills and talents.
- Constantly innovating and seeking ways to develop the quality and scope of a sustainable balance of cultural activity.

Achievements and Performance

2022 – 23 Activity In Figures

- 181 classes and workshops run
- 1,386 attendees, including 418 children and young people
- 37 tutors and freelancers employed for courses and projects
- £15,500 worth of commissions and support awarded
- 46,269 tickets booked for live events
- Delivered 1,531 events and performances
- 1,056 film screenings
- 11,704 cinema admissions
- 30 free gallery exhibitions

High Quality Culture

We have enjoyed another year of bringing world-class cultural and creative experiences to audiences in the South West. Across our programmes we have platformed the best in emerging, home-grown talent alongside internationally renowned and award-winning performers and artists.

Our nationally significant music programme is one of the most diverse in the region, and has platformed over 130 performances representing many genres, from 2 Tone ska legend Neville Staple (The Specials) and Manchester art rock band Everything Everything, to Bosnian avant-garde hip hop group Dubioza Kolektiv, critically-acclaimed funk and soul band Brother Strut and local folk rock band Wildwood Kin.

Across six free-to-access gallery spaces we have presented a series of contemporary art exhibitions. Featured exhibitions have included maximalist and immersive sculpture from South West artist Laura Robertson, London-based, Irish artist Anne Ryan's intensely coloured three-dimensional paintings "Fighting on the Dance Floor", and "Cover Versions" co-curated by brothers Anthony and Graham Dolphin featuring artists from the UK, the USA, Australia and Japan.

Our dance, theatre, spoken word and comedy programmes have presented a huge range of work across five locations, bringing to the stage the work of national and international award-winning companies, writers and performers. Particular successes included Quirk Theatre's festive family show telling the story of celebrated (and feathered) local war hero, Mary the Pigeon.

Studio 74, our solar-powered independent cinema, has hosted some incredible titles over the year including major award-winner *Everything, Everywhere All at Once*, the spellbinding *Moonage Daydream* and British indie triumph *Aftersun*. We have also run a series of themed programmes and special events such as our screening of Japanese film *Tampopo* with ramen making workshop delivered as part of our Food on Film season, and our sharing of *Häxan*, 1922's seminal Swedish silent film about witchcraft supported by a breath-taking live score from musical duo Memorials.

Broadening & Diversifying Audiences & Activity

We are firm believers in the arts as a powerful tool for social change and personal well-being and are proud to have been able to deliver a series of free events to support and celebrate marginalised groups within our community. From our Bloom festival for mental health and well-being, to our multi-generational Summer Art Camp incorporating support for Ukrainian refugees, and our Come As You Are festival for the trans and non-binary community, we have been able to work with artists, charities and community groups to forge new connections, create moments of joy, share sources of support and show solidarity.

Developing Talent & Nurturing Creativity

Examples of ways in which we helped to develop talent during the year include:

Offering a plethora of opportunities to support people of all ages and abilities – from the amateur to the established professional – to explore and develop their creativity. From courses and workshops, via informal performance and exhibition slots, to commissions and residencies, we thrive on developing new talent by providing the tools, guidance and space to enable people to experiment, take risks and realise their best ideas.

Our workshops for young people, with school holiday film-making and theatre courses, term-time sessions in animation, and our free Freefall and Freefall+ programmes covering variety of artforms, have provided high quality opportunities for young people to enjoy getting creative and developing their skills, whatever barriers they may be facing.

Our Two Short Nights film festival returned in February 2023 receiving 213 submissions from film-makers from across the country and beyond. Over two days, 502 visitors and audience members attended, enjoying a broad and entertaining programme of new short films and a series of events to support and celebrate the people that make them.

The Exeter Contemporary Open returned after a three-year hiatus caused by the pandemic. Established in 2006, this has come to be recognised as one of the UK's most prominent contemporary art competitions and has supported many emerging artists to expand and develop their career. This year the competition welcomed 423 submissions and handed out more awards than ever before.

Other continuing initiatives – Maker Mart – opened in a nearby building in 2019, supporting and monetising the work of strictly south west-based arts and crafts makers, including illustrators, designers, jewellery makers and ceramicists; two supported off-site short term building-based projects – MakeTank – an artist-led performance production space in a disused city centre shop space in partnership with visual artists theatre makers; plus Positive Light Projects – exhibitions and photography workshops.

Environmental Sustainability

We are dedicated to increasing our environmental sustainability and ensuring that this is at the core of our operations. We are dedicated to environmental sustainability in all areas of our work; in our internal practices, considered artistic programming, recognition of our position as a leading cultural hub for the community, and the responsibility we carry with that position.

New developments in 2022 – 23 included:

- Investing in our team – both our specially trained Green Champion who spearheads our efforts and focusses our energies, but also our wider team who have access to Carbon Literacy training and are actively engaged in our green projects and activities
- Undertaking a detailed thermal imaging survey and installing over £15,000 worth of secondary glazing on our least efficient windows
- A local and ethical procurement policy endeavouring, wherever possible, to source products and services locally, and a food offering that is 75% plant-based
- Installing further LED lighting throughout our building, including specialist stage lighting
- Recycling all paper, cardboard, glass bottles, cans, batteries, cooking oil, photocopier toner, waste wood & metal
- Installation of a water fountain in a public area, and signs to encourage customers to use the reusable cups they already own, to reduce the consumption of water bottles and single-use plastics

Financial Sustainability

The company is partly dependant on the continuing support of its funding partners (Arts Council England and Exeter City Council) to enable it to continue operating and to meet its liabilities as they fall due. Annual funding from the Arts Council is in place at least until March 2026. As a result, the City Council are committed to providing support over the same period.

In response to the COVID-19 pandemic the company successfully met its financial commitments by raising new income from a mix of grants and other government funding schemes.

The company is also reliant on an overdraft that is renewed on an annual basis and we have no reason to believe that the bank would not renew this at a level that meets the needs of the charity.

The accounts do not include any adjustments which would result if continued support is not available. Such adjustments would reduce the value of the assets of Exeter Phoenix Ltd. to their realisable value and to provide for liabilities not presently included in the financial statements.

Financial Review

The Group's operating deficit for the year, amounts to £1,491 (2022 – £114,000 surplus). After allowing for a depreciation charge of £160,849 (2022 – £137,996) the net outgoing resources for the year amounted to £159,358 (2022 – £23,996) and are dealt with as shown in the Consolidated Statement of Financial Activities on page 16. Exeter Phoenix Ltd meets the day to day running costs from generated income and grants from its funding partners.

The general support fund, which is an unrestricted fund, has a deficit of £160,380 (2022 – £77,009) at 31 March 2023. The directors are trying to obtain additional income streams and reviewing all of the company's expenditure with a view to recovering the position in due course.

Reserves Policy

The directors have forecast the level of unrestricted reserves needed to sustain the charity's operations over a period when its anticipated income generated from activities may be temporarily curtailed. The directors consider the most appropriate level of free reserves which should be retained is in the region of £85,000 which would represent approximately 3 months of fixed overheads. At the year end, the

charity had not built up reserves to this level, but the directors continue to regularly review the budgeting and financial performance of the organisation with a view to achieving this target in due course.

Principal funding sources

Grants received – our two main funders are Exeter City Council and Arts Council England. With the former we have a three year funding agreement to provide a targeted programme of activity; with the latter we have an agreed programme plan.

Income from trading activities – income from our room rentals, tenants and ticket agency sales helps to underwrite the cost of our charitable work.

Events and exhibitions – the ticket income and sales commission both underpin our budgets and helps support artists.

Film and Video Resource – income earned from hires and rentals enables us to support artists Courses, classes and related activities – income from these helps us to offer concessionary rates.

Statement on fundraising activities

In carrying out its fundraising activities the charity has not behaved unreasonably towards vulnerable people or any other members of the public.

Disabled persons

The charity operates an Equal Opportunities Policy for its staff, users and audiences, which includes the following provisions governing the employment of disabled persons:

- Adherence to the Disability Discrimination Act 1995
- Adoption of a Code of Good Practice on the employment of disabled persons, including recruitment, selection, training and promotion. This includes: 'Reasonable adjustments will be taken where a disabled person is put in a detrimental position and such reasonable adjustments remove the detriment.'

Plan for Future Periods

The charity intends to continue the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

Public benefit

The directors confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the directors consider how planned activities will contribute to the aims and objectives they have set.

Financial Instruments

Price risk, credit risk, and cash flow risk

The company's principle financial instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for the company's operations and to finance these operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. Trade debtors are managed in respect of credit and cash flow risk through policies regarding the credit offered to customers and the regular monitoring of amounts outstanding. Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Responsibilities of the Board of Directors

The directors (who are also trustees of Exeter Phoenix Ltd for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Exeter Phoenix Ltd.

Year End 31 March 2023

Auditors

A resolution to re-appoint Haines Watts Accountants (Exeter) Limited as the company's auditors will be put to the forthcoming Annual General Meeting.

On behalf of the Board

H Noye

15 December 2023

Independent Auditors' Report to the Members of Exeter Phoenix Ltd.

We have audited the financial statements of Exeter Phoenix Ltd (the 'parent charitable company' and its subsidiaries (the 'group'), for the year ended 31 March 2023 which comprise the Consolidated Group Statement of Financial Activities, the Group and the parent charitable company Balance Sheet and the related notes. The financial reporting framework that has been applied in the preparation is applicable law and United Kingdom Generally Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the director's annual report, other than the financial statements and our auditors report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the report of the directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the report of the directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the group and parent charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Companies Act 2006, UK GAAP, UK corporate tax law, Charity Commission regulations, GDPR, Occupational Health and Safety regulations and Food Safety Standards.
- We obtained an understanding of how the group and parent charitable company are complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations. We corroborated our enquiries through our review of board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies.
- We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:
 - Identifying and assessing the controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;

- Challenging assumptions and judgments made by management in its significant accounting estimates and judgments, in particular depreciation, accruals and prepayments;
- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations; and
- Assessing the extent of compliance with the relevant laws and regulations.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in a report of the auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jade Quaintance BA FCA
Senior Statutory Auditor

for and on behalf of:
Haines Watts Accountants (Exeter) Limited, Statutory Auditor
Exeter
EX1 1JG

Date: 18 December 2023

Exeter Phoenix Ltd.

Year End 31 March 2023

Consolidated Statement of Financial Activities
(Including Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	2022 Total Funds £
Income:					
Donations and legacies		12,217	-	12,217	15,083
<i>Income from charitable activities:</i>					
Grants receivable		270,206	64,944	335,150	587,322
Events and Exhibitions		290,354	7,993	298,347	221,275
Film and video resource		14,350	29,474	43,824	85,183
Courses, classes and related income		45,174	24,643	69,817	50,927
<i>Income from other trading activities:</i>					
Commercial trading operations	5	1,267,911	-	1,267,911	821,911
Other income	6	84,522	-	84,522	62,409
Total income		<u>1,984,734</u>	<u>127,054</u>	<u>2,111,788</u>	<u>1,844,110</u>
Expenditure:					
<i>Cost of raising funds:</i>					
Commercial trading operations		(1,210,876)	-	(1,210,876)	(882,830)
Expenditure on charitable activities	7, 8				
Events and Exhibitions		(574,011)	(107,215)	(681,226)	(578,743)
Film and video resource		(224,189)	(58,306)	(282,495)	(275,954)
Courses, classes and related income		(46,796)	(37,524)	(84,320)	(74,621)
Governance costs	9	(12,229)	-	(12,229)	(7,966)
Total expenditure		<u>(2,068,101)</u>	<u>(203,045)</u>	<u>(2,271,146)</u>	<u>(1,820,114)</u>
Net income/ (expenditure) for the year		(83,367)	(75,991)	(159,358)	23,996
Total funds brought forward		(77,009)	647,228	570,219	546,224
Transfers of funds					
Total funds carried forward		<u>(160,380)</u>	<u>571,237</u>	<u>410,859</u>	<u>570,219</u>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

Exeter Phoenix Ltd.

Year End 31 March 2023

Company Number 01844169

Consolidated Balance Sheet

	Note	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
FIXED ASSETS					
Intangible fixed assets	16	-	3,000	-	-
Tangible assets	16	640,706	744,503	537,409	655,030
Investments	17	25,500	25,500	26,500	26,500
Total fixed assets		<u>666,206</u>	<u>773,003</u>	<u>563,909</u>	<u>681,530</u>
CURRENT ASSETS					
Stock		24,827	22,102	-	-
Debtors	19	66,909	46,569	56,958	39,395
Cash at hand and in bank		120,547	235,494	100,972	204,005
Total current assets		<u>212,283</u>	<u>304,164</u>	<u>157,930</u>	<u>243,400</u>
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	20	(445,963)	(475,281)	(342,969)	(319,665)
Net current assets/(liabilities)		<u>(233,680)</u>	<u>(171,117)</u>	<u>(185,039)</u>	<u>(76,265)</u>
Total assets less current liabilities		<u>432,526</u>	<u>601,886</u>	<u>378,870</u>	<u>605,265</u>
Creditors: amounts falling due after more than one ye	21	(21,667)	(31,667)	(21,667)	(31,667)
Net assets		<u><u>410,859</u></u>	<u><u>570,219</u></u>	<u><u>357,203</u></u>	<u><u>573,598</u></u>
Represented by:					
Unrestricted funds	22, 23	(160,380)	(77,009)	(214,032)	(73,627)
Restricted funds	22, 23	571,238	647,228	571,235	647,224
Total Charity funds		<u><u>410,858</u></u>	<u><u>570,219</u></u>	<u><u>357,203</u></u>	<u><u>573,598</u></u>

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

The financial statements on pages 1 to 31 were approved and authorised for issue by the directors on 15 December 2023 signed on their behalf by:

H Noye
Director

Notes to the financial statements

1. Accounting Policies

Statutory information

Exeter Phoenix Ltd is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

Going concern

The company is partly dependant on the continuing support of its funding partners (Arts Council England and Exeter City Council) to enable it to continue operating and to meet its liabilities as they fall due. Annual funding from the Arts Council is in place at least until March 2026. As a result the City Council are committed to providing support over the same period.

In response to the COVID-19 pandemic the company successfully met its financial commitments by raising new income from a mix of grants and other government funding schemes and was able to exit the pandemic in a relatively strong financial position. Like many other organisations and businesses the company has had to weather the challenge posed by both wage and other inflation and the cost of living crisis but is confident that the cost saving measures that it will be putting in place will counteract this going forward.

The company is also reliant on an overdraft that is renewed on an annual basis and we have no reason to believe that the bank would not renew this at a level that meets the needs of the charity.

Post year-end the company has been able to continue trading successfully and to build on that success, with turnover levels comparable to 2019.

The accounts do not include any adjustments which would result if continued support is not available. Such adjustments would reduce the value of the assets of Exeter Phoenix Ltd. to their realisable value and to provide for liabilities not presently included in the financial statements.

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

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 issued in October 2019, 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.

Group Financial Statements

These financial statements consolidate the results of the charity and its wholly owned subsidiary Exeter Arts Trading Services Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account are not presented for the charity itself following the exemption afforded by section 408 of the Companies Act 2006.

Fund Accounting

General support funds are unrestricted funds which are available for use at the discretion of the board of directors in the furtherance of the general objectives of the charity which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for the particular purposes.

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 qualified with reasonable accuracy.

No amounts are included in the financial statements for services donated by volunteers.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Grants

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Resources Expended

All expenditure is accounted for on an accruals basis. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure.

Overhead and other support costs not directly attributable to particular charitable activities are apportioned over the relevant activities pro rata to the value of the directly attributable costs of each category.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services 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.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Investments

Investments in subsidiaries are held at cost.

Investments in art work is held at valuation.

Fixed Assets

Fixed assets are included at cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Computer equipment	4 years
Fixtures, fittings and equipment	3 to 10 years
Motor vehicle	4 years
Gallery café equipment	2 years
Redevelopment costs	remaining period of the lease

Amortisation of Intangible assets is straight line over the useful life of the asset, which is 4 years.

Stock

Stock is included at the lower of cost or net realisable value.

Leasing and hire purchase commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Assets held under hire purchase contract are capitalised in the balance sheet and are depreciated over their useful lives. The capital element of future obligations under the hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the Consolidated Statement of Financial Activities over the periods of the hire purchase contracts.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities and equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Income and Expenditure Account

The Consolidated Group Statement of Financial Activities on page 17 is considered to be equivalent to an Income and Expenditure Account and comply with the reporting requirements and consequently no separate income and expenditure statement has been prepared.

2. Income

Income represents amounts derived from the provision of goods and services which fall within the company's ordinary activities.

The income and net resources are attributable to continuing activities.

3. Legal status of the Charity

The charity is a private company limited by guarantee and has no share capital. The liability of each member in the event of winding up is £10.

Exeter Phoenix Ltd.

Year End 31 March 2023

4. Financial Activities of the Charity

	2023	2022
	£	£
Gross Incoming Resources	843,875	982,610
Total Expenditure on charitable activities	(1,048,041)	(938,585)
Governance costs	(12,229)	(7,966)
	<u>(216,395)</u>	<u>36,059</u>
Net incoming/(outgoing) resources	(216,395)	36,059
Total Funds brought forward		
Membership services		
Total Funds at 1 April 2022	573,598	537,539
Total Funds at 31 March 2023	<u>357,203</u>	<u>573,598</u>
Represented by:		
Unrestricted Funds	(214,032)	(73,627)
Restricted Funds	571,235	647,225
	<u>357,203</u>	<u>573,598</u>
Total net assets	<u>357,203</u>	<u>573,598</u>

5. Incoming resources generated funds

The wholly owned trading subsidiary Exeter Arts Trading Services Limited (EATS), which is incorporated in England and Wales, donates all of its profits to the charity. EATS operates the café and bar and all commercial trading operations carried on at the premises of the charity. The charity owns the entire share capital of EATS of 1,000 ordinary shares of £1 each.

A summary of the trading results of EATS is shown below:

Results of subsidiary	2023	2022
	£	£
Turnover	1,267,911	861,498
Cost of sales and administration costs	(1,210,876)	(873,562)
Net loss	<u>57,035</u>	<u>(12,064)</u>
The assets and liabilities of EATS were:		
Fixed Assets	103,297	92,473
Current assets	117,631	60,767
Current liabilities	(166,272)	(155,619)
Long term liabilities	-	-
Total net assets	<u>54,656</u>	<u>(2,379)</u>
Aggregate share capital and reserves	<u>54,656</u>	<u>(2,379)</u>

Exeter Phoenix Ltd.

Year End 31 March 2023

6. Other Income

	2023	2022
	£	£
Theatre lettings and conferences	29,686	19,313
Box office income	26,321	19,493
Sundry	358	28
Membership	615	45
Property rental and maintenance recharge	27,542	23,530
	<u>84,522</u>	<u>62,409</u>

7. Costs of Charitable Activities

	Support	Direct Staff	Other Direct	2023	2022
				£	£
Event and exhibitions	341,148	155,276	184,802	681,226	578,743
Film and video resource	132,057	89,746	60,692	282,495	275,953
Courses, classes and related expenses	77,033	-	7,287	84,320	74,621
	<u>550,239</u>	<u>245,022</u>	<u>252,781</u>	<u>1,048,042</u>	<u>929,317</u>

8. Support Costs

Included in the cost of charitable activities are the following support costs:

	2023	2022
	£	£
Administration and marketing salaries	284,103	226,100
Training and other staff costs	6,734	2,644
Rent	37,944	37,944
Service charge	27,050	27,050
Premises maintenance	2,980	2,094
Marketing costs	26,842	17,825
Printing, postage and stationery	4,763	3,106
Telephone	1,002	1,036
Box office costs	6,824	4,568
General insurance	16,520	13,362
Subscriptions	3,130	2,421
Hospitality	332	1,284
Sundries	2,837	2,471
Bad debts	(3,752)	
Equipment hire and maintenance	7,376	9,050
Professional fees	3,063	-
Bank charges and interest	2,282	2,945
Hire purchase interest	-	9,375
Depreciation	120,209	119,678
	<u>550,239</u>	<u>482,953</u>

Exeter Phoenix Ltd.

Year End 31 March 2023

9. Governance Cost

	2023	2022
	£	£
Auditors fees	10,612	7,966
Other	1,617	-
	<u>12,229</u>	<u>7,966</u>

During the year the auditor charged audit fees of £6,840 (2022: £6,880) and other fees of £3,772 (2022: £1,166).

10. Staff Costs

	2023	2022
	£	£
Wages and salaries	488,838	386,582
Social Security costs	26,820	35,158
Pension costs	13,467	18,876
	<u>529,125</u>	<u>440,616</u>

During the year key management personnel received remuneration and benefits totalling £164,946 (2022: £147,513).

No employee received emoluments exceeding £60,000.

The average staff employed by the Group were 67 (2022 - 60).

11. Directors Remuneration

The directors of the company did not receive any payments from the company in respect of their role as a director.

During the year ended 31 March 2023 expenses of £nil (2022: £nil) were reimbursed to directors.

Related party transactions involving the directors are set out in note 25.

12. Net incoming/(outgoing) resources is stated after charging

	2023	2022
	£	£
Depreciation of assets	<u>139,029</u>	<u>119,678</u>

Exeter Phoenix Ltd.

Year End 31 March 2023

13. Government grants

During the year the group received the following government grants:

– £nil (2022 £34,444) Coronavirus Job Retention Scheme

The amount of government grants recognised in the financial statements was £nil (2022 £34,444).

14. Taxation

Exeter Phoenix Ltd. is an exempt charity and is eligible for the exemptions from taxation available to charities on their charitable activities. No charge to corporation tax therefore arises.

15. Comparatives for the consolidated statement of financial activities

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Income:			
Donations and legacies	15,083	–	15,083
<i>Income from charitable activities:</i>			
Grants receivable	522,328	64,994	587,322
Events and Exhibitions	221,275	–	221,275
Film and video resource	85,183	–	85,183
Courses, classes and related income	50,927	–	50,927
<i>Income from other trading activities:</i>			
Commercial trading operations	821,911	–	821,911
Other income	62,409	–	62,409
Total income	<u>1,779,116</u>	<u>64,994</u>	<u>1,844,110</u>
Expenditure:			
Costs of generating funds			
<i>Cost of raising funds:</i>			
Commercial trading operations	(882,830)	–	(882,830)
Expenditure on charitable activities			
Events and Exhibitions	(449,313)	(129,430)	(578,743)
Film and video resource	(237,988)	(37,966)	(275,954)
Courses, classes and related income	(69,444)	(5,177)	(74,621)
Governance costs	(7,966)	–	(7,966)
Total expenditure	<u>(1,647,541)</u>	<u>(172,573)</u>	<u>(1,820,114)</u>
Net income/ (expenditure) for the year	131,575	(107,579)	23,996
Total funds brought forward	(208,580)	754,804	546,224
Transfer of funds	–	–	
Total funds carried forward	<u><u>(77,001)</u></u>	<u><u>647,226</u></u>	<u><u>570,219</u></u>

Exeter Phoenix Ltd.

Year End 31 March 2023

16. Fixed Assets– Charity

	Redevelopment Costs £	Leasehold Improvements £	Fixtures, Fittings & Equipment £	Computer £	Total £
Cost					
At 1 April 2022	2,696,728	7,033	621,609	61,065	3,386,435
Additions	-	-	2,588	-	2,588
Disposals	-	-	-	-	-
Disposals in <i>year</i>					-
At 31 March 2023	<u>2,696,728</u>	<u>7,033</u>	<u>624,197</u>	<u>61,065</u>	<u>3,389,023</u>
Depreciation					
At 1 April 2022	2,077,182	6,196	587,858	60,170	2,731,406
Charge for the year	107,579	313	11,660	657	120,209
Eliminated on disposal	-				-
On disposals					
At 31 March 2023	<u>2,184,761</u>	<u>6,509</u>	<u>599,518</u>	<u>60,827</u>	<u>2,851,615</u>
Net Book Value					
At 31 March 2023	<u>511,967</u>	<u>524</u>	<u>24,679</u>	<u>238</u>	<u>537,409</u>
At 31 March 2022	<u>619,546</u>	<u>837</u>	<u>33,751</u>	<u>895</u>	<u>655,029</u>

The company operates from a short leasehold building. The company entered into a 25 year lease from 1 April 2004 with four yearly rental reviews. Exeter City Council has purchased various fixed assets which the company uses without charge.

Exeter Phoenix Ltd.

Year End 31 March 2023

Fixed Assets – Group

	Redevelopment Costs £	Leasehold Improvements £	Fixtures, Fittings & Equipment £	Computer £	Total £
Cost					
At 1 April 2022	2,696,728	68,832	820,117	61,065	3,646,742
Additions	-	17,739	17,493	-	35,232
Disposals	-	-	-	-	-
Disposals in year	-	-	-	-	-
At 31 March 2023	<u>2,696,728</u>	<u>86,571</u>	<u>837,610</u>	<u>61,065</u>	<u>3,681,974</u>
Depreciation					
At 1 April 2022	2,077,182	18,577	746,310	60,170	2,902,239
Charge for the year	107,579	8,267	22,526	657	139,029
Eliminated on disposal On disposals	-	-	-	-	-
At 31 March 2023	<u>2,184,761</u>	<u>26,844</u>	<u>768,836</u>	<u>60,827</u>	<u>3,041,268</u>
Net Book Value					
At 31 March 2023	<u>511,967</u>	<u>59,727</u>	<u>68,774</u>	<u>238</u>	<u>640,706</u>
At 31 March 2022	<u>619,546</u>	<u>50,255</u>	<u>73,807</u>	<u>895</u>	<u>744,504</u>

Exeter Phoenix Ltd.

Year End 31 March 2023

Intangible Fixed Assets – Group and Charity	Website £	Total £
Cost		
At 1 April 2022	12,000	12,000
Additions	-	-
Disposals	-	-
Disposals in <i>[year/period]</i>		-
At 31 March 2023	<u>12,000</u>	<u>12,000</u>
Depreciation		
At 1 April 2022	9,000	9,000
Charge for the year	3,000	3,000
Eliminated on disposals	-	-
On disposals		
At 31 March 2023	<u>12,000</u>	<u>12,000</u>
Net Book Value		
At 31 March 2023	-	-
At 31 March 2022	<u>3,000</u>	<u>3,000</u>

17. Fixed Asset Investments

	Works of Art £	Unlisted investments in subsidiary £	Total £
Value			
At 1 April 2022	25,500	1,000	26,500
Disposals		-	-
At 31 March 2023	<u>25,500</u>	<u>1,000</u>	<u>26,500</u>

The historical cost of works of art as at 31 March 2023 is £36,901 (31 March 2022 £36,901).

18. Unlisted Investments

The trading subsidiary, Exeter Arts Trading Services Limited (EATS), is wholly owned by the company registered in England and Wales. Its registered office is Bradninch Place, Gandy Street, Exeter, Devon, EX4 3LS.

The subsidiary has been valued in the accounts at the original cost of the shares. Financial figures for EATS are shown in note 5. The subsidiary has been included in these consolidated accounts.

The investment is primarily for charitable activities.

Exeter Phoenix Ltd.

Year End 31 March 2023

19. Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	35,247	23,064	25,909	16,497
Other debtors	27,228	12,554	27,228	3,286
Prepayments and accrued income	4,434	10,951	3,821	10,344
Amounts owed by group undertakings	-	-	-	9,268
	<u>66,909</u>	<u>46,569</u>	<u>56,958</u>	<u>39,395</u>

20. Creditors: Amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Obligations under hire purchase contracts	-	2,239	-	-
Trade creditors	90,000	67,246	40,992	25,931
Other taxes and social security costs	20,569	28,197	11,221	16,909
Other creditors	279,628	247,708	268,456	200,014
Accruals and deferred income	12,300	97,367	12,300	66,811
Bank overdraft and loans	10,000	10,000	10,000	10,000
VAT	33,466	22,524	-	-
	<u>445,963</u>	<u>475,281</u>	<u>342,969</u>	<u>319,665</u>

21. Creditors: Amounts falling due after more than one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Obligations under hire purchase contracts		-	-	-
Other Creditors		-	-	-
Bank Loans over 1 year	21,667	31,667	21,667	31,667
	<u>21,667</u>	<u>31,667</u>	<u>21,667</u>	<u>31,667</u>

Exeter Phoenix Ltd.

Year End 31 March 2023

22. Movement in funds

Group

	Total funds at 1 April 2022 £	Incoming resources £	Resources expensed £	Transfers £	Total funds at 31 March 2023 £
Unrestricted funds					
General funds	(77,009)	1,984,734	(2,068,101)	-	(160,380)
Restricted funds					
Capital Redevelopment	647,228		(107,579)	-	539,649
Other		127,054	(95,466)		31,588
Total funds	<u>570,219</u>	<u>2,111,788</u>	<u>(2,271,146)</u>	<u>-</u>	<u>410,859</u>

Charity

	Total funds at 1 April 2022 £	Incoming resources £	Resources expensed £	Transfers £	Total funds at 31 March 2023 £
Unrestricted funds					
General funds	(73,628)	716,821	(857,225)	-	(214,032)
Restricted funds					
Capital Redevelopment	647,226		(107,579)	-	539,647
Other	-	127,054	(95,466)	-	31,588
Total funds	<u>573,598</u>	<u>843,875</u>	<u>(1,060,270)</u>	<u>-</u>	<u>357,203</u>

Comparatives for movements in funds

Group

	Total funds at 1 April 2021 £	Incoming resources £	Resources expensed £	Transfers £	Total funds at 31 March 2022 £
Unrestricted funds					
General funds	(208,580)	1,779,116	(1,647,540)	-	(77,004)
Restricted funds					
Capital Redevelopment	754,804	-	(107,579)	-	647,225
Other	-	64,994	(64,994)	-	
Total funds	<u>546,224</u>	<u>1,844,110</u>	<u>(1,820,113)</u>	<u>-</u>	<u>570,219</u>

Exeter Phoenix Ltd.

Year End 31 March 2023

22. Movement in funds – continued

Comparatives for movements in funds

Charity

	Total funds at 1 April 2021	Incoming resources £	Resources expensed £	Transfers £	Total funds at 31 March 2022 £
Unrestricted funds					
General funds	(217,265)	917,616	(773,979)	-	(73,628)
Restricted funds					
Capital Redevelopment	754,804	-	(107,579)	-	647,225
Other	-	64,994	(64,994)	-	-
Total funds	<u>537,539</u>	<u>982,610</u>	<u>(946,552)</u>	<u>-</u>	<u>573,597</u>

The restricted funds are primarily represented by a capital redevelopment project funded by the lottery for the redevelopment of the building. The purpose of the fund was to pay for the building of the auditorium, media centre, bar area and other general refurbishments. As a condition of the fund, the company is restricted in its use of the building to its charitable purposes for at least another seven years.

The general funds reserve represents the free funds of the charitable company which are not restricted for particular use.

23. Analysis of group net assets between funds

	Tangible fixed assets £	Intangible fixed assets £	Investment assets £	Net current assets/liabilities £	Long term liabilities £	Total £
Unrestricted funds						
General funds	128,739	-	-	(265,267)	(21,667)	(158,195)
Restricted funds						
Capital redevelopment	511,967	-	-	-	-	511,967
Other	-	-	25,500	31,587	-	57,087
Total net assets	<u>640,706</u>	<u>-</u>	<u>25,500</u>	<u>(233,680)</u>	<u>(21,667)</u>	<u>410,859</u>

Exeter Phoenix Ltd.

Year End 31 March 2023

Analysis of charity net assets between funds

	Tangible fixed assets £	Intangible fixed assets £	Investment assets £	Net current assets/liabilities £	Long term liabilities £	Total £
Unrestricted funds						
General funds	25,442	-	-	(185,039)	(21,667)	(181,264)
Restricted funds						
Capital redevelopment	511,967	-	-	-	-	511,967
Other	-	-	26,500	-	-	26,500
Total net assets	<u>537,409</u>	<u>-</u>	<u>26,500</u>	<u>(185,039)</u>	<u>(21,667)</u>	<u>357,203</u>

24. Operating Leases

Non cancellable operating leases for the group are as follows:

	2023 £	2022 £
Less than 1 year	85,984	85,984
2-5 year	32,976	53,008
	<u>118,960</u>	<u>138,992</u>

The annual amount due in respect of rent and service charges on Bradninch Place for 2022/23 is £53,008. Exeter City Council has agreed to pay a grant of £53,008 in that year. The lease expires on 31 March 2024. These costs are grant aided in full by Exeter City Council.

The company has two lease liabilities of £32,976 per annum until 31 March 2025 and £26,250 per annum until 30 April 2024 for premises. The company's subsidiary is operating from the premises and are paying the annual liability on behalf of the company.

25. Related party transactions

The company leases its building from the City Council. The rent and service charge charged during the year totalled £62,470 (2022 - £62,470). The Council is also a grant provider to the organisation granting £92,000 (2022 - £144,714) and a service level agreement exists between the Council and the company totalling £53,008 (2022 - £53,008).

A Senior Manager of Exeter Phoenix has a balance due from the company of £9,355 (2022 £9,355).