

PHOENIX CINEMA TRUST LIMITED

England & Wales · Charity number 296135

Details

Status	Registered
Legal form	Charitable company
Company number	01956960
Registered	1987-03-06
Register	View on the Charity Commission register

Contact

Address	Phoenix Cinema 52 High Road London N2 9PJ
Phone	02084446789
Email	trustees@phoenixcinema.co.uk
Website	www.phoenixcinema.co.uk

Activities

Objects: THE ADVANCEMENT OF THE EDUCATION OF THE PUBLIC AND IN PARTICULAR OF PERSONS WHO LIVE OR WORK IN LONDON IN THE ARTS, BUT WITHOUT LIMITING THE FOREGOING, THE ARTS OF FILM, TELEVISION, DRAMA, BALLET, MIME, DRAMA, MUSIC, SINGING AND OPERA, AND FOR SUCH PURPOSE TO ESTABLISH, OPERATE, MANAGE AND ADMINISTER THE PHOENIX CINEMA IN THE LONDON BOROUGH OF BARNET AND TO PROMOTE AND MAINTAIN AND ENCOURAGE SCHEMES FOR THE USE THEREOF.

Activities: Operating an independent cinema under the auspices of a charitable trust

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** LONDON
- Barnet

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£573,282	£757,153	£569,026	19
2024-03-31	£572,319	£665,233	£329,028	19
2023-03-31	£609,506	£620,763	£421,942	19
2022-03-31	£609,742	£605,240	£433,199	26
2021-03-31	£434,668	£388,342	-	-

Trustees

Name	Role	Appointed
Abdullah Riasat Khan		2019-12-04
Adrian Jonathan Bull		2021-03-21
Dr Benjamin Ellis		2021-03-21
Madeleine Antoinette Hoare		2021-03-21
Paul Rossi		2017-12-20
Steve Smith		2024-02-21
Viran Parshu Ram		2021-03-21

PHOENIX CINEMA TRUST LIMITED

England & Wales - Charity number 296135

Accounts

REGISTERED COMPANY NUMBER: 01956960 (England and Wales)
REGISTERED CHARITY NUMBER: 296135

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2025
for
Phoenix Cinema Trust Limited

Ark Accountancy Limited
Chartered Certified Accountant &
Statutory Auditor
56-58 High Street
Ewell
Epsom
Surrey
KT17 1RW

Contents of the Financial Statements
for the Year Ended 31 March 2025

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The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, are pleased to present their annual report, together with the audited financial statements of the charity, for the year ended 31 March 2025. These are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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) (as amended for accounting periods commencing from 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's purposes are the advancement of the education of the public and in particular of persons who live or work in London in the arts including, but without limiting the foregoing, the arts of film, television, drama, ballet, mime, dance, music, singing and opera, and for such purpose to establish, operate and manage and administer the Phoenix Cinema in the London Borough of Barnet and to promote and maintain and encourage schemes for the use thereof.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

The strategies employed to achieve these objectives are:

- To promote film culture by showing a broad range of quality films
- To preserve and develop the Phoenix Cinema as a popular centre of film, video and new media
- To encourage the greatest possible access to film activities for the diverse local communities.

There has been no change to these during the year.

There are four major areas of activity where we put these strategies into action which are: main feature film screenings, education and community activities, alternative content and special events including festivals.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The financial year ending 31st March 2025 (FY2025) was a challenging year in many ways for the Phoenix but also one of significant change for the historic cinema. Of the top 10 UK titles for the year, 5 were animated franchise titles which struggled to resonate with the Phoenix audience.

Trading during the FY25 was difficult from the beginning. Monthly admissions hovered around the 2-3,000 mark which is significantly below where we would want to be. The main driver of this was the slate with a dearth of suitable films throughout the first ¾ of the year. In comparison to FY24, the cinema lacked a Barbie and Oppenheimer type release that raised the whole profile of cinema with audiences.

Trading was inconsistent throughout the year with very few profitable months. However, there were a couple of other events which had a major impact on the cinema. Firstly, in May 2024, the cinema screened the documentary, Supernova, as part of the Seret Festival. Soon after, two patrons, Mike Leigh and Ken Loach, both resigned. The event itself became a much bigger event than a screening with protesters on both sides lining the streets in and around the cinema.

At around the same time, the Phoenix sold the land at the back of the cinema. In November/December, the money was reinvested into building a smaller second screen and renovating the seating and flooring in the main auditorium. This gave the cinema more programming flexibility as well as another screen to drive revenue. The second screen opened on December 18th in time for the traditionally strong awards season releases.

In early 2025, the cinema brought in a new Executive Director, Kathryn Smith, who came with significant operational experience from the Really Local Group. Kathryn replaced Rob Kenny who had helped the cinema through the second screen redevelopment plan.

Throughout FY2025, the Phoenix was running a programme of community and education activities, including screenings for local schools, community groups, Parent and Baby screenings and captioned screenings alongside partnership with the UK Jewish Film Festival and special screenings and events for a variety of audiences.

In December 2024, Alison Gold stepped down as Chair, whilst remaining as a trustee, with Paul Rossi being voted in as her replacement. Vicki Kelsall resigned in May 2024. Post year-end, Alison Gold, Marta Montague and Patrick Swaffer resigned from the board. The Phoenix is thankful for their service, especially Alison and Marta, who guided the cinema through the pandemic and redevelopment. Following the end of October 2025, Ed Sayers and Ken McEnergy joined the board as new trustees.

For the financial year ending 31 March 2025, income totalled £573K with £477K coming from trading (mainly box office and kiosk food and drink sales), £93K from grants and donations (nearly half of which was from Barnet Council) and £3K of other income. Expenditure totalled £714K with £476K being direct costs/cost of sales (film hire and food and drink expenditure) and £281K being support costs. The average monthly number of employees remained at 19. In addition, there was a £423K gain on investment (sale of the land).

As a result, the cinema made a gain of £288K for the financial year driven by the gain on investment. Net cash grew from £67K to £145K as most of the money secured from the sale had been reinvested into the redevelopment.

Overall performance

Trading revenue was £477K which was down -12% on FY2024. Admissions were 36,208 which was down -3% on FY2024, and remained less than 60% of the admissions in FY2020 (64,275 admissions). This level of admissions is also less than half of its level 10 years earlier, reflecting the growth in local competition since 2015, as well as the prevailing lower cinema attendance since the pandemic.

The top 10 films at the Phoenix for the year were, in order of revenues:-

Conclave
A Complete Unknown
A Real Pain
The Brutalist
Kidnapped
National Theatre: Nye

Phoenix Cinema Trust Limited

Report of the Trustees for the Year Ended 31 March 2025

Van Gogh: Poets And Lovers
Small Things Like These
Maria
Lee

The cinema continued to diversify outside cinema although there was a reduction in the regular comedy nights during the first half of 2025.

Education and community

The Phoenix no longer seeks funding for bespoke educational activities but seeks to partner with schools and colleges in the local community to deliver this part of its charitable remit.

The Phoenix is more closely linked into community activity in its immediate local area, as an active member of the N2 United network.

FINANCIAL REVIEW

Financial position

While the cash position was £145K at the end of March 2025, the volatility in trading has been challenging since the end of the financial year.

Audiences continue to be down significantly since the pandemic and the slate of films remains inconsistent. Potentially Phoenix friendly fare such as The Thursday Murder Club and Knives Out: Wake Up Dead Man were released on limited windows.

Reserves policy

The Board's reserves policy continues to be that the Phoenix should hold unrestricted general funds, held in cash or readily realisable assets, equivalent to at least two months' operating costs (approximately £80K). These funds should be held to mitigate the risk of poor trading or cover unplanned emergency repairs or other expenditure. The reserves policy has not been changed. However, given the challenges faced since the pandemic, the cinema has been unable to maintain full reserves since throughout the period.

The management and Board of the Phoenix monitors cash flow and projected cash on a weekly basis to anticipate any solvency problems.

The major asset remains the cinema building and associated land.

Going concern

The cinema has faced a challenging time in FY2025 similar to other independent cinemas. Trading started to improve during the last quarter of 2025 and is expected to be strong during the first quarter of 2026. The board's immediate focus will be on increasing fundraising to support the trading of the cinema.

With that in mind, the accounts have been prepared on a going concern basis.

FUTURE PLANS

Trading remains inconsistent with an average of £25K box office revenue per month for the YTD. Admissions also hover around 3-3.5K per month.

The second screen has helped drive attendances during weeks when the slate has been strong and provided some flexibility for screenings. It is also a hiring option for small gatherings or parties. However, when the slate is weak, the second screen is also impacted delivering very little in additional revenue.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Each year, one-third of the trustees shall be retired/reappointed at the Annual General Meeting of its Company Members. In line with best practise in governance, no trustee will serve for more than nine years in total.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Phoenix is governed by a board that comprises not less than six and no more than twelve members. The board normally meets quarterly and there are two sub-committees that meet quarterly: the Finance Committee, the Education, Community and Fundraising committee.

At the year end, the Phoenix had 19 staff members in line with the previous year. Most are employed part-time.

Related parties

The trustees provide their services on a voluntary basis. None of the trustees has any beneficial interest in the company. There are no connected charities. There are no related party transactions, except as disclosed in note 17 in the financial statements.

Risk management

The trustees put in place a risk management policy in 2016 which comprises a risk register that identifies and measures the key risks faced by the cinema in addition to actions to be taken to mitigate the impact. The cinema has adequate insurance cover in place to mitigate certain of the identified risks.

The risk register was reviewed in detail by the board during 2024.

In prior years, the key risk faced by the cinema was its financial sustainability. This remains a key focus for the board and management team.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01956960 (England and Wales)

Registered Charity number

296135

Registered office

52 High Road
East Finchley
London
N2 9PJ

Trustees

P L J Swaffer (resigned 10.4.25)
A J Bull
Ms M A Hoare
B Ellis
Ms V M Kelsall (resigned 16.5.24)
V P Ram
A Khan
P Rossi
Ms M Montague (resigned 16.9.25)
Ms A Gold (resigned 13.6.25)
S Smith
K Mcenery (appointed 30.10.25)
E Sayers (appointed 11.11.25)

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Ark Accountancy Limited
Chartered Certified Accountant &
Statutory Auditor
56-58 High Street
Ewell
Epsom
Surrey
KT17 1RW

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Phoenix Cinema Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees 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.

AUDITORS

The auditors, Ark Accountancy Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 23 December 2025 and signed on its behalf by:

A Khan - Trustee

Opinion

We have audited the financial statements of Phoenix Cinema Trust Limited (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, 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 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 trustees' 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 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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.

Opinions 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 Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees determine is 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 trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we - performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from the financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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 Independent 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 an auditors' report 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.

Mary E Ryan (Senior Statutory Auditor)
for and on behalf of Ark Accountancy Limited
Chartered Certified Accountant &
Statutory Auditor
56-58 High Street
Ewell
Epsom
Surrey
KT17 1RW

23 December 2025

Phoenix Cinema Trust Limited

Statement of Financial Activities
for the Year Ended 31 March 2025

	Notes	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	92,558	-	92,558	27,628
Charitable activities	4				
Cinema		477,267	-	477,267	543,683
Investment income	3	3,457	-	3,457	1,008
Total		<u>573,282</u>	<u>-</u>	<u>573,282</u>	<u>572,319</u>
EXPENDITURE ON					
Charitable activities	5				
Cinema		<u>714,396</u>	<u>42,757</u>	<u>757,153</u>	<u>665,233</u>
Net gains on investments		<u>423,869</u>	<u>-</u>	<u>423,869</u>	<u>-</u>
NET INCOME/(EXPENDITURE)					
Transfers between funds	16	<u>282,755</u> <u>22,258</u>	<u>(42,757)</u> <u>(22,258)</u>	<u>239,998</u> <u>-</u>	<u>(92,914)</u> <u>-</u>
Net movement in funds		305,013	(65,015)	239,998	(92,914)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>38,658</u>	<u>290,370</u>	<u>329,028</u>	<u>421,942</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>343,671</u></u>	<u><u>225,355</u></u>	<u><u>569,026</u></u>	<u><u>329,028</u></u>

The notes form part of these financial statements

Phoenix Cinema Trust Limited

Balance Sheet

31 March 2025

	Notes	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
FIXED ASSETS					
Tangible assets	12	411,394	225,355	636,749	304,095
CURRENT ASSETS					
Stocks	13	1,695	-	1,695	3,427
Debtors	14	23,154	-	23,154	17,987
Cash at bank		144,857	-	144,857	67,443
		169,706	-	169,706	88,857
CREDITORS					
Amounts falling due within one year	15	(237,429)	-	(237,429)	(63,924)
NET CURRENT ASSETS		(67,723)	-	(67,723)	24,933
TOTAL ASSETS LESS CURRENT LIABILITIES		343,671	225,355	569,026	329,028
NET ASSETS		343,671	225,355	569,026	329,028
FUNDS	16				
Unrestricted funds				343,671	38,658
Restricted funds				225,355	290,370
TOTAL FUNDS				569,026	329,028

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

The financial statements were approved by the Board of Trustees and authorised for issue on 23 December 2025 and were signed on its behalf by:

A Khan - Trustee

Phoenix Cinema Trust Limited

Cash Flow Statement
for the Year Ended 31 March 2025

	Notes	31.3.25 £	31.3.24 £
Cash flows from operating activities			
Cash generated from operations	1	74,181	(28,190)
Net cash provided by/(used in) operating activities		74,181	(28,190)
Cash flows from investing activities			
Purchase of tangible fixed assets		(425,511)	(27,341)
Sale of fixed asset investments		423,869	-
Disposal of asset		1,418	-
Interest received		3,457	1,008
Net cash provided by/(used in) investing activities		3,233	(26,333)
Change in cash and cash equivalents in the reporting period		77,414	(54,523)
Cash and cash equivalents at the beginning of the reporting period		67,443	121,966
Cash and cash equivalents at the end of the reporting period		144,857	67,443

The notes form part of these financial statements

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.25 £	31.3.24 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	239,998	(92,914)
Adjustments for:		
Depreciation charges	91,439	50,264
Losses on investments	(423,869)	-
Interest received	(3,457)	(1,008)
Decrease in stocks	1,732	1,567
Increase in debtors	(5,167)	(7,451)
Increase in creditors	173,505	21,352
Net cash provided by/(used in) operations	<u>74,181</u>	<u>(28,190)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.24 £	Cash flow £	At 31.3.25 £
Net cash			
Cash at bank	67,443	77,414	144,857
	<u>67,443</u>	<u>77,414</u>	<u>144,857</u>
Total	<u>67,443</u>	<u>77,414</u>	<u>144,857</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

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

Expenditure

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

Tangible fixed assets

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

Freehold property	- in accordance with the property
Café bar	- at varying rates on cost
Fixtures and fittings	- 25% on reducing balance, 25% on cost and at varying rates on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

2. DONATIONS AND LEGACIES

	31.3.25	31.3.24
	£	£
Donations	40,558	1,625
Grants	52,000	26,003
	<u>92,558</u>	<u>27,628</u>

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

	31.3.25	31.3.24
	£	£
London Borough of Barnet	40,000	-
Unrestricted grants	-	(1,230)
Film London	-	7,035
Young Barnet	-	2,000
Community Grant	-	18,198
The Harold Wyatt Wingate Foundation	10,000	-
Philaharmonic Trust	2,000	-
	<u>52,000</u>	<u>26,003</u>

3. INVESTMENT INCOME

	31.3.25	31.3.24
	£	£
Deposit account interest	<u>3,457</u>	<u>1,008</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.25	31.3.24
		£	£
Film Receipts	Cinema	305,890	338,389
Education Activities	Cinema	2,486	2,550
Confectionary & café bar & merchandise	Cinema	71,235	75,511
Other charitable activities	Cinema	97,656	127,233
		<u>477,267</u>	<u>543,683</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Cinema	475,996	281,157	757,153

6. SUPPORT COSTS

	Management £	Finance £	Information technology £	Governance costs £	Totals £
Cinema	230,924	20,435	11,998	17,800	281,157

7. NET INCOME/(EXPENDITURE)

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

	31.3.25 £	31.3.24 £
Auditors' remuneration	5,800	4,500
Depreciation - owned assets	92,857	50,264

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

9. STAFF COSTS

	31.3.25 £	31.3.24 £
Wages and salaries	255,021	224,747
Social security costs	9,085	4,877
Other pension costs	4,639	4,187
	268,745	233,811

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

	31.3.25	31.3.24
Cinema staff	19	19

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

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	395	27,233	27,628
Charitable activities			
Cinema	541,133	2,550	543,683
Investment income	1,008	-	1,008
Total	<u>542,536</u>	<u>29,783</u>	<u>572,319</u>
EXPENDITURE ON			
Charitable activities			
Cinema	<u>592,207</u>	<u>73,026</u>	<u>665,233</u>
NET INCOME/(EXPENDITURE)			
Transfers between funds	(49,671) <u>30,861</u>	(43,243) <u>(30,861)</u>	(92,914) <u>-</u>
Net movement in funds	(18,810)	(74,104)	(92,914)
RECONCILIATION OF FUNDS			
Total funds brought forward	57,468	364,474	421,942
TOTAL FUNDS CARRIED FORWARD	<u><u>38,658</u></u>	<u><u>290,370</u></u>	<u><u>329,028</u></u>

11. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 April 2024 and 31 March 2025	<u>5,000</u>
AMORTISATION	
At 1 April 2024 and 31 March 2025	<u>5,000</u>
NET BOOK VALUE	
At 31 March 2025	<u>-</u>
At 31 March 2024	<u>-</u>

12. TANGIBLE FIXED ASSETS

	Freehold property £	Café bar £	Fixtures and fittings £	Totals £
COST				
At 1 April 2024	595,192	791,105	134,036	1,520,333
Additions	-	-	425,511	425,511
Disposals	-	-	(1,417)	(1,417)
At 31 March 2025	595,192	791,105	558,130	1,944,427
DEPRECIATION				
At 1 April 2024	574,352	533,994	107,892	1,216,238
Charge for year	1,556	39,555	51,746	92,857
Eliminated on disposal	-	-	(1,417)	(1,417)
At 31 March 2025	575,908	573,549	158,221	1,307,678
NET BOOK VALUE				
At 31 March 2025	19,284	217,556	399,909	636,749
At 31 March 2024	20,840	257,111	26,144	304,095

13. STOCKS

	31.3.25 £	31.3.24 £
Stocks	1,695	3,427

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25 £	31.3.24 £
Trade debtors	3,356	1,940
Other debtors	4,196	15,931
Tax	116	116
VAT	15,002	-
Prepayments and accrued income	484	-
	23,154	17,987

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Trade creditors	224,003	41,566
Social security and other taxes	3,015	2,814
VAT	-	9,168
Other creditors	666	641
Accrued expenses	9,745	9,735
	<u>237,429</u>	<u>63,924</u>

16. MOVEMENT IN FUNDS

	At 1.4.24 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
General fund	24,933	(117,437)	22,258	(70,246)
Designated fund	13,725	(4,575)	-	9,150
Designated redevelopment fund	-	404,767	-	404,767
	<u>38,658</u>	<u>282,755</u>	<u>22,258</u>	<u>343,671</u>
Restricted funds				
Capital fund	277,993	(38,179)	(22,258)	217,556
Community Grant	12,377	(4,578)	-	7,799
	<u>290,370</u>	<u>(42,757)</u>	<u>(22,258)</u>	<u>225,355</u>
TOTAL FUNDS	<u>329,028</u>	<u>239,998</u>	<u>-</u>	<u>569,026</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	511,127	(628,564)	-	(117,437)
Designated fund	-	(4,575)	-	(4,575)
Designated redevelopment fund	62,155	(81,257)	423,869	404,767
	<u>573,282</u>	<u>(714,396)</u>	<u>423,869</u>	<u>282,755</u>
Restricted funds				
Capital fund	-	(38,179)	-	(38,179)
Community Grant	-	(4,578)	-	(4,578)
	<u>-</u>	<u>(42,757)</u>	<u>-</u>	<u>(42,757)</u>
TOTAL FUNDS	<u>573,282</u>	<u>(757,153)</u>	<u>423,869</u>	<u>239,998</u>

16. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	39,168	(45,096)	30,861	24,933
Designated fund	18,300	(4,575)	-	13,725
	<u>57,468</u>	<u>(49,671)</u>	<u>30,861</u>	<u>38,658</u>
Restricted funds				
Capital fund	348,722	(39,756)	(30,973)	277,993
Education fund	9,305	(9,305)	-	-
Film London	6,447	(6,447)	-	-
Community Grant	-	12,265	112	12,377
	<u>364,474</u>	<u>(43,243)</u>	<u>(30,861)</u>	<u>290,370</u>
TOTAL FUNDS	<u>421,942</u>	<u>(92,914)</u>	<u>-</u>	<u>329,028</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	542,536	(587,632)	(45,096)
Designated fund	-	(4,575)	(4,575)
	<u>542,536</u>	<u>(592,207)</u>	<u>(49,671)</u>
Restricted funds			
Capital fund	-	(39,756)	(39,756)
Education fund	2,550	(11,855)	(9,305)
Film London	7,035	(13,482)	(6,447)
Young Barnet	2,000	(2,000)	-
Community Grant	18,198	(5,933)	12,265
	<u>29,783</u>	<u>(73,026)</u>	<u>(43,243)</u>
TOTAL FUNDS	<u>572,319</u>	<u>(665,233)</u>	<u>(92,914)</u>

16. MOVEMENT IN FUNDS - continued

Purpose of restricted funds

Capital fund	The balance will fund future depreciation of fixed assets which were originally purchased using restricted and matching funding
Education fund	This is a fund for specific education projects
Film London	This relates to funds received as part of the Culture Recovery fund for Independent cinemas in England which was intended to help protect cultural and heritage organisations from the impact of COVID-19
Community Grant	This was used to cover the cost of new sound equipment

Purpose of designated funds

The balance will fund future depreciation of fixed assets which were originally purchased using general funds

17. RELATED PARTY DISCLOSURES

Two members of key management received consultancy fees of £5,945 last year (2024 none)

Detailed Statement of Financial Activities
for the Year Ended 31 March 2025

	31.3.25 £	31.3.24 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	40,558	1,625
Grants	52,000	26,003
	92,558	27,628
Investment income		
Deposit account interest	3,457	1,008
Charitable activities		
Film Receipts	305,890	338,389
Education Activities	2,486	2,550
Confectionary & café bar & merchandise	71,235	75,511
Other charitable activities	97,656	127,233
	477,267	543,683
Total incoming resources	573,282	572,319
EXPENDITURE		
Charitable activities		
Wages	255,021	224,747
Social security	9,085	4,877
Pensions	4,639	4,187
Film hire	139,857	152,283
Merchandise purchases	33,996	34,851
Confectionary & café bar purchases	5,627	4,714
Fees & other staff costs	1,778	1,748
Publicity & marketing	8,202	5,234
Fundraising costs	9,641	-
Programming charge	8,150	7,200
	475,996	439,841
Support costs		
Management		
Rates and water	1,537	2,363
Insurance	7,746	8,090
Light and heat	23,209	21,532
Telephone	6,778	3,693
Postage and stationery	2,319	1,843
Sundries	1,481	1,795
Equipment maintenance & cleaning	39,097	29,024
Building repairs & maintenance	6,503	10,078
Subscriptions & licences	2,527	3,327
Consultancy, legal & professional fees	48,288	54,464
Carried forward	139,485	136,209

Phoenix Cinema Trust Limited

Detailed Statement of Financial Activities
for the Year Ended 31 March 2025

	31.3.25 £	31.3.24 £
Management		
Brought forward	139,485	136,209
Amortisation of freehold property	1,556	1,556
Depn of café bar	82,106	39,555
Dep'n of fixture & fittings	7,777	9,153
	230,924	186,473
 Finance		
Bank, stripe, Indy & PayPal fees	20,435	19,304
 Information technology		
Equipment hire	11,998	12,615
 Governance costs		
Auditors' remuneration	5,800	4,500
Accountancy fees	12,000	2,500
	17,800	7,000
Total resources expended	757,153	665,233
Net expenditure before gains and losses	(183,871)	(92,914)
 Realised recognised gains and losses		
Realised gain on land	423,869	-
Net income/(expenditure)	<u>239,998</u>	<u>(92,914)</u>

PHOENIX CINEMA TRUST LIMITED

England & Wales - Charity number 296135

Accounts

REGISTERED COMPANY NUMBER: 01956960 (England and Wales)
REGISTERED CHARITY NUMBER: 296135

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2024
for
Phoenix Cinema Trust Limited

Ark Accountancy Limited
Chartered Certified Accountant &
Statutory Auditor
31 Cheam Road
Epsom
Surrey
KT17 1QX

Contents of the Financial Statements
for the Year Ended 31 March 2024

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The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, are pleased to present their annual report, together with the audited financial statements of the charity, for the year ended 31 March 2023. These are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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) (as amended for accounting periods commencing from 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's purposes are the advancement of the education of the public and in particular of persons who live or work in London in the arts including, but without limiting the foregoing, the arts of film, television, drama, ballet, mime, dance, music, singing and opera, and for such purpose to establish, operate and manage and administer the Phoenix Cinema in the London Borough of Barnet and to promote and maintain and encourage schemes for the use thereof.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

The strategies employed to achieve these objectives are:

- To promote film culture by showing a broad range of quality films
- To preserve and develop the Phoenix Cinema as a popular centre of film, video and new media
- To encourage the greatest possible access to film activities for the diverse local communities.

There has been no change to these during the year.

There are four major areas of activity where we put these strategies into action which are: main feature film screenings, education and community activities, alternative content and special events including festivals.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The financial year ending 31st March 2024 (FY2024) was the second full year of post-pandemic trading and the first without any government funding. However, the UK cinema industry continued to be challenged despite a post-pandemic peak during the simultaneous release of Barbie and Oppenheimer. During the year, a few cinemas closed down as the industry struggled to get back to pre-pandemic levels.

The Phoenix started the year strongly with the Vermeer art documentary in April proving very successful with many sold out screenings. As a result, the first two months were profitable overall, and revenues were double those of the preceding April to May period.

During the next few months, trading was weaker until the joint release of Barbie and Oppenheimer which provided a late summer boost. The last few months of 2023 saw falling revenues and losses before trading picked up in January and February with One Life being particularly successful.

Overall, the year was inconsistent with a few films performing strongly, but many falling significantly below expectations.

Beyond trading, the cinema made strides in upgrading several areas. One of the first focuses was a much-needed new projector and screen. The projector was bought using lease financing to spread the financial burden. In May, the cinema implemented a new PoS system called Indy. The system was introduced to provide more functionality and flexibility for the cinema and to drive memberships as well as food and beverage (F&B) sales.

In addition, a marketing manager was brought in on a day a week basis to drive membership numbers and revenues. With Oliver Meek leaving as Executive Director, the Phoenix was able to bring onboard the experienced cinema veteran, Rob Kenny, to manage the cinema and to lead the cinema redevelopment given his wealth of expertise at Curzon Cinemas.

Regarding the redevelopment, the board moved forward with plans to redevelop the second screen. Post year-end, the cinema sold land at the back of the cinema and used these funds, alongside other donations and funds, to create a smaller second screen and refurbish the seating in the main auditorium. The new two screen cinema was opened on December 18th and represented a huge achievement for all involved with the cinema after a challenging four years.

Throughout FY2024, the Phoenix was running a full programme of community and education activities, including screenings for local schools, community groups, Parent and Baby club, captioned screenings alongside partnerships with Black History Walks, Birkbeck University, the UK Jewish Film Festival and Inkluder hosting screenings and events for the LGBTQIA community in Barnet.

In December 2024, Alison Gold stepped down as Chair, whilst remaining as a trustee, with Paul Rossi being voted in as her replacement. One other Trustee stepped down post year-end; the rest of the board remained in place throughout the year although a few trustees are closing in on tenure. As mentioned above, the board's main goal was to redevelop the cinema which was achieved at the end of 2024.

For the financial year ending 31 March 2024, income totalled £573K with £544K coming from trading (mainly box office and kiosk food and drink sales), £28 from grants and donations (primarily the last stages of the BFI funding) and £1K of other income. Expenditure totalled £665K with £439K being direct costs/cost of sales (film hire and food and drink expenditure) and £225K being support costs. The average monthly number of employees remained at 19.

Overall, the cinema made a loss of £93K for the financial year. However, net cash fell from £122K to £67K. With the refurbishment and second screen development, the expectation is that the cinema moves into profit and net cash increases.

Overall performance

Trading revenue was £544K which was up 24% on FY2023. Admissions were 37,439 which was up 18% on FY2023, but still less than 60% of the admissions in FY2020 (64,275 admissions). This level of admissions is also less than half of its level 10 years earlier, reflecting the growth in local competition to the Phoenix since 2015, as well as lower cinema going across the UK since the pandemic, due to some changes in audience habits. It also reflects a lack of compelling film titles due to production halts and delays which were further exacerbated by the writers' strike.

The top 10 films at the Phoenix for the year were, in order of revenues:-

EoS: Vermeer - The Greatest Exhibition
Oppenheimer
One Life
Past Lives
Golda
Maestro
The Holdovers
Barbie - released later in its run
The Zone of Interest
Perfect Days

The cinema continued to diversify outside cinema with regular comedy events showcasing well-known names from the UK comedy scene.

In the period since the end of March 2024, box office and F&B ('Food and Beverage') revenues have not picked up due to a few key factors such as the impact of the writers' strike and the lack of strong films during the year. The slate looks stronger now heading in January 2025 and the second screen should bolster takings and provide much needed flexibility to the scheduling.

Education and community

The Phoenix no longer seeks funding for bespoke educational activities but seeks to partner with schools and colleges in the local community to deliver this part of its charitable remit.

The Phoenix is more closely linked into community activity in its immediate local area, as an active member of the N2 United network.

FINANCIAL REVIEW

Financial position

Despite a challenging FY2024, the cash position was £67K at the end of March 2024.

As mentioned above, the Phoenix did sell the land at the back of the cinema which further bolstered the cash position with £80K earmarked for reserves and the remainder set aside for the redevelopment.

The statement of financial activities for the year shows total incoming resources of £572K and total resources expended of £665K, resulting in a net deficit before depreciation of (£93K). This compares to income of £610k the previous year and a net deficit of £10k.

Reserves policy

The Board's reserves policy continues to be that the Phoenix should hold unrestricted general funds, held in cash or readily realisable assets, equivalent to at least two months' operating costs (approximately £80K). These funds should be held to mitigate the risk of poor trading or cover unplanned emergency repairs or other expenditure. The reserves policy has not been changed.

Unrestricted general funds held on 31 March 2024 were £24,933 (2023 £39,168) (see note 16).

The management and Board of the Phoenix monitors cash flow and projected cash on a weekly basis to anticipate any solvency problems.

As at the end of the year, the Phoenix's assets were sufficient to meet its current obligations. The major asset remains the cinema building and associated land.

FINANCIAL REVIEW

Going concern

The cinema ended FY2024 with clear plans for the future. Trading at the start of FY2024 was inconsistent. However, the sale of the land released monies that were used to bolster reserves and redevelop the cinema with the goal of securing its medium to long term future.

The timing of the re-opening of the Phoenix has coincided with the launch of several relevant and well-regarded films which should appeal to the cinema's audience. With that in mind, the expectation is Q4 (Jan-Mar) should be profitable. In addition, the board have brought on fundraising expertise to drive ongoing funding as well as funding for future redevelopments.

FUTURE PLANS

Trading remains inconsistent with an average of £25K box office revenue per month for the YTD. Admissions also remain at around 3-3.5K per month.

Post reopening, the expectation is that this would move up to £30K+ box office revenue per month with admissions moving up to 3.5-4K per month.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Each year, one-third of the trustees shall be retired/reappointed at the Annual General Meeting of its Company Members. In line with best practise in governance, no trustee will serve for more than nine years in total.

Organisational structure

The Phoenix is governed by a board that comprises not less than six and no more than twelve members. The board normally meets quarterly and there are two sub-committees that meet quarterly: the Finance Committee, the Education, Community and Fundraising committee.

At the year end, the Phoenix had 19 staff members compared to an average of 26 the previous year. Most are employed part-time.

Related parties

The trustees provide their services on a voluntary basis. None of the trustees has any beneficial interest in the company. There are no connected charities. There are no related party transactions, except as disclosed in note 17 in the financial statements.

Risk management

trusteescharityThe trustees put in place a risk management policy in 2016 which comprises a risk register that identifies and measures the key risks faced by the cinema in addition to actions to be taken to mitigate the impact. The cinema has adequate insurance cover in place to mitigate certain of the identified risks.

An updated risk register was reviewed and approved by the board in 2019. Note that post year-end, the risk register was reviewed in detail by the board.

In prior years, the key risk faced by the cinema was its financial sustainability. This remains a key focus for the board and management team.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01956960 (England and Wales)

Registered Charity number

296135

Phoenix Cinema Trust Limited

Report of the Trustees
for the Year Ended 31 March 2024

Registered office

52 High Road
East Finchley
London
N2 9PJ

Trustees

P L J Swaffer
A J Bull
Ms M A Hoare
B Ellis
Ms V M Kelsall (resigned 17.5.24)
V P Ram
A Khan
P Rossi
Ms M Montague
Ms A Gold
S Smith (appointed 21.2.24)

Company Secretary

Auditors

Ark Accountancy Limited
Chartered Certified Accountant &
Statutory Auditor
31 Cheam Road
Epsom
Surrey
KT17 1QX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Phoenix Cinema Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees 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.

Phoenix Cinema Trust Limited

Report of the Trustees
for the Year Ended 31 March 2024

AUDITORS

The auditors, Ark Accountancy Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 31 December 2024 and signed on its behalf by:

A Khan - Trustee

Opinion

We have audited the financial statements of Phoenix Cinema Trust Limited (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, 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 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 trustees' 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 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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.

Opinions 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 Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees determine is 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 trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In order to identify and assess the risks of material misstatements, including fraud and non-compliance with the Charities SORP and laws and regulations that could be expected to have a material impact on the financial statements, we have considered:

- the results of our enquiries of management and those charged with governance of their assessment of the risks of fraud and irregularities;
- the nature of the company, including its management structure and control systems (including the opportunity for management to override such controls);
- management's incentives and opportunities for fraudulent manipulation of the financial statements; and
- the industry and environment in which it operates.

We also considered UK tax and pension legislation and laws and regulations relating to employment and the preparation and presentation of the financial statements such as the Companies Act 2006.

Based on this understanding we identified the following matters as being of significance to the entity:

- laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Charities SORP, Company Law, tax and pension legislation;
- the timing of the recognition of grant income;
- the controls over cash receipts;
- existence of the tangible fixed assets;
- compliance with legislation relating to GDPR, health and safety; operating licenses, and the Charity Commission; and
- management bias in selecting accounting policies and determining estimates;

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 Independent 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 an auditors' report 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.

Mary E Ryan (Senior Statutory Auditor)
for and on behalf of Ark Accountancy Limited
Chartered Certified Accountant &
Statutory Auditor
31 Cheam Road
Epsom
Surrey
KT17 1QX

31 December 2024

Phoenix Cinema Trust Limited

Statement of Financial Activities
for the Year Ended 31 March 2024

	Notes	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	395	27,233	27,628	111,665
Charitable activities	4				
Cinema		541,133	2,550	543,683	439,107
Investment income	3	1,008	-	1,008	357
Other income		-	-	-	58,377
Total		<u>542,536</u>	<u>29,783</u>	<u>572,319</u>	<u>609,506</u>
EXPENDITURE ON					
Charitable activities	5				
Cinema		<u>592,207</u>	<u>73,026</u>	<u>665,233</u>	<u>620,763</u>
NET INCOME/(EXPENDITURE)					
Transfers between funds	16	(49,671) <u>30,861</u>	(43,243) <u>(30,861)</u>	(92,914) <u>-</u>	(11,257) <u>-</u>
Net movement in funds		(18,810)	(74,104)	(92,914)	(11,257)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>57,468</u>	<u>364,474</u>	<u>421,942</u>	<u>433,199</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>38,658</u></u>	<u><u>290,370</u></u>	<u><u>329,028</u></u>	<u><u>421,942</u></u>

The notes form part of these financial statements

Phoenix Cinema Trust Limited

Balance Sheet

31 March 2024

	Notes	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Tangible assets	12	13,725	290,370	304,095	327,018
CURRENT ASSETS					
Stocks	13	3,427	-	3,427	4,994
Debtors	14	17,987	-	17,987	10,536
Cash at bank		67,443	-	67,443	121,966
		<u>88,857</u>	<u>-</u>	<u>88,857</u>	<u>137,496</u>
CREDITORS					
Amounts falling due within one year	15	(63,924)	-	(63,924)	(42,572)
NET CURRENT ASSETS		<u>24,933</u>	<u>-</u>	<u>24,933</u>	<u>94,924</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>38,658</u>	<u>290,370</u>	<u>329,028</u>	<u>421,942</u>
NET ASSETS		<u>38,658</u>	<u>290,370</u>	<u>329,028</u>	<u>421,942</u>
FUNDS	16				
Unrestricted funds				38,658	57,468
Restricted funds				<u>290,370</u>	<u>364,474</u>
TOTAL FUNDS				<u>329,028</u>	<u>421,942</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 31 December 2024 and were signed on its behalf by:

A Khan - Trustee

Phoenix Cinema Trust Limited

Cash Flow Statement
for the Year Ended 31 March 2024

	Notes	31.3.24 £	31.3.23 £
Cash flows from operating activities			
Cash generated from operations	1	(28,190)	39,479
Tax paid		-	(116)
Net cash (used in)/provided by operating activities		<u>(28,190)</u>	<u>39,363</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(27,341)	(5,419)
Interest received		<u>1,008</u>	<u>357</u>
Net cash used in investing activities		<u>(26,333)</u>	<u>(5,062)</u>
Change in cash and cash equivalents in the reporting period		<u>(54,523)</u>	<u>34,301</u>
Cash and cash equivalents at the beginning of the reporting period		<u>121,966</u>	<u>87,665</u>
Cash and cash equivalents at the end of the reporting period		<u><u>67,443</u></u>	<u><u>121,966</u></u>

The notes form part of these financial statements

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

	31.3.24 £	31.3.23 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(92,914)	(11,257)
Adjustments for:		
Depreciation charges	50,264	45,423
Interest received	(1,008)	(357)
Decrease/(increase) in stocks	1,567	(1,683)
(Increase)/decrease in debtors	(7,451)	23,692
Increase/(decrease) in creditors	21,352	(16,339)
Net cash (used in)/provided by operations	<u>(28,190)</u>	<u>39,479</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank	121,966	(54,523)	67,443
	<u>121,966</u>	<u>(54,523)</u>	<u>67,443</u>
Total	<u>121,966</u>	<u>(54,523)</u>	<u>67,443</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

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

Expenditure

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

Tangible fixed assets

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

Freehold property	- in accordance with the property
Café bar	- at varying rates on cost
Fixtures and fittings	- 25% on reducing balance, 25% on cost and at varying rates on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

2. DONATIONS AND LEGACIES

	31.3.24	31.3.23
	£	£
Donations	1,625	2,407
Gift aid	-	2,028
Grants	26,003	107,230
	<u>27,628</u>	<u>111,665</u>

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

	31.3.24	31.3.23
	£	£
British Film Institute	-	92,513
Unrestricted grants	(1,230)	-
CIL	-	8,270
Film London	7,035	6,447
Young Barnet	2,000	-
Community Grant	18,198	-
	<u>26,003</u>	<u>107,230</u>

3. INVESTMENT INCOME

	31.3.24	31.3.23
	£	£
Deposit account interest	<u>1,008</u>	<u>357</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.24	31.3.23
		£	£
Film Receipts	Cinema	338,389	268,031
Education Activities	Cinema	2,550	2,000
Confectionary & café bar & merchandise	Cinema	75,511	72,330
Other charitable activities	Cinema	127,233	96,746
		<u>543,683</u>	<u>439,107</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Cinema	439,841	225,392	665,233

6. SUPPORT COSTS

	Management £	Finance £	Information technology £	Governance costs £	Totals £
Cinema	186,473	19,304	12,615	7,000	225,392

7. NET INCOME/(EXPENDITURE)

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

	31.3.24 £	31.3.23 £
Auditors' remuneration	4,500	4,500
Depreciation - owned assets	50,264	45,423

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

9. STAFF COSTS

	31.3.24 £	31.3.23 £
Wages and salaries	224,747	226,972
Social security costs	4,877	7,745
Other pension costs	4,187	4,333
	233,811	239,050

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

	31.3.24	31.3.23
Cinema staff	19	19

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

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	4,435	107,230	111,665
Charitable activities			
Cinema	437,107	2,000	439,107
Investment income	357	-	357
Other income	58,377	-	58,377
Total	<u>500,276</u>	<u>109,230</u>	<u>609,506</u>
EXPENDITURE ON			
Charitable activities			
Cinema	<u>519,980</u>	<u>100,783</u>	<u>620,763</u>
NET INCOME/(EXPENDITURE)	(19,704)	8,447	(11,257)
RECONCILIATION OF FUNDS			
Total funds brought forward	77,172	356,027	433,199
TOTAL FUNDS CARRIED FORWARD	<u>57,468</u>	<u>364,474</u>	<u>421,942</u>

11. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 April 2023 and 31 March 2024	<u>5,000</u>
AMORTISATION	
At 1 April 2023 and 31 March 2024	<u>5,000</u>
NET BOOK VALUE	
At 31 March 2024	<u>-</u>
At 31 March 2023	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

12. TANGIBLE FIXED ASSETS

	Freehold property £	Café bar £	Fixtures and fittings £	Totals £
COST				
At 1 April 2023	581,892	791,105	119,995	1,492,992
Additions	13,300	-	14,041	27,341
At 31 March 2024	595,192	791,105	134,036	1,520,333
DEPRECIATION				
At 1 April 2023	572,796	494,439	98,739	1,165,974
Charge for year	1,556	39,555	9,153	50,264
At 31 March 2024	574,352	533,994	107,892	1,216,238
NET BOOK VALUE				
At 31 March 2024	20,840	257,111	26,144	304,095
At 31 March 2023	9,096	296,666	21,256	327,018

13. STOCKS

	31.3.24 £	31.3.23 £
Stocks	3,427	4,994

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 £
Trade debtors	1,940	5,943
Other debtors	15,931	3,842
Tax	116	116
Prepayments and accrued income	-	635
	17,987	10,536

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.24	31.3.23
	£	£
Trade creditors	41,566	27,363
Social security and other taxes	2,814	4,066
VAT	9,168	5,154
Other creditors	641	1,489
Accrued expenses	9,735	4,500
	<u>63,924</u>	<u>42,572</u>

16. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	39,168	(45,096)	30,861	24,933
Designated fund	18,300	(4,575)	-	13,725
	<u>57,468</u>	<u>(49,671)</u>	<u>30,861</u>	<u>38,658</u>
Restricted funds				
Capital fund	348,722	(39,756)	(30,973)	277,993
Education fund	9,305	(9,305)	-	-
Film London	6,447	(6,447)	-	-
Community Grant	-	12,265	112	12,377
	<u>364,474</u>	<u>(43,243)</u>	<u>(30,861)</u>	<u>290,370</u>
TOTAL FUNDS	<u>421,942</u>	<u>(92,914)</u>	<u>-</u>	<u>329,028</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	542,536	(587,632)	(45,096)
Designated fund	-	(4,575)	(4,575)
	<u>542,536</u>	<u>(592,207)</u>	<u>(49,671)</u>
Restricted funds			
Capital fund	-	(39,756)	(39,756)
Education fund	2,550	(11,855)	(9,305)
Film London	7,035	(13,482)	(6,447)
Young Barnet	2,000	(2,000)	-
Community Grant	18,198	(5,933)	12,265
	<u>29,783</u>	<u>(73,026)</u>	<u>(43,243)</u>
TOTAL FUNDS	<u>572,319</u>	<u>(665,233)</u>	<u>(92,914)</u>

16. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	58,872	(19,704)	39,168
Designated fund	18,300	-	18,300
	<u>77,172</u>	<u>(19,704)</u>	<u>57,468</u>
Restricted funds			
Capital fund	348,722	-	348,722
Education fund	7,305	2,000	9,305
Film London	-	6,447	6,447
	<u>356,027</u>	<u>8,447</u>	<u>364,474</u>
TOTAL FUNDS	<u>433,199</u>	<u>(11,257)</u>	<u>421,942</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	500,276	(519,980)	(19,704)
Restricted funds			
British Film Institute non-capital expenditure	92,513	(92,513)	-
Education fund	2,000	-	2,000
CIL	8,270	(8,270)	-
Film London	6,447	-	6,447
	<u>109,230</u>	<u>(100,783)</u>	<u>8,447</u>
TOTAL FUNDS	<u>609,506</u>	<u>(620,763)</u>	<u>(11,257)</u>

Purpose of restricted funds

Capital fund The balance will fund future depreciation of fixed assets which were originally purchased using restricted and matching funding

Education fund This is a fund for specific education projects

Film London This relates to funds received as part of the Culture Recovery fund for Independent cinemas in England which was intended to help protect cultural and heritage organisations from the impact of COVID-19

Community Grant This was used to cover the cost of new sound equipment

Purpose of designated funds

The balance will fund future depreciation of fixed assets which were originally purchased using general funds

17. RELATED PARTY DISCLOSURES

Two members of key management received consultancy fees of £5,945 in the year (2023 none)

Detailed Statement of Financial Activities
for the Year Ended 31 March 2024

	31.3.24 £	31.3.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,625	2,407
Gift aid	-	2,028
Grants	26,003	107,230
	27,628	111,665
Investment income		
Deposit account interest	1,008	357
Charitable activities		
Film Receipts	338,389	268,031
Education Activities	2,550	2,000
Confectionary & café bar & merchandise	75,511	72,330
Other charitable activities	127,233	96,746
	543,683	439,107
Other income		
Insurance payout	-	58,377
Total incoming resources	572,319	609,506
EXPENDITURE		
Charitable activities		
Wages	224,747	226,972
Social security	4,877	7,745
Pensions	4,187	4,333
Film hire	152,283	104,801
Merchandise purchases	34,851	32,020
Confectionary & café bar purchases	4,714	6,761
Fees & other staff costs	1,748	2,821
Publicity & marketing	5,234	4,584
Fundraising costs	-	1,680
Programming charge	7,200	6,300
	439,841	398,017
Support costs		
Management		
Rates and water	2,363	3,208
Insurance	8,090	6,617
Light and heat	21,532	18,638
Telephone	3,693	3,284
Postage and stationery	1,843	2,860
Sundries	1,795	4,207
Carried forward	39,316	38,814

Phoenix Cinema Trust Limited

Detailed Statement of Financial Activities
for the Year Ended 31 March 2024

	31.3.24 £	31.3.23 £
Management		
Brought forward	39,316	38,814
Equipment maintenance & cleaning	29,024	35,867
Building repairs & maintenance	10,078	31,441
Subscriptions & licences	3,327	6,787
Consultancy, legal & professional fees	54,464	47,157
Amortisation of freehold property	1,556	890
Depn of café bar	39,555	39,555
Dep'n of fixture & fittings	9,153	4,978
	186,473	205,489
 Finance		
Bank, stripe, Indy & PayPal fees	19,304	4,897
 Information technology		
Equipment hire	12,615	-
 Governance costs		
Auditors' remuneration	4,500	4,500
Accountancy fees	2,500	7,860
	7,000	12,360
 Total resources expended		
	665,233	620,763
 Net expenditure		
	(92,914)	(11,257)

PHOENIX CINEMA TRUST LIMITED

England & Wales - Charity number 296135

Accounts

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2023
for
Phoenix Cinema Trust Limited

Ark Accountancy
Chartered Certified Accountant &
Statutory Auditor
31 Cheam Road
Epsom
Surrey
KT17 1QX

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for the Year Ended 31 March 2023

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The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, are pleased to present their annual report, together with the audited financial statements of the charity, for the year ended 31 March 2023. These are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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) (as amended for accounting periods commencing from 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's purposes are the advancement of the education of the public and in particular of persons who live or work in London in the arts including, but without limiting the foregoing, the arts of film, television, drama, ballet, mime, dance, music, singing and opera, and for such purpose to establish, operate and manage and administer the Phoenix Cinema in the London Borough of Barnet and to promote and maintain and encourage schemes for the use thereof.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

The strategies employed to achieve these objectives are:

- To promote film culture by showing a broad range of quality films
- To preserve and develop the Phoenix Cinema as a popular centre of film, video and new media
- To encourage the greatest possible access to film activities for the diverse local communities.

There has been no change to these during the year.

There are four major areas of activity where we put these strategies into action which are: main feature film screenings, education and community activities, alternative content and special events including festivals.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

2022 marked the return of cinemas to full trading without government support or restrictions for the first time since March 2020.

In the two years since the pandemic restrictions started, the cinema had transformed its management structure, bringing in greater expertise but at a lower overall cost, refurbished the foyer area and iconic outdoor 'neon' lighting (bringing in lower-energy LEDs), run a sustainability audit and rollout diversity and inclusion training ('Diversity and Respect in the workplace').

Much of this was delivered through funding from the UK government's 'Culture Recovery Fund' which was also essential for supporting the cinema when it was closed during the lockdowns and the phased reopenings. The Phoenix has also taken advantage of Barnet Council's local area funding scheme.

Starting the financial year, the cinema was in the strongest position it had been for years with a robust bank balance, a strong management team and an effective operating structure focussed on delivering the best experience for customers.

Throughout 22-23, the Phoenix was running a full programme of community and education activities, including screenings for local schools, community groups, Into Film festival, Parent and Baby club, captioned screenings alongside partnerships with Black History Walks, Birkbeck University, the UK Jewish Film Festival and Inckuder hosted screenings and events for the LGBTQIA community in Barnet. The cinema also continues to be the base for a weekly free-meals initiative, organised by the N2 Food Project.

One Trustee stepped down in January 2022; the remainder of the board remained in place throughout the year after six new trustees joined during the previous financial year. The key focus for the board was planning for a second screen which continues to be seen as a key pillar in delivering financial stability for the foreseeable future. By financial year end, the Phoenix was able to begin fundraising efforts for this project.

FINANCIAL REVIEW

Financial position

The Phoenix was able to enter the year with a strong cash balance of £88k due to the Culture Recovery Fund support funding for the arts and entertainment industry.

Despite a challenging FY23, the cash position remained strong and was £122k at the end of March 2023.

During the year, the cinema has received its final instalment from the Culture Recovery Fund and a £58k insurance settlement from Hiscox. These are the final COVID-related cash injections into the business.

For the financial year ending 31 March 2023, income totalled £610K with £439K coming from trading (mainly box office and kiosk food and drink sales), £112K from grants and donations (primarily the last stages of the Culture Recovery Fund support) and £58K of other income. Expenditure totalled £620K with £398K being direct costs/cost of sales (film hire and food and drink expenditure) and £222K being support costs. The average monthly number of employees dropped from 26 the previous year to 19.

Overall, the cinema made a loss of £10K for the financial year. However, net cash grew during the financial year by £39K to £122K.

Overall performance

Trading revenue was £439K which was up 14% on FY2022. Admissions were 31,601 which was up 18% on 26,783 but less than half of the admissions in FY20 (64,275 admissions). This level of admissions is also just one third of its level 10 years earlier, reflecting the growth in local competition to the Phoenix since 2015, as well as lower cinema going across the UK since the pandemic, due to some changes in audience habits, but also a lack of compelling film titles due to production halts and delays during the pandemic.

The top 5 films at the Phoenix for the year were, in order:-

Living
NT Live: Prima Facie
The Banshees of Inisherin
The Fabelmans
Eric Ravilious

With the Culture Recovery Fund continuing, efforts were also made to diversify the audience through events such as a Eurovision party and a comedy event.

In the period since the end of March 2022, box office and F&B ('Food and Beverage') revenues have picked up but cinema-going has not yet fully recovered from the pandemic and the film production halts as a result of strikes in Hollywood during 2023 mean that disruption is not yet over.

Education and community

The Phoenix no longer seeks funding for bespoke educational activities but seeks to partner with schools and colleges in the local community to deliver this part of its charitable remit.

The Phoenix is more closely linked into community activity in its immediate local area, as an active member of the N2 United network, hosting key events through the year and acting as the base for a weekly free meals scheme.

Financial review

The Phoenix was able to enter the year with a strong cash balance due to the Culture Recovery Fund and with a more streamlined and focussed operation.

Since the end of the year, the cinema has not received any further Culture Recovery Fund support and is trading as it did prior to the pandemic.

FINANCIAL REVIEW

Reserves policy

The Board's reserves policy continues to be that the Phoenix should hold unrestricted general funds, held in cash or readily realisable assets, equivalent to at least two months' operating costs (approximately £80K). These funds should be held to mitigate the risk of poor trading or cover unplanned emergency repairs or other expenditure. The reserves policy has not been changed.

Unrestricted general funds held at 31 March 2023 were £57,468 (see note 16).

The management and Board of the Phoenix monitors cash flow and projected cash on a weekly basis in order to anticipate any solvency problems.

As at the end of the year, the Phoenix's assets were sufficient to meet its current obligations. The major asset remains the cinema building and associated land.

Going concern

The cinema ended FY22/23 in a reasonable financial position with a reasonable cash position and clear plans for the future. Trading at the start of FY23/24 picked up due to audiences flocking to see Vermeer: The Great Exhibition, for which the Phoenix was one of the leading UK cinemas and which enabled it to make a profit when few other UK cinemas could do so.

After a slow start to 2023, UK cinema saw arguably its biggest event since the pandemic with the simultaneous release of Oppenheimer and Barbie ('Barbenheimer') in July 2023 which boosted the Phoenix box office and put UK cinema back on the front page. However, trading since has been a little slower than hoped for.

With the need to realise the plan to create a second screen, but private and other donations not forthcoming to fund this, the board will now investigate selling the unused land at the rear of the property with the aim of majority funding a capital project to create a second screen and bring the physical condition of the cinema back to the standard that audiences expect, so that it can finally compete more strongly with other local venues.

FUTURE PLANS

Trading remains inconsistent with an average of £25K revenue per month for the YTD. Admissions also remain lower than expected at around 3-3.5K admissions per month.

The board alongside the management team continues to pursue the goal of building a second screen to diversify the offering and build another meaningful revenue stream. As set out above, the cinema is investigating selling the land at the rear of the property to majority fund that build which should transform the cinema and make it resilient for the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Each year, one-third of the trustees shall be retired/reappointed at the Annual General Meeting of its Company Members. In line with best practise in governance, no trustee will serve for more than nine years in total.

Organisational structure

The Phoenix is governed by a board that comprises not less than six and no more than twelve members. The board normally meets quarterly and there are two sub-committees that meet quarterly: the Finance Committee, the Education, Community and Fundraising committee.

At year end, the Phoenix had 19 staff members compared to an average of 26 the previous year. Most are employed part-time.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

The trustees provide their services on a voluntary basis. None of the trustees has any beneficial interest in the company. There are no connected charities. There are no related party transactions, except as disclosed in note 10 in the financial statements.

Risk management

The trustees put in place a risk management policy in 2016 which comprises a risk register that identifies and measures the key risks faced by the cinema in addition to actions to be taken to mitigate the impact. An updated risk register was reviewed and approved by the board in 2019. The cinema has adequate insurance cover in place to mitigate certain of the identified risks.

In prior years, the key risk faced by the cinema was its financial sustainability. This remains a key focus for the board and management team.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01956960 (England and Wales)

Registered Charity number

296135

Registered office

52 High Road
East Finchley
London
N2 9PJ

Trustees

P L J Swaffer
A J Bull
Ms M A Hoare
B Ellis
Ms V M Kelsall
V P Ram
A Khan
P Rossi
Ms M Montague
Ms A Gold

Company Secretary

Auditors

Ark Accountancy
Chartered Certified Accountant &
Statutory Auditor
31 Cheam Road
Epsom
Surrey
KT17 1QX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees 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.

AUDITORS

The auditors, Ark Accountancy, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 20 December 2023 and signed on its behalf by:

Ms A Gold - Trustee

Opinion

We have audited the financial statements of Phoenix Cinema Trust Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, 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 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 trustees' 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 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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.

Opinions 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 Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees determine is 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 trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

In order to identify and assess the risks of material misstatements, including fraud and non-compliance with the Charities SORP and laws and regulations that could be expected to have a material impact on the financial statements, we have considered:

- the results of our enquiries of management and those charged with governance of their assessment of the risks of fraud and irregularities;
- the nature of the company, including its management structure and control systems (including the opportunity for management to override such controls);
- management's incentives and opportunities for fraudulent manipulation of the financial statements; and
- the industry and environment in which it operates.

We also considered UK tax and pension legislation and laws and regulations relating to employment and the preparation and presentation of the financial statements such as the Companies Act 2006.

Based on this understanding we identified the following matters as being of significance to the entity:

- laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Charities SORP, Company Law, tax and pension legislation;
- the timing of the recognition of grant income;
- the controls over cash receipts;
- existence of the tangible fixed assets;
- compliance with legislation relating to GDPR, health and safety; operating licenses, and the Charity Commission; and
- management bias in selecting accounting policies and determining estimates;

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 Independent 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 an auditors' report 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.

Mary E Ryan (Senior Statutory Auditor)
for and on behalf of Ark Accountancy
Chartered Certified Accountant &
Statutory Auditor
31 Cheam Road
Epsom
Surrey
KT17 1QX

20 December 2023

Statement of Financial Activities
for the Year Ended 31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	4,435	107,230	111,665	191,303
Charitable activities	4				
Cinema		437,107	2,000	439,107	385,112
Investment income	3	357	-	357	2
Other income		58,377	-	58,377	33,325
Total		<u>500,276</u>	<u>109,230</u>	<u>609,506</u>	<u>609,742</u>
EXPENDITURE ON					
Charitable activities	5				
Cinema		<u>519,980</u>	<u>100,783</u>	<u>620,763</u>	<u>605,240</u>
NET INCOME/(EXPENDITURE)		(19,704)	8,447	(11,257)	4,502
RECONCILIATION OF FUNDS					
Total funds brought forward		77,172	356,027	433,199	428,697
TOTAL FUNDS CARRIED FORWARD		<u><u>57,468</u></u>	<u><u>364,474</u></u>	<u><u>421,942</u></u>	<u><u>433,199</u></u>

Phoenix Cinema Trust Limited

Balance Sheet
31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
FIXED ASSETS					
Tangible assets	12	-	327,018	327,018	367,022
CURRENT ASSETS					
Stocks	13	4,994	-	4,994	3,311
Debtors	14	10,536	-	10,536	34,112
Cash at bank		84,510	37,456	121,966	87,665
		<u>100,040</u>	<u>37,456</u>	<u>137,496</u>	<u>125,088</u>
CREDITORS					
Amounts falling due within one year	15	(42,572)	-	(42,572)	(58,911)
NET CURRENT ASSETS		<u>57,468</u>	<u>37,456</u>	<u>94,924</u>	<u>66,177</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>57,468</u>	<u>364,474</u>	<u>421,942</u>	<u>433,199</u>
NET ASSETS		<u>57,468</u>	<u>364,474</u>	<u>421,942</u>	<u>433,199</u>
FUNDS	16				
Unrestricted funds				57,468	77,172
Restricted funds				<u>364,474</u>	<u>356,027</u>
TOTAL FUNDS				<u>421,942</u>	<u>433,199</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 20 December 2023 and were signed on its behalf by:

A Gold - Trustee

Phoenix Cinema Trust Limited

Cash Flow Statement
for the Year Ended 31 March 2023

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities			
Cash generated from operations	1	39,479	(48,922)
Tax paid		(116)	-
Net cash provided by/(used in) operating activities		<u>39,363</u>	<u>(48,922)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(5,419)	(10,395)
Sale of tangible fixed assets		-	3,349
Interest received		357	2
Net cash used in investing activities		<u>(5,062)</u>	<u>(7,044)</u>
Cash flows from financing activities			
Loan repayments in year		-	(8,000)
Net cash provided by/(used in) financing activities		<u>-</u>	<u>(8,000)</u>
Change in cash and cash equivalents in the reporting period		<u>34,301</u>	<u>(63,966)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>87,665</u>	<u>151,631</u>
Cash and cash equivalents at the end of the reporting period		<u><u>121,966</u></u>	<u><u>87,665</u></u>

The notes form part of these financial statements

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.23 £	31.3.22 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(11,257)	4,502
Adjustments for:		
Depreciation charges	45,423	46,018
Profit on disposal of fixed assets	-	(1,467)
Interest received	(357)	(2)
Increase in stocks	(1,683)	(102)
Decrease/(increase) in debtors	23,692	(5,521)
Decrease in creditors	(16,339)	(92,350)
Net cash provided by/(used in) operations	<u>39,479</u>	<u>(48,922)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank	87,665	34,301	121,966
	<u>87,665</u>	<u>34,301</u>	<u>121,966</u>
Total	<u>87,665</u>	<u>34,301</u>	<u>121,966</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

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

Expenditure

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

Tangible fixed assets

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

Freehold property	- in accordance with the property
Café bar	- at varying rates on cost
Fixtures and fittings	- 25% on reducing balance and at varying rates on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. DONATIONS AND LEGACIES

	31.3.23	31.3.22
	£	£
Donations	2,407	40,788
Gift aid	2,028	6,551
Grants	107,230	143,964
	<u>111,665</u>	<u>191,303</u>

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

	31.3.23	31.3.22
	£	£
London Borough of Barnet	-	31,571
British Film Institute	92,513	112,393
CIL	8,270	-
Film London	6,447	-
	<u>107,230</u>	<u>143,964</u>

3. INVESTMENT INCOME

	31.3.23	31.3.22
	£	£
Deposit account interest	<u>357</u>	<u>2</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.23	31.3.22
		£	£
Film Receipts	Cinema	268,031	246,330
Education Activities	Cinema	2,000	3,863
Confectionary & café bar & merchandise	Cinema	72,330	48,585
Other charitable activities	Cinema	96,746	86,334
		<u>439,107</u>	<u>385,112</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 6)	Totals
	£	£	£
Cinema	<u>398,017</u>	<u>222,746</u>	<u>620,763</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

6. SUPPORT COSTS

	Management	Finance	Governance	Totals
	£	£	costs	£
	£	£	£	£
Cinema	205,489	4,897	12,360	222,746

7. NET INCOME/(EXPENDITURE)

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

	31.3.23	31.3.22
	£	£
Auditors' remuneration	4,500	8,860
Depreciation - owned assets	45,423	46,018
Surplus on disposal of fixed assets	-	(1,467)

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

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

9. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries	226,972	258,900
Social security costs	7,745	7,701
Other pension costs	4,333	4,082
	239,050	270,683

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

	31.3.23	31.3.22
Cinema staff	19	26

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

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	47,339	143,964	191,303
Charitable activities			
Cinema	385,112	-	385,112
Investment income	2	-	2
Other income	31,858	1,467	33,325
Total	<u>464,311</u>	<u>145,431</u>	<u>609,742</u>
EXPENDITURE ON			
Charitable activities			
Cinema	<u>356,395</u>	<u>248,845</u>	<u>605,240</u>
NET INCOME/(EXPENDITURE)	107,916	(103,414)	4,502
RECONCILIATION OF FUNDS			
Total funds brought forward	(30,744)	459,441	428,697
TOTAL FUNDS CARRIED FORWARD	<u><u>77,172</u></u>	<u><u>356,027</u></u>	<u><u>433,199</u></u>

11. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 April 2022 and 31 March 2023	<u>5,000</u>
AMORTISATION	
At 1 April 2022 and 31 March 2023	<u>5,000</u>
NET BOOK VALUE	
At 31 March 2023	<u>-</u>
At 31 March 2022	<u><u>-</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

12. TANGIBLE FIXED ASSETS

	Freehold property £	Café bar £	Fixtures and fittings £	Totals £
COST				
At 1 April 2022	581,892	791,105	114,576	1,487,573
Additions	-	-	5,419	5,419
At 31 March 2023	581,892	791,105	119,995	1,492,992
DEPRECIATION				
At 1 April 2022	571,905	454,884	93,762	1,120,551
Charge for year	891	39,555	4,977	45,423
At 31 March 2023	572,796	494,439	98,739	1,165,974
NET BOOK VALUE				
At 31 March 2023	9,096	296,666	21,256	327,018
At 31 March 2022	9,987	336,221	20,814	367,022

13. STOCKS

	31.3.23 £	31.3.22 £
Stocks	4,994	3,311

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23 £	31.3.22 £
Trade debtors	5,943	1,449
Other debtors	3,842	4,510
Tax	116	-
Prepayments and accrued income	635	28,153
	10,536	34,112

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade creditors	27,363	25,451
Social security and other taxes	4,066	3,217
VAT	5,154	9,692
Other creditors	1,489	1,259
Accruals and deferred income	-	19,292
Accrued expenses	4,500	-
	<u>42,572</u>	<u>58,911</u>

16. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	At 31.3.23
	£	£	£
Unrestricted funds			
General fund	58,872	(19,704)	39,168
Designated fund	18,300	-	18,300
	<u>77,172</u>	<u>(19,704)</u>	<u>57,468</u>
Restricted funds			
Capital fund	348,722	-	348,722
Education fund	7,305	2,000	9,305
Film London	-	6,447	6,447
	<u>356,027</u>	<u>8,447</u>	<u>364,474</u>
TOTAL FUNDS	<u>433,199</u>	<u>(11,257)</u>	<u>421,942</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	500,276	(519,980)	(19,704)
Restricted funds			
British Film Institute non-capital expenditure	92,513	(92,513)	-
Education fund	2,000	-	2,000
CIL	8,270	(8,270)	-
Film London	6,447	-	6,447
	<u>109,230</u>	<u>(100,783)</u>	<u>8,447</u>
TOTAL FUNDS	<u>609,506</u>	<u>(620,763)</u>	<u>(11,257)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	(58,545)	112,802	4,615	58,872
Designated fund	27,801	(4,886)	(4,615)	18,300
	<u>(30,744)</u>	<u>107,916</u>	<u>-</u>	<u>77,172</u>
Restricted funds				
British Film Institute non-capital expenditure	60,553	(60,553)	-	-
Capital fund	385,281	(44,328)	7,769	348,722
Education fund	7,305	-	-	7,305
BFI capital expenditure	6,302	1,467	(7,769)	-
	<u>459,441</u>	<u>(103,414)</u>	<u>-</u>	<u>356,027</u>
TOTAL FUNDS	<u>428,697</u>	<u>4,502</u>	<u>-</u>	<u>433,199</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	464,311	(351,509)	112,802
Designated fund	-	(4,886)	(4,886)
	<u>464,311</u>	<u>(356,395)</u>	<u>107,916</u>
Restricted funds			
British Film Institute non-capital expenditure	143,964	(204,517)	(60,553)
Capital fund	-	(44,328)	(44,328)
BFI capital expenditure	1,467	-	1,467
	<u>145,431</u>	<u>(248,845)</u>	<u>(103,414)</u>
TOTAL FUNDS	<u>609,742</u>	<u>(605,240)</u>	<u>4,502</u>

17. RELATED PARTY DISCLOSURES

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

Detailed Statement of Financial Activities
for the Year Ended 31 March 2023

	31.3.23 £	31.3.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	2,407	40,788
Gift aid	2,028	6,551
Grants	107,230	143,964
	111,665	191,303
Investment income		
Deposit account interest	357	2
Charitable activities		
Film Receipts	268,031	246,330
Education Activities	2,000	3,863
Confectionary & café bar & merchandise	72,330	48,585
Other charitable activities	96,746	86,334
	439,107	385,112
Other income		
Gain on sale of tangible fixed assets	-	1,467
Furlough grant	-	31,858
Insurance payout	58,377	-
	58,377	33,325
Total incoming resources		
	609,506	609,742
EXPENDITURE		
Charitable activities		
Wages	226,972	258,900
Social security	7,745	7,701
Pensions	4,333	4,082
Film hire	104,801	90,677
Cinema hire, education & workshops	-	21
Merchandise purchases	32,020	23,973
Confectionary & café bar purchases	6,761	6,933
Fees & other staff costs	2,821	2,799
Publicity & marketing	4,584	515
Fundraising costs	1,680	216
Programming charge	6,300	7,397
	398,017	403,214
Support costs		
Management		
Rates and water	3,208	1,162
Carried forward	3,208	1,162

Detailed Statement of Financial Activities
for the Year Ended 31 March 2023

	31.3.23 £	31.3.22 £
Management		
Brought forward	3,208	1,162
Insurance	6,617	8,324
Light and heat	18,638	10,561
Telephone	3,284	3,826
Postage and stationery	2,860	608
Sundries	4,207	3,043
Equipment maintenance & cleaning	35,867	31,741
Building repairs & maintenance	31,441	29,319
Subscriptions & licences	6,787	5,578
Consultancy	47,157	35,274
amortisation of freehold property	890	891
Dep'n of café bar	39,555	41,742
Dep'n of fixture & fittings	4,978	5,267
	205,489	177,336
 Finance		
Bank charges	4,897	8,050
 Governance costs		
Auditors' remuneration	4,500	8,860
Accountancy and legal fees	7,860	7,780
	12,360	16,640
Total resources expended	620,763	605,240
Net (expenditure)/income	(11,257)	4,502

PHOENIX CINEMA TRUST LIMITED

England & Wales - Charity number 296135

Accounts

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

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THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees	Benjamin Ellis, Trustee Patrick Swaffer, Trustee Adrian Bull, Trustee Madeleine Hoare, Trustee Victoria Kelsall, Trustee Viran Parshu Ram, Trustee Abdullah Riasat Khan, Trustee Paul Rossi, Trustee Marta Montague, Trustee Alison Gold, Chairman Paul Homer, Trustee (Resigned 12 January 2022)
Company registered number	01956960
Charity registered number	296135
Registered office	52 High Road East Finchley London N2 9PJ
Independent auditors	Simmons Gainsford LLP 14th Floor 33 Cavendish Square London W1G 0PW
Bankers	Barclays Bank plc Crouch End Group PO Box 6549 London N8 9RJ

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, are pleased to present their annual report, together with the audited financial statements of the charity, for the year ended 31 March 2022. These are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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) (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

a. Policies and objectives

The Charity's purposes are the advancement of the education of the public and in particular of persons who live or work in London in the arts including, but without limiting the foregoing, the arts of film, television, drama, ballet, mime, dance, music, singing and opera, and for such purpose to establish, operate and manage and administer the Phoenix Cinema in the London Borough of Barnet and to promote and maintain and encourage schemes for the use thereof.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

The strategies employed to achieve these objectives are:

- To promote film culture by showing a broad range of quality films;
- To preserve and develop the Phoenix Cinema as a popular centre of film, video and new media;
- To encourage the greatest possible access to film activities for the diverse local communities.

There has been no change to these during the year.

There are four major areas of activity where we put these strategies into action which are: main feature film screenings, education and community activities, alternative content and special events including festivals.

Achievements and performance

a. Main achievements of the Company

This year marked a major stage in the transformation of the Phoenix to a successful and modern community cinema, following several years of challenging trading.

Following the previous year when the Phoenix – like all UK cinemas – was mostly closed due to COVID pandemic measures, it was able to begin to revert to normal trading. It reopened in May 2021, initially with socially distanced seating for screenings and, like all cinemas, its admissions remained lower during the year than before the pandemic.

Funding from the UK government's Culture Recovery Fund was essential to support the Phoenix through this challenging time when many customers were still wary of attending out-of-home entertainment and the programme of film releases was weaker due to the pandemic restricting production activity in 2020.

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

a. Main achievements of the Company (continued)

We are grateful for these funds that allowed us to continue operating and to invest in some key initiatives to support us in the future. These included a sustainability audit, diversity and inclusion training ('Dignity and Respect in the workplace'), refurbishment of the cinema foyer and investment in a new PoS system.

While trading continued front of house, behind the scenes the cinema transformed its management and operation to a model which has, particularly since the end of the financial year under review, begun to deliver clear financial benefits, due to lower running costs, more efficient financial and operational management as well as a restructure of the management team to align front of house activity with the aims of the board.

This was enabled through an agreement in September 2021 with Regal Community Cinema Limited, under which the Executive Director of the successful Rio Cinema in Dalston took oversight of the Phoenix operations and brought in a proven model of running an independent community cinema.

The Phoenix has strong links with the local community, including through groups such as N2 United, The Archer newspaper, the East Finchley Festival and with local schools and other independent businesses around the High Road.

By the start of 2022, the Phoenix was running a full programme of community and education activities, including screenings for local schools, Into Film festival, Parent and Baby club, Captioned Screenings alongside partnerships with Black History Walks, the UK Jewish Film Festival and supporting the LGBTQIA community in Barnet. The cinema also continues to be the base for a weekly free-meals initiative, organised by the N2 Food Project.

Since the end of FY22, the board of trustees has been increasingly impressed by the achievements of the new management team in securing better trading income while re-establishing the Phoenix as a much-loved and valued part of its community and London's cultural life. We are confident that it is now in a stronger position than at any time in the past few years and look forward to overseeing its further development and growth.

At the start of 2021, the remaining Phoenix board, through open advertisement, recruited a number of new trustees and significantly increased the range of relevant knowledge and skills on the board. The new trustees, most of whom are residents of the local area, come from backgrounds in fundraising, various parts of the film and cinema industry as well as bringing essential legal and other governance skills to the board. This puts the board in a much stronger position to oversee the future development of the Phoenix as well as ensuring there succession planning for the chair and other roles.

Financially, trading was severely restricted due to the ongoing pandemic but the cinema's immediate future was secured through DCMS funding. Revenue for FY22 came in at £610k, expenses came in at £605k and the overall surplus was £5k. Of the revenue, £385k came from trading and £191k from funding/donations and £32k from government furlough support.

b. Overall performance

Trading revenue was £385K which is just over 50% of the £699k of trading revenue generated in FY20, the last full year of trading. Admissions were 26,783 as audiences were slow to return to the cinema amidst pandemic concerns with the Phoenix's audience being of an older demographic and therefore being more reticent than younger audiences. By way of comparison, FY20 saw 64,275 admissions.

Audience pick-up was slow, and the film slate was underwhelming compared to 2020 with no standout releases to compare with Parasite or Little Women.

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

b. Overall performance (continued)

The new management team came in and quickly streamlined the expense base by optimising staffing, cutting unnecessary costs whilst making effective improvements to the overall look and feel of the Phoenix.

In the period since the end of March 2022, box office and F&B ('Food and Beverage') revenues have picked up, especially over the last 3 full months. Over the last three months, box office revenues are averaging £27k per month. There is still clearly room to grow admissions and revenues, but over the last six months' admissions have started to pick up (16,758 for the period June-December 2022) and the expectation is that January-March 2023 will be the best quarter since the cinema reopened after the pandemic.

c. Education and community programme

With the cinema having been closed for 18 months the education and community programme took some time to re-establish. Initially, schools were unable to authorise cinema trips and vulnerable groups were still avoiding social contact. COVID also had a very damaging impact on family releases, with most key titles going directly to streaming. This meant a dearth of content for the Saturday kids' club and waiting for the school holidays for a limited number of releases. However, by the start of 2022 links had been re-established with local schools and the cinema began to receive regular enquiries from community groups again.

Financial review

a. Financial review

The Phoenix was able to enter the year with a strong cash balance of £152k due to the DCMS support funding for the arts and entertainment industry, the furlough scheme and a large private donation.

Despite a challenging FY22, the cash position remained strong and was £88k at the end of March 2022.

Since the end of the year, the cinema has received its final instalment from the DCMS and a £58k insurance settlement from Hiscox. These are the final COVID-related cash injections into the business.

b. Financial position

The statement of financial activities for the year shows total incoming resources of £610k and total resources expended of £605k, resulting in a net surplus of £5k. This compares to income of £435k the previous year and a net surplus of £46k.

c. Reserves policy

The Board's reserves policy continues to be that the Phoenix should hold unrestricted general funds, held in cash or readily realisable assets, equivalent to at least two months' operating costs (approximately £80k). These funds should be held to mitigate the risk of poor trading or cover unplanned emergency repairs or other expenditure. The reserves policy has not been changed.

Unrestricted general funds held at 31 March 2022 were £58,872 (see note 18).

The management and Board of the Phoenix monitors cash flow and projected cash on a regular basis in order to anticipate any solvency problems.

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

c. Reserves policy (continued)

As at the end of the year, the Phoenix's assets were sufficient to meet its current obligations. The major asset remains the cinema building and associated land which would not be readily realisable for cash.

d. Going concern

The cinema ends FY22 in a much stronger financial and operational position than for many years. The business has been optimised, admissions have stabilised, revenues are growing, and the outlook has not been better for many years.

e. Plans for future periods

Trading has been reasonable through the last few months with film receipts averaging £27k per month over the last three months (October to December 2022).

The board alongside the management team has developed a robust plan to build a second screen that would further secure the future of the business by growing and diversifying the revenue streams. While there would be significant, but cost effective, investment in the short-term, the longer-term payoff would be to create a thriving, modern and independent community cinema in north London.

With the current cash and trading positions in a good place despite the wider economic turmoil, now feels like the time to move forward with these plans.

Structure, governance and management

a. Governing document

The Phoenix Cinema Trust Limited ("The Phoenix") is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association, dated 11 November 1985, as amended. It is registered as a charity with the Charity Commission. The trustees are members of the company and guarantee to contribute £1 in the event of the charity winding up.

b. Appointment of trustees

During the year, one trustee left in January 2022. Having recruited six new trustees in early 2021, no replacement was recruited.

Each year, one-third of the trustees shall be retired/reappointed at the Annual General Meeting of its Company Members. In line with best practise in governance, no trustee will serve for more than nine years in total.

c. Organisation

The Phoenix is governed by a board that comprises not less than six and no more than twelve members. The board normally meets quarterly and there are two sub-committees that meet quarterly: the Finance Committee, and the Education, Community and Fundraising committee.

At year end, the Phoenix had 26 staff members compared to an average of 25 the previous year. Most are employed part-time.

THE PHOENIX CINEMA TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

d. Related party relationships

The trustees provide their services on a voluntary basis. None of the trustees has any beneficial interest in the company. There are no connected charities. There are no related party transactions, except as disclosed in note 10 in the financial statements.

e. Risk management

The trustees put in place a risk management policy in 2016 which comprises a risk register that identifies and measures the key risks faced by the cinema in addition to actions to be taken to mitigate the impact. An updated risk register was reviewed and approved by the board in 2019. The cinema has adequate insurance cover in place to mitigate certain of the identified risks.

In prior years, the key risk faced by the cinema was its financial sustainability. This remains a key focus for the board and management team. However, with the DCMS support during the pandemic alongside bringing in a new management team the cinema is in a more secure financial position than it has been in many years.

At the start of FY22, the Phoenix maintained the social distancing measures implemented during FY21 to stem the spread of COVID. This ended in September 2021.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE PHOENIX CINEMA TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Simmons Gainsford LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Small company provisions

These financial statements have been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Alison Gold

.....
Alison Gold

Trustee

Date: 31/1/2023 | 12:17 GMT

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PHOENIX CINEMA TRUST

Opinion

We have audited the financial statements of The Phoenix Cinema Trust (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom 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 charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' 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 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 Trustees 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 Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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.

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PHOENIX CINEMA TRUST
(CONTINUED)

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 course of 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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees determine is 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 Trustees are responsible for assessing the 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PHOENIX CINEMA TRUST
(CONTINUED)

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 Auditors' 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 order to identify and assess the risks of material misstatements, including fraud and non-compliance with the Charities SORP and laws and regulations that could be expected to have a material impact on the financial statements, we have considered:

- the results of our enquiries of management and those charged with governance of their assessment of the risks of fraud and irregularities;
- the nature of the company, including its management structure and control systems (including the opportunity for management to override such controls);
- management's incentives and opportunities for fraudulent manipulation of the financial statements; and
- the industry and environment in which it operates.

We also considered UK tax and pension legislation and laws and regulations relating to employment and the preparation and presentation of the financial statements such as the Companies Act 2006.

Based on this understanding we identified the following matters as being of significance to the entity:

- laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Charities SORP, Company Law, tax and pension legislation;
- the timing of the recognition of grant income;
- the calculation of, and adherence to, claims made through the Government's Coronavirus Job Retention Scheme (Furlough);
- the controls over cash receipts;
- the going concern status of the charity in light of the Coronavirus Pandemic;
- existence of the tangible fixed assets including the accurate recording of all equipment disposed of during the year;
- compliance with legislation relating to GDPR, health and safety; operating licenses, and the Charity Commission;
- management bias in selecting accounting policies and determining estimates; and
- inappropriate journal entries.

THE PHOENIX CINEMA TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PHOENIX CINEMA TRUST
(CONTINUED)

We communicated the outcomes of these discussions and enquiries, as well as consideration as to where and how fraud may occur in the entity, to all engagement team members.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised:

- enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations and discussion with the same regarding any known or suspected instances of non-compliance and fraud;
- enquiries with the same concerning any actual or potential litigation or claims;
- obtaining an understanding of the relevant controls during the period;
- obtaining an understanding of the policies and controls over the recognition of income and control of cash receipts and testing their implementation during the year;
- checking calculations of, and relevant documentation concerning, claims made through the Governments' Coronavirus Job Retention Scheme;
- discussing with senior management the on going viability of the charity and reviewing post year end trading activities;
- testing from the fixed asset register to ensure the physical existence of the tangible fixed assets;
- review documentation relating to compliance with the regulations relating to health and safety regulation and assessments and operating licenses;
- assessing the allocation of income and expenditure between restricted and unrestricted funds;
- challenging assumptions made by management in their specific accounting policies and estimates, in particular in relation to depreciation of tangible fixed assets and the timing of recognition of grant income;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or crediting revenue or cash;
- reviewing the financial statements for compliance with the relevant disclosure requirements;
- performing analytical procedures to identify any unusual or unexpected relationships or unexpected movements in account balances which may be indicative of fraud; and
- reviewing the minutes of Board meetings.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK) .

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 Auditors' report.

THE PHOENIX CINEMA TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PHOENIX CINEMA TRUST
(CONTINUED)

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 an Auditors' report 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Pumfrey (Senior statutory auditor)

for and on behalf of

Simmons Gainsford LLP

Statutory Auditors

14th Floor

33 Cavendish Square

London

W1G 0PW

Date: 31/1/2023 | 12:48 GMT

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	47,339	143,964	191,303	206,700
Charitable activities	5	385,112	-	385,112	15,223
Investments	6	2	-	2	4
Other income	7	31,858	1,467	33,325	212,741
Total income		464,311	145,431	609,742	434,668
Expenditure on:					
Charitable activities	8	356,395	248,845	605,240	388,342
Total expenditure		356,395	248,845	605,240	388,342
Net movement in funds		107,916	(103,414)	4,502	46,326
Reconciliation of funds:					
Total funds brought forward		(30,744)	459,441	428,697	382,371
Net movement in funds		107,916	(103,414)	4,502	46,326
Total funds carried forward		77,172	356,027	433,199	428,697

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

The notes on pages 17 to 33 form part of these financial statements.

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 01956960

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	367,022	404,527
		<u>367,022</u>	<u>404,527</u>
Current assets			
Stocks	14	3,311	3,209
Debtors	15	34,112	28,591
Cash at bank and in hand		87,665	151,631
		<u>125,088</u>	<u>183,431</u>
Creditors: amounts falling due within one year	16	(58,911)	(155,261)
Net current assets		<u>66,177</u>	<u>28,170</u>
Total assets less current liabilities		<u>433,199</u>	<u>432,697</u>
Creditors: amounts falling due after more than one year	17	-	(4,000)
Total net assets		<u><u>433,199</u></u>	<u><u>428,697</u></u>
Charity funds			
Restricted funds	18	356,027	459,441
Unrestricted funds			
Designated funds	18	18,300	27,801
General funds	18	58,872	(58,545)
		<u>77,172</u>	<u>(30,744)</u>
Total funds		<u><u>433,199</u></u>	<u><u>428,697</u></u>

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

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

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 01956960

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Alison Gold

.....
Alison Gold

Trustee

Date: 31/1/2023 | 12:17 GMT

The notes on pages 17 to 33 form part of these financial statements.

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	(47,040)	108,105
Cash flows from investing activities		
Purchase of tangible fixed assets	(8,928)	(1,467)
Interest received	2	4
Net cash used in investing activities	(8,926)	(1,463)
Cash flows from financing activities		
Repayments of borrowing	(8,000)	(4,000)
Net cash used in financing activities	(8,000)	(4,000)
Change in cash and cash equivalents in the year	(63,966)	102,642
Cash and cash equivalents at the beginning of the year	151,631	48,989
Cash and cash equivalents at the end of the year	87,665	151,631

The notes on pages 17 to 33 form part of these financial statements

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The Phoenix Cinema Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 52 High Road, East Finchley, London, N2 9PJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Phoenix Cinema Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

These accounts have been prepared on a going concern basis. At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.5 Expenditure

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

2.6 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Computer software	- 20% straight line
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2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- straight line over 30 years
Cafe bar	- straight line over 20 years
Air conditioning	- straight line over 15 years
Foyer improvements & additions	- straight line over 13 years
Fixtures and fittings	- 25% reducing balance
Seating	- straight line over 20 years

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

2.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If an impairment loss arises then it is recognised in the Statement of Financial Activities.

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Debtors

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

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.13 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Grants	40,788	143,964	184,752	206,700
Gift aid income	6,551	-	6,551	-
	<u>47,339</u>	<u>143,964</u>	<u>191,303</u>	<u>206,700</u>
Total 2021	<u>122,392</u>	<u>84,308</u>	<u>206,700</u>	

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Film receipts	246,329	246,329	2,720
Cinema hire	31,422	31,422	5,561
Education and workshops	3,863	3,863	6,300
Friends subscriptions	35,547	35,547	-
Screen advertising	9,383	9,383	(256)
Confectionary and cafe bar	48,427	48,427	477
Merchandise	158	158	5
Other income	9,983	9,983	416
	<u>385,112</u>	<u>385,112</u>	<u>15,223</u>
Total 2021	<u>15,223</u>	<u>15,223</u>	

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest received	2	2	4
	<u>2</u>	<u>2</u>	<u>4</u>
Total 2021	<u>4</u>	<u>4</u>	

7. Other incoming resources

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Furlough support	31,858	-	31,858	212,741
Profit on disposal of fixed assets	-	1,467	1,467	-
	<u>31,858</u>	<u>1,467</u>	<u>33,325</u>	<u>212,741</u>
Total 2021	<u>212,741</u>	<u>-</u>	<u>212,741</u>	

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Staff costs	66,166	204,517	270,683	263,435
Film hire and festival costs	90,677	-	90,677	1,263
Programming fees	7,397	-	7,397	(226)
Cinema hire, education and workshops	21	-	21	559
Publicity and marketing	515	-	515	1,800
Confectionery and café bar purchases	6,933	-	6,933	3,907
Merchandise purchases	23,973	-	23,973	1,600
Fees and other staff costs	2,799	-	2,799	6,820
Other support costs	157,698	44,328	202,026	108,968
Fundraising costs	216	-	216	216
Total 2022	<u>356,395</u>	<u>248,845</u>	<u>605,240</u>	<u>388,342</u>
Total 2021	<u>346,929</u>	<u>41,413</u>	<u>388,342</u>	

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	270,683	-	270,683	263,435
Film hire and festival costs	90,677	-	90,677	1,263
Programming fees	7,397	-	7,397	(226)
Cinema hire, education and workshops	21	-	21	559
Publicity and marketing	515	-	515	1,800
Confectionery and café bar purchases	6,933	-	6,933	3,907
Merchandise purchases	23,973	-	23,973	1,600
Fees and other staff costs	2,799	-	2,799	6,820
Other support costs	-	202,026	202,026	108,968
Fundraising costs	216	-	216	216
	<u>403,214</u>	<u>202,026</u>	<u>605,240</u>	<u>388,342</u>
Total 2021	<u><u>276,374</u></u>	<u><u>111,968</u></u>	<u><u>388,342</u></u>	

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Depreciation	47,900	46,359
Legal and professional	35,274	5,695
Rent and rates	1,162	3,229
Insurance	8,324	7,632
Light and heat	10,561	8,104
Building repairs and maintenance	29,319	22,324
Equipment maintenance	31,741	2,933
Postage and stationery	608	1,271
Telephone	3,826	3,108
Sundries	3,043	100
Subscriptions and training	5,578	2,488
Booking fee charges	-	1,350
Bank charges	8,050	530
Governance costs	16,640	6,845
	202,026	111,968

10. Trustees and key management personnel

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year, no Trustee expenses have been incurred (2021 - £NIL).

The total amount of employee benefits received by key management personnel for their services to the trust was £48,221 (2021: £51,197).

In addition, consultancy fees of £34,264 (2021: £Nil) were paid for the services of a member of key management.

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. Staff costs

	2022 £	2021 £
Employment costs		
Wages and salaries	253,605	250,532
Social security costs	7,701	8,259
Staff pension costs	4,082	4,644
Temporary staff	5,295	-
	<u>270,683</u>	<u>263,435</u>

The average number of persons employed by the Company during the year was as follows:

	2022 No.	2021 No.
Employees	<u>26</u>	<u>25</u>

No employee received remuneration amounting to more than £60,000 in either year.

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. Intangible assets

	Computer software £
Cost	
At 1 April 2021	5,000
At 31 March 2022	<u>5,000</u>
Amortisation	
At 1 April 2021	5,000
At 31 March 2022	<u>5,000</u>
Net book value	
At 31 March 2022	<u><u>-</u></u>
At 31 March 2021	<u><u>-</u></u>

The software costs relate to the design and build of a new website in November 2015 at a cost of £5,000. The new website gives customers the ability to book tickets for upcoming film screenings, thereby providing an ongoing economic benefit to the trust.

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Cafe bar £	Total £
Cost or valuation				
At 1 April 2021	581,892	113,819	791,105	1,486,816
Additions	-	10,395	-	10,395
Disposals	-	(9,638)	-	(9,638)
At 31 March 2022	581,892	114,576	791,105	1,487,573
Depreciation				
At 1 April 2021	571,015	95,946	415,328	1,082,289
Charge for the year	890	5,572	39,556	46,018
On disposals	-	(7,756)	-	(7,756)
At 31 March 2022	571,905	93,762	454,884	1,120,551
Net book value				
At 31 March 2022	9,987	20,814	336,221	367,022
At 31 March 2021	10,877	17,873	375,777	404,527

The property title deeds in respect of the above land and buildings are held by The Phoenix Cinema Trust Limited with a charge in place to the National Heritage Memorial Fund of £656,800.

The Café Bar and betterment costs financed by the National Heritage Memorial Fund have certain conditions and if breached before 2035 the charity will be required to repay the grant in full.

In April 2009, Colliers CRE, Chartered Surveyors, valued the Freehold property at £850,000 prior to the works, with a presumptive valuation of £1,000,000 post the capital works being completed.

14. Stocks

	2022 £	2021 £
Finished goods and goods for resale	3,311	3,209

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	1,449	-
Other debtors	4,510	50
Prepayments and accrued income	28,153	28,541
	<u>34,112</u>	<u>28,591</u>

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other loans	-	4,000
Trade creditors	25,451	46,900
Other taxation and social security	12,909	57,301
Other creditors	1,259	11,020
Accruals and deferred income	19,292	36,040
	<u>58,911</u>	<u>155,261</u>

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

	2022 £	2021 £
Other loans	<u>-</u>	<u>4,000</u>

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Capital fund	19,246	-	(3,572)	2,626	18,300
Entrance hall and canopy renovation fund	8,555	-	(1,314)	(7,241)	-
	<u>27,801</u>	<u>-</u>	<u>(4,886)</u>	<u>(4,615)</u>	<u>18,300</u>
General funds					
General funds	(58,545)	464,311	(351,509)	4,615	58,872
	<u>(58,545)</u>	<u>464,311</u>	<u>(351,509)</u>	<u>4,615</u>	<u>58,872</u>
Total Unrestricted funds	<u>(30,744)</u>	<u>464,311</u>	<u>(356,395)</u>	<u>-</u>	<u>77,172</u>
Restricted funds					
Capital fund	385,281	-	(44,328)	7,769	348,722
Education fund	7,305	-	-	-	7,305
BFI - non-capital expenditure	60,553	143,964	(204,517)	-	-
BFI - capital expenditure	6,302	1,467	-	(7,769)	-
	<u>459,441</u>	<u>145,431</u>	<u>(248,845)</u>	<u>-</u>	<u>356,027</u>
Total of funds	<u>428,697</u>	<u>609,742</u>	<u>(605,240)</u>	<u>-</u>	<u>433,199</u>

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
Designated funds				
Capital fund	24,083	-	(4,837)	19,246
Entrance hall and canopy renovation fund	8,555	-	-	8,555
	<u>32,638</u>	<u>-</u>	<u>(4,837)</u>	<u>27,801</u>
General funds				
General Funds - all funds	(82,725)	350,360	(326,180)	(58,545)
	<u>(50,087)</u>	<u>350,360</u>	<u>(331,017)</u>	<u>(30,744)</u>
Total Unrestricted funds				
	<u>(50,087)</u>	<u>350,360</u>	<u>(331,017)</u>	<u>(30,744)</u>
Restricted funds				
Capital fund	425,336	-	(40,055)	385,281
Education fund	7,122	742	(559)	7,305
BFI - non-capital expenditure	-	75,797	(15,244)	60,553
BFI - capital expenditure	-	7,769	(1,467)	6,302
	<u>432,458</u>	<u>84,308</u>	<u>(57,325)</u>	<u>459,441</u>
Total of funds	<u><u>382,371</u></u>	<u><u>434,668</u></u>	<u><u>(388,342)</u></u>	<u><u>428,697</u></u>

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. Statement of funds (continued)

Designated funds

The designated fund consists of a Capital fund, this balance will fund future depreciation of fixed assets which were originally purchased using general funding.

The designated fund also included an Entrance Hall and Canopy Renovation fund, the purpose of this was to meet the cost of renovation and repair of the entrance hall and canopy of the Phoenix cinema. As this work was completed in the year, the remaining balance has been transferred to the General Fund.

Restricted funds

The restricted fund consists of a Capital fund, this balance will fund future depreciation of fixed assets which were originally purchased using restricted and matching funding.

The restricted fund also consists of an Education fund, this is a fund for specific education projects.

The restricted fund also consists of BFI expenditure funds. This relates to funds received as part of the Culture Recovery Fund for Independent Cinemas in England, which was intended to help protect cultural and heritage organisations from the impact of Covid-19.

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	18,300	348,722	367,022
Current assets	117,783	7,305	125,088
Creditors due within one year	(58,911)	-	(58,911)
Total	77,172	356,027	433,199

THE PHOENIX CINEMA TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	19,246	385,281	404,527
Current assets	109,271	74,160	183,431
Creditors due within one year	(155,261)	-	(155,261)
Creditors due in more than one year	(4,000)	-	(4,000)
Total	<u>(30,744)</u>	<u>459,441</u>	<u>428,697</u>

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	4,502	46,326
Adjustments for:		
Investment income recognised in statement of financial activities	(2)	(4)
Profit on disposal of tangible fixed assets - Restricted fund	(1,467)	-
Loss on disposal of tangible fixed assets - General fund	1,882	1,265
Depreciation and impairment of tangible fixed assets	46,018	45,094
Decrease/(increase) in stocks	(102)	1,285
Increase in debtors	(5,521)	(5,253)
Increase/(decrease) in creditors	(88,251)	19,079
Increase/(decrease) in deferred income	(4,099)	313
Net cash provided by/(used in) operating activities	<u>(47,040)</u>	<u>108,105</u>

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	<u>87,665</u>	<u>151,631</u>

THE PHOENIX CINEMA TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

22. Analysis of changes in net debt

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	151,631	(63,966)	87,665
Debt due within 1 year	(4,000)	4,000	-
Debt due after 1 year	(4,000)	4,000	-
	<u>143,631</u>	<u>(55,966)</u>	<u>87,665</u>

PHOENIX CINEMA TRUST LIMITED

England & Wales - Charity number 296135

Accounts

Charity Registration No. 296135

Company Registration No. 01956960 (England and Wales)

THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Adrian Bull	(Appointed 21 March 2021)
	Benjamin Ellis	(Appointed 21 March 2021)
	Alison Gold	
	Jane Graham	(Resigned 26 March 2021)
	Madeleine Hoare	(Appointed 21 March 2021)
	Paul Homer	
	Victoria Kelsall	(Appointed 21 March 2021)
	Abdullah Khan	
	Marta Montague	
	Margaret O'Brien	(Resigned 21 March 2021)
	Viran Ram	(Appointed 21 March 2021)
	Paul Rossi	
	Patrick Swaffer	(Appointed 21 March 2021)

Charity number 296135

Company number 01956960

Registered office 52 High Road
East Finchley
London
N2 9PJ

Auditor Simmons Gainsford LLP
14th Floor
33 Cavendish Square
London
W1G 0PW

Bankers Barclays Bank plc
Muswell Hill
Crouch End Group
PO Box 6549
London
N8 9RJ

THE PHOENIX CINEMA TRUST LIMITED

(A COMPANY LIMITED BY GUARANTEE)

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THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, are pleased to present their annual report, together with the audited financial statements of the charity, for the year ended 31 March 2021. These are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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) (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The Charity's purposes are the advancement of the education of the public and in particular of persons who live or work in London in the arts including, but without limiting the foregoing, the arts of film, television, drama, ballet, mime, dance, music, singing and opera, and for such purpose to establish, operate and manage and administer the Phoenix Cinema in the London Borough of Barnet and to promote and maintain and encourage schemes for the use thereof.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

The strategies employed to achieve these objectives are:

- To promote film culture by showing a broad range of quality films;
- To preserve and develop the Phoenix Cinema as a popular centre of film, video and new media;
- To encourage the greatest possible access to film activities for the diverse local communities.

There has been no change to these during the year.

There are four major areas of activity where we put these strategies into action which are: main feature film screenings, education and community activities, alternative content and special events including festivals.

Achievements and performance

Lockdown restrictions were introduced across the UK in March 2020. As a result, all cinemas were closed. While some opened for a short period in the summer, the Phoenix remained closed except for a few days in December. In mid-December, the country went into another lockdown and all cinemas remained closed until May 2021. Therefore, in terms of trading, the year to March 2021 (FY21) delivered negligible admissions and revenue.

With negligible trading revenue during FY21 the board and remaining management focused on initiatives to keep the cinema solvent. At the start of the financial year, the board took expert advice around the financial situation and investigated a number of different avenues to ensure the cinema would remain financially viable and operational when hospitality venues reopened. The main decision taken at this time was to utilise the furlough scheme for all staff except for one senior manager. A few months later in the summer, the cinema received a material donation from a local supporter to support the cinema on reopening.

Soon after, the UK government announced a major fund to support independent cinemas which was administered by the BFI. The Phoenix applied for a major grant to support it through the pandemic and had received £84k in grant funding by the end of the financial year.

Operationally, the board implemented a staff restructure in operational and management areas, and started the process of bringing in an Executive Director with proven experience in leading an independent cinema. This was achieved via the Phoenix forming a collaborative relationship with another independent cinema, the Rio in Dalston.

THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

Just before year-end, the new Executive Director joined and started to make the changes needed to make the Phoenix more financially sustainable.

Overall performance

During FY21, admissions and revenue were negligible as the cinema was closed for virtually the whole financial year.

Education and community programme

Our education and community programme was put on hold during FY21 due to the restrictions from the pandemic.

Financial review

Despite entering the financial year with low cash reserves, the Phoenix was able to consolidate during the pandemic thanks to the coronavirus business support schemes provided by the government, the generous private donation made in the summer and the aforementioned BFI Culture Recovery Scheme.

As a result, the cinema ended the financial year in a stronger cash position with the added security of being able to apply for and secure further BFI funding to support it through to 2022.

Financial position

The statement of financial activities for the year shows total incoming resources of £434,668 and total resources expended of £388,342, resulting in a net surplus of £46,326. This compares to income of £755,352 the previous year and a net deficit of £88,721.

Government schemes contributed £212,741 in furlough support and £83,566 in BFI funding. Income from fundraising and other donations contributed £123,133.

Reserves policy

The Board's reserves policy continues to be that the Phoenix should hold unrestricted general funds, held in cash or readily realisable assets, equivalent to at least two months' operating costs (approximately £80,000). These funds should be held to mitigate the risk of poor trading or cover unplanned emergency repairs or other expenditure. The reserves policy has not been changed.

Unrestricted general funds held at 31 March 2021 were £58,545 in deficit (see note 22).

The management and Board of the Phoenix monitors cash flow and projected cash on a regular basis in order to anticipate any solvency problems.

As at the end of the year, the Phoenix's assets were sufficient to meet its current obligations. The major asset is the cinema building and associated land which would not be readily realisable for cash.

Going concern

Following on from last year's update, the cinema ends FY21 in a much stronger financial and operational position. The BFI grants ensure that the business has added security which is already reflected in a much improved cash position as well as the granting of further funding.

Operationally, the new Executive Director has a track record of improving cinema profitability and has already implemented a range of changes to improve margins.

The cinema entered the new financial year with a more positive outlook than it has in years despite the relative trading uncertainty affecting the whole hospitality industry during the pandemic.

THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2021

Plans for future periods

Trading has been reasonable through the last few months with film receipts averaging £28k over the last two months as the film slate has strengthened during autumn and winter 2021. The cinema has retained social distancing within its auditorium and this means that admissions and income are lower than we would hope in the longer term.

The board will work with the new management team to continue to implement changes to help lead the business to profitability.

Overall, the board is now more confident than in previous years that the Phoenix is heading in the right direction and can be sustained as an independent venue.

Structure, governance and management

Governing Document

The Phoenix Cinema Trust Limited ("The Phoenix") is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association, dated 11 November 1985, as amended. It is registered as a charity with the Charity Commission. The trustees are members of the company and guarantee to contribute £1 in the event of the charity winding up.

Appointment of trustees

During the year, two trustees retired from office. With three leaving during the previous financial year, the board added six new trustees with a wide range of relevant experience to ensure strong ongoing governance entering this pivotal post-lockdown period for all cinemas.

Each year, one-third of the trustees shall be retired/reappointed at the Annual General Meeting of its Company Members. In line with best practise in governance, no trustee will serve for more than nine years in total.

Organisation

The Phoenix is governed by a board that comprises not less than six and no more than twelve members. The board normally meets quarterly and there are two sub-committees that meet quarterly: the Finance Committee, and the Education, Community and Fundraising committee.

At year end, the Phoenix had 25 staff members compared to an average of 27 the previous year. Most are employed part-time.

Related parties

The trustees provide their services on a voluntary basis. None of the trustees has any beneficial interest in the company. There are no connected charities. There are no related party transactions.

Risk management

The trustees put in place a risk management policy in 2016 which comprises a risk register that identifies and measures the key risks faced by the cinema in addition to actions to be taken to mitigate the impact. An updated risk register was reviewed and approved by the board in 2019. The cinema has adequate insurance cover in place to mitigate certain of the identified risks.

In prior years, the key risk faced by the cinema was its financial sustainability. This remains a key focus for the board and management team. However, the large private donation coupled with the BFI Culture Recovery Scheme grants mean the cinema is in a more secure financial position than it has been in many years.

THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2021

Risk management (continued)

During FY21, the major risk faced by the business was reopening the cinema after the first lockdown ended. At this stage, the vaccine programme had not been rolled out so the business had to implement procedures and policies to safeguard customers and staff in the light of the risks posed by COVID-19. Prior to the limited reopening in December 2020, the board and management team compiled a document outlining these procedures in detail, secured relevant PPE equipment and maintained social distancing throughout the cinema. Since the cinema fully reopened, social distancing has been maintained within the auditorium to ensure the audience feels secure.

Auditor

Simmons Gainsford LLP were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Small company provisions

These financial statements have been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.

Alison Gold

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Alison Gold

Chair 28 January 2022

Dated:

THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors of The Phoenix Cinema Trust Limited for the purpose of company law, are responsible for preparing the Trustees' 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE PHOENIX CINEMA TRUST LIMITED

Opinion

We have audited the financial statements of The Phoenix Cinema Trust Limited (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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.

Material uncertainty related to going concern

We draw your attention to the discussion of the charity's Going Concern status in the Financial Review section of the Trustees' Report. The charity has had several years of unprofitable trading which, along with the other matters as set forth in the report, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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 course of 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF THE PHOENIX CINEMA TRUST LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 trustees determine is 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 order to identify and assess the risks of material misstatements, including fraud and non-compliance with the Charities SORP and laws and regulations that could be expected to have a material impact on the financial statements, we have considered:

- the results of our enquiries of management and those charged with governance of their assessment of the risks of fraud and irregularities;
- the nature of the company, including its management structure and control systems (including the opportunity for management to override such controls);
- management's incentives and opportunities for fraudulent manipulation of the financial statements; and
- the industry and environment in which it operates.

We also considered UK tax and pension legislation and laws and regulations relating to employment and the preparation and presentation of the financial statements such as the Companies Act 2006.

Based on this understanding we identified the following matters as being of significance to the entity:

- laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards, Charities SORP, Company Law, tax and pension legislation;

THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF THE PHOENIX CINEMA TRUST LIMITED

- the timing of the recognition of grant income;
- the calculation of, and adherence to, claims made through the Government's Coronavirus Job Retention Scheme (Furlough);
- the going concern status of the charity in light of the Coronavirus Pandemic;
- existence of the tangible fixed assets including the accurate recording of all equipment disposed of during the year;
- compliance with legislation relating to GDPR, health and safety; operating licenses, and the Charity Commission;
- management bias in selecting accounting policies and determining estimates; and
- inappropriate journal entries.

We communicated the outcomes of these discussions and enquiries, as well as consideration as to where and how fraud may occur in the entity, to all engagement team members.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised:

- enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations;
- enquiries with the same concerning any actual or potential litigation or claims;
- discussion with the same regarding any known or suspected instances of non-compliance with laws and regulation and fraud;
- inspection of relevant legal correspondence;
- assessment of matters reported to management and the result of the subsequent investigation;
- obtaining an understanding of the relevant controls during the period;
- obtaining an understanding of the policies and controls over the recognition of income and testing their implementation during the year;
- checking calculations of, and relevant documentation concerning, claims made through the Governments' Coronavirus Job Retention Scheme;
- discussing with senior management the on going viability of the charity and reviewing post year end trading activities;
- testing from the fixed asset register to ensure the physical existence of the tangible fixed assets;
- review documentation relating to compliance with the regulations relating to health and safety regulation and assessments and operating licenses;
- assessing the allocation of income and expenditure between restricted and unrestricted funds;
- challenging assumptions made by management in their specific accounting policies and estimates, in particular in relation to depreciation of tangible fixed assets and the timing of recognition of grant income;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or crediting revenue or cash;
- reviewing the financial statements for compliance with the relevant disclosure requirements;
- performing analytical procedures to identify any unusual or unexpected relationships or unexpected movements in account balances which may be indicative of fraud;
- reviewing the minutes of Board meetings; and

**THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF THE PHOENIX CINEMA TRUST LIMITED**

- evaluating the underlying charitable reasons for any unusual transactions.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Oscar Dodd (Senior Statutory Auditor)
for and on behalf of Simmons Gainsford LLP
Statutory Auditors**

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14th Floor
33 Cavendish Square
London
W1G 0PW

THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total 2021	Total 2020
	Notes	£	£	£	£	£
<u>Income and endowments from:</u>						
Grants and Donations	3	122,392	-	84,308	206,700	48,778
Charitable activities - trading	4	15,223	-	-	15,223	698,930
Investments	5	4	-	-	4	7
Other income	6	212,741	-	-	212,741	7,637
Total income and endowments		350,360	-	84,308	434,668	755,352
<u>Expenditure on:</u>						
Charitable activities	7	326,180	4,837	57,325	388,342	844,073
Total expenditure		326,180	4,837	57,325	388,342	844,073
Net income/(expenditure) for the year/ Net movement in funds		24,180	(4,837)	26,983	46,326	(88,721)
Fund balances at 1 April 2020		(82,725)	32,638	432,458	382,371	471,092
Fund balances at 31 March 2021		(58,545)	27,801	459,441	428,697	382,371

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		404,527		449,418
Current assets					
Stocks	14	3,209		4,494	
Debtors	15	28,591		23,340	
Cash at bank and in hand		151,631		48,989	
		<u>183,431</u>		<u>76,823</u>	
Creditors: amounts falling due within one year	17	<u>(155,261)</u>		<u>(135,870)</u>	
Net current assets/(liabilities)			28,170		(59,047)
Total assets less current liabilities			432,697		390,371
Creditors: amounts falling due after more than one year	18		(4,000)		(8,000)
Net assets			<u>428,697</u>		<u>382,371</u>
Income funds					
Restricted funds	20		459,441		432,458
<u>Unrestricted funds</u>					
Designated funds	21	27,801		32,638	
General unrestricted funds		<u>(58,545)</u>		<u>(82,725)</u>	
			(30,744)		(50,087)
			<u>428,697</u>		<u>382,371</u>

The financial statements were approved by the Board of Trustees and authorised for issue on
and are signed on its behalf by:

Alison Gold

.....

Alison Gold

Trustee

Company Registration No. 01956960

THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash used in operating activities	25		108,105		(67,406)
Investing activities					
Purchase of tangible fixed assets		(1,467)		-	
Interest received		4		7	
Net cash (used in)/generated from investing activities			(1,463)		7
Financing activities					
Repayment of borrowings		(4,000)		(4,000)	
Net cash used in financing activities			(4,000)		(4,000)
Net increase/(decrease) in cash and cash equivalents			102,642		(71,399)
Cash and cash equivalents at beginning of year			48,989		120,388
Cash and cash equivalents at end of year			151,631		48,989

THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

The Phoenix Cinema Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 52 High Road, East Finchley, London, N2 9PJ.

1.1 Basis of preparation

The accounts have been prepared in accordance with 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)" (as amended for accounting periods commencing from 1 January 2019).

The charity is a Public Benefit Entity as defined by FRS 102. The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These accounts have been prepared on a going concern basis. At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

1.3 Charitable funds

General funds	These are free reserves which can be used in accordance with the charitable objectives.
Designated funds	These represent funds arising at the discretion of the trustees where funds have been allocated for a specific purpose in the future.
Restricted funds	These are funds that can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by the donor.

1.4 Income

Income is recognised when the charity 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.

Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable. Income from trading activities for general funds is recognised when earned and investment income is included when received by the charity.

1.5 Expenditure

Expenditure in the statement of financial activities is recognised in the period in which it is incurred and allocated to the particular activity to which the cost relates.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	straight line over 5 years
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THE PHOENIX CINEMA TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold buildings	straight line over 30 years
Café bar	straight line over 20 years
Air conditioning	straight line over 15 years
Foyer improvements & additions	straight line over 13 years
Fixtures, fittings & equipment	25% reducing balance
Seating	straight line over 20 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Assets purchased with a cost of less than £500 are not capitalised.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If an impairment loss arises then it is recognised in the Statement of Financial Activities.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Critical accounting estimates and judgements

In the application of the charity's 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.

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3 Grants and Donations

	Unrestricted funds general £	Restricted funds £	Total 2021 £	Total 2020 £
Grants and donations	122,392	84,308	206,700	48,778
For the year ended 31 March 2020	13,553	35,225		48,778
Grants and donations				
Film London - Heritage activity grant	17,585	-	17,585	4,574
Europa Cinemas grant	-	742	742	1,437
John Lyon's Charity - education project grant	-	-	-	17,500
National Lottery - toddler time grant	-	-	-	7,460
London Borough of Barnet	25,000	-	25,000	-
Frictionless	52,437	-	52,437	-
Gift aid and donations	27,370	-	27,370	17,807
British Film Institute	-	83,566	83,566	-
	122,392	84,308	206,700	48,778

4 Income from charitable activities - trading

	2021 £	2020 £
Film receipts	2,720	442,976
Cinema hire	5,561	25,667
Education and workshops	6,300	13,307
Festivals	-	27,884
Friends subscriptions	-	47,730
Screen advertising	(256)	21,930
Confectionery and café bar	477	105,909
Merchandise	5	4,112
Other Income	416	9,415
Charitable activities - trading	15,223	698,930

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5 Income from investments

	2021	2020
	£	£
Bank interest received	<u>4</u>	<u>7</u>

6 Other income

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Furlough support	<u>212,741</u>	<u>7,637</u>

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7 Analysis of expenditure on charitable activities

	2021	2020
	£	£
Staff costs	260,435	334,349
Film hire and festival costs	1,263	224,669
Programming fees	(226)	5,520
Cinema hire, education and workshops	559	18,427
Publicity and marketing	1,800	3,853
Confectionery and café bar purchases	3,907	48,473
Merchandise purchases	1,600	550
Fees and other staff costs	6,820	19,800
Friends scheme costs	-	604
Fundraising costs	216	359
	<u>276,374</u>	<u>656,604</u>
Share of support costs (see note 8)	105,123	171,744
Share of governance costs (see note 8)	6,845	15,725
	<u>388,342</u>	<u>844,073</u>
Analysis by fund		
Unrestricted funds - general	326,180	
Unrestricted funds - designated	4,837	
Restricted funds	57,325	
	<u>388,342</u>	
For the year ended 31 March 2020		
Unrestricted funds - general		767,767
Unrestricted funds - designated		6,731
Restricted funds		69,575
		<u>844,073</u>

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8 Support costs

	Support costs	Governance costs	2021	2020	Basis of allocation
	£	£	£	£	
Staff costs	-	3,000	3,000	3,000	See note below
Depreciation	46,359	-	46,359	47,468	
Legal and professional	5,695	-	5,695	1,508	
Rent and rates	3,229	-	3,229	5,307	
Insurance	7,632	-	7,632	7,505	
Light and heat	8,104	-	8,104	18,264	
Building repairs and maintenance	22,324	-	22,324	45,976	
Equipment maintenance	2,933	-	2,933	13,384	
Postage and stationery	1,271	111	1,382	5,256	See note below
Telephone	3,108	270	3,378	3,107	See note below
Travel	-	-	-	1,056	
Sundries	100	-	100	1,213	
Subscriptions and training	2,488	-	2,488	6,767	
Booking fee charges	1,350	-	1,350	7,705	
Bank charges	530	-	530	7,898	
Audit fees	-	7,336	7,336	7,312	Governance
Accountancy	-	(3,872)	(3,872)	4,743	Governance
	<u>105,123</u>	<u>6,845</u>	<u>111,968</u>	<u>187,469</u>	
Analysed between					
Charitable activities	<u>105,123</u>	<u>6,845</u>	<u>111,968</u>	<u>187,469</u>	

Governance costs:

Staff costs: - Relates to the time spent by selected personnel to prepare and minute information and attend trustees meetings.

Postage and stationery and telephone: - Relates to the stationery costs and telephone calls in preparing papers for the trustees meetings.

9 Trustees and key management personnel

None of the trustees (or any persons connected with them) received any reimbursed expenses, remuneration or benefits from the charity during the year (2020: Nil).

The total amount of employee benefits received by key management personnel for their services to the trust was £51,197 (2020: £84,310).

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10 Employees

Number of employees

	2021 Number	2020 Number
The average weekly and monthly number of employees during the year was:	25	27

Employment costs

	2021 £	2020 £
Wages and salaries	250,532	316,112
Social security costs	8,259	16,099
Staff pension costs	4,644	5,138
	<u>263,435</u>	<u>337,349</u>

No employee received emoluments in excess of £60,000 during the year (2020: Nil).

11 Intangible fixed assets

	Software £
Cost	
At 1 April 2020 and 31 March 2021	5,000
Amortisation and impairment	
At 1 April 2020 and 31 March 2021	5,000
Carrying amount	
At 31 March 2021	-
At 31 March 2020	-

The software costs relate to the design and build of a new website in November 2015 at a cost of £5,000. The new website gives customers the ability to book tickets for upcoming film screenings, thereby providing an ongoing economic benefit to the trust.

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12 Tangible fixed assets

	Land and buildings	Café bar	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 April 2020	581,892	791,105	135,457	1,508,454
Additions	-	-	1,467	1,467
Disposals	-	-	(23,105)	(23,105)
At 31 March 2021	581,892	791,105	113,819	1,486,816
Depreciation and impairment				
At 1 April 2020	570,127	375,772	113,137	1,059,036
Depreciation charged in the year	888	39,556	4,648	45,092
Eliminated in respect of disposals	-	-	(21,839)	(21,839)
At 31 March 2021	571,015	415,328	95,946	1,082,289
Carrying amount				
At 31 March 2021	10,877	375,777	17,873	404,527
At 31 March 2020	11,765	415,333	22,320	449,418

The property title deeds in respect of the above land and buildings are held by The Phoenix Cinema Trust Limited with the following charge in place:

National Heritage Memorial Fund: £656,800. Expires September 2035

The Café Bar and betterment costs financed by the National Heritage Memorial Fund have certain conditions and if breached before 2035 the charity will be required to repay the grant in full.

In April 2009, Colliers CRE, Chartered Surveyors, valued the Freehold property at £850,000 prior to the works, with a presumptive valuation of £1,000,000 post the capital works being completed.

13 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	50	14,700
Carrying amount of financial liabilities		
Measured at amortised cost	65,920	49,529

14 Stocks

	2021 £	2020 £
Confectionery and bar stock	3,209	4,494

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15 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	50	14,700
Prepayments and accrued income	28,541	8,640
	<u>28,591</u>	<u>23,340</u>

16 Loans and overdrafts

	2021	2020
	£	£
Other loans	8,000	12,000
Payable within one year	4,000	4,000
Payable after one year	4,000	8,000

The loan relates to the amount drawn down for the purpose of renovating and repairing the entrance hall and canopy of the cinema.

17 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Loans and overdrafts	16	4,000	4,000
Other taxation and social security		57,301	42,933
Deferred income	19	6,923	6,610
Trade creditors		46,900	26,816
Other creditors		11,020	10,713
Accruals		29,117	44,798
		<u>155,261</u>	<u>135,870</u>

18 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Other loans	4,000	8,000

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19 Deferred income

	2021	2020
	£	£
Arising from advanced ticket sales	-	6,610
Arising from advanced membership income	6,923	-
	<u>6,923</u>	<u>6,610</u>

Deferred income is included in the financial statements as follows:

	2021	2020
	£	£
Current liabilities	6,923	6,610
	<u>6,923</u>	<u>6,610</u>

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		
	Balance at 1	Incoming Expenditure	Balance at 31
	April 2020	resources & transfers	March 2021
	£	£	£
Capital fund	425,336	-	(40,055)
Education fund	7,122	742	(559)
BFI - non-capital expenditure	-	75,797	(15,244)
BFI - capital expenditure	-	7,769	(1,467)
	<u>432,458</u>	<u>84,308</u>	<u>(57,325)</u>
	<u>432,458</u>	<u>84,308</u>	<u>459,441</u>

Purpose of restricted funds

Capital fund	The balance will fund future depreciation of fixed assets which were originally purchased using restricted and matching funding.
Education fund	This is a fund for specific education projects.
BFI expenditure	This relates to funds received as part of the Culture Recovery Fund for Independent Cinemas in England, which was intended to help protect cultural and heritage organisations from the impact of COVID-19.

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21 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2019 £	Expenditure & transfers £	Balance at 1 April 2020 £	Expenditure & transfers £	Balance at 31 March 2021 £
Capital fund	30,079	(5,996)	24,083	(4,837)	19,246
Entrance hall and canopy renovation fund	9,290	(735)	8,555	-	8,555
	<u>39,369</u>	<u>(6,731)</u>	<u>32,638</u>	<u>(4,837)</u>	<u>27,801</u>

Purpose of designated funds

Capital fund The balance will fund future depreciation of fixed assets which were originally purchased using general funding.

Entrance hall and canopy renovation fund The purpose of this fund is to meet the cost of renovation and repair of the entrance hall and canopy of the Phoenix cinema.

22 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2021 are represented by:				
Tangible assets	-	19,246	385,281	404,527
Current assets/(liabilities)	(54,545)	8,555	74,160	28,170
Long term liabilities	(4,000)	-	-	(4,000)
	<u>(58,545)</u>	<u>27,801</u>	<u>459,441</u>	<u>428,697</u>

23 Contingent assets

The Charity has submitted a claim to its insurer under its business interruption policy for the losses resulting from the Coronavirus closure. The amount of the claim is currently being assessed by the insurer and the Trustees are unable to provide a robust estimate.

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24 Analysis of changes in net funds

	At 1 April 2020	Cash flows	Other non-cash changes	At 31 March 2021
	£	£	£	£
Cash at bank and in hand	48,989	102,642	-	151,631
Loans falling due within one year	(4,000)	4,000	(4,000)	(4,000)
Loans falling due after more than one year	(8,000)	-	4,000	(4,000)
	<u>36,989</u>	<u>106,642</u>	<u>-</u>	<u>143,631</u>

25 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	46,326	(88,721)
Adjustments for:		
Investment income recognised in statement of financial activities	(4)	(7)
Loss on disposal of tangible fixed assets	1,265	-
Depreciation and impairment of tangible fixed assets	45,094	47,468
Movements in working capital:		
Decrease/(increase) in stocks	1,285	(238)
(Increase) in debtors	(5,253)	(5,961)
Increase/(decrease) in creditors	19,079	(10,132)
Increase/(decrease) in deferred income	313	(9,815)
Cash generated from/(absorbed by) operations	<u>108,105</u>	<u>(67,406)</u>