

PHOENIX DANCE THEATRE
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
Year ended: 31 March 2022

Charity no: 516672
Company no: 1921513

TRUSTEES' REPORT
31 March 2022

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2022 which 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 the Charities Statement of Recommended Practice ("Charities SORP") (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland; FRS 102) issued in October 2019.

CHAIR'S REPORT

In taking over as Chair this year from Pamela Doherty, I am aware of the incredible resilience of the company as it has weathered the storm of Covid-19. The past two years have been extremely challenging for the arts sector, but they have also provided an opportunity to pause, reflect and try new things. I am delighted with the success of Phoenix's digital programme, for example, and am excited to see that programme develop.

2021/22 saw the start of our 40th year and it has been a pleasure to celebrate forty years of Phoenix, from a diverse and exhilarating gala night to the development of a lecture demonstration for children and young people by our founders. As we look to the past, so we also look to the future. We want to build on our success and to focus on those areas where Phoenix is uniquely placed to make a difference. We will be engaging with key stakeholders, revising our forward strategy and building innovative partnerships to ensure that we are as effective and impactful as we can be.

I would like to thank Arts Council England and Leeds City Council for their ongoing commitment and support. I would also like to thank the range of other funders and supporters who help to make our work possible. Thank you to our Board, those whose tenures ended this year and those who continue to serve, and to our dedicated team whose energy and determination ensure Phoenix continues to blaze a trail after four decades.

Whilst we may now be emerging from the Covid-19 pandemic we are facing a wide range of other challenges, from the climate crisis to the ongoing impact of Black Lives Matter. In that context contemporary dance is more important than ever. It can serve to engage, to inspire and to challenge. Phoenix Dance Theatre's presence both on and off the stage continues to develop and establish diverse new audiences for contemporary dance. In the years ahead we are committed to not only remaining relevant but to acting as a positive force for good. I cannot wait to share our progress with you.

Cordelia Redwood-Sawyer
Chair

OUR PURPOSES AND ACTIVITIES

The purposes of the charity are to promote, maintain and advance the education of the public in the arts and sciences and in particular in the art and science of dance by the presentation of public performances and other similar activities.

In shaping our objectives for the year and planning our activities we have considered the Charity Commission's guidance on public benefit, including the guidance "public benefit: running a charity (PB2)" at our Trustees' meetings. In setting the levels of ticket prices, fees and other charges the Board and senior management is committed to ensuring that all activities are available to those on low income through the provision of fair pricing, concession and, where applicable, bursaries.

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During the year 2021/22, the company provided public benefit by resuming live professional performances as we began to build back from the impact of Covid-19, continuing to deliver our access and education programmes and taking forward innovations developed in our response to the pandemic.

ACHEIVEMENTS AND PERFORMANCE

In 2018 Phoenix Dance Theatre set out on a four-year journey whereby the organisation committed to build on the company's rich cultural heritage, both through its main stage performances and extensive education provision. 2021-22 was the fourth and final year of this renewed vision and we aimed to re-engage with our audiences post Covid-19 lockdown with a celebratory programme for the 40th year, restaging significant works from across the decades. The impact of Covid-19 was still being felt, but despite this we were able to engage more than 11,000 people through our professional performances and 3,600 through our access and education activity.

Creative Output

Due to the ongoing impact of the Covid-19 pandemic the decision was made not to tour until autumn 2021. Under Dane Hurst's leadership as Artistic Director, the team prepared an extensive programme of work for the 40th tour, restaging four works – Signal, Family, Pave Up Paradise and Harmonica Breakdown – and re-choreographing one work – Heart of Chaos – with ex-Artistic Director, Darshan Singh-Bhuller. This selection of five works premiered at York Theatre Royal in November 2021 before a national tour running through to May 2022. Between November and March, the company delivered 14 performances of the 40 years of Phoenix Production, including building relationships with two new venues – Birmingham Rep and Exeter Northcott. The tour received a wide range of outstanding reviews:

★★★★★ London Living Large

"Here's a sampler box in which every selection is simply delicious ... a programme that displays all the extraordinary artistry of the company. ... With this exquisite evening, Phoenix Dance Theatre certainly whets the appetite for another 40 years of its variety and virtuosity."

★★★★ The Times

"an exhilarating birthday party... ['Heart of Chaos'] is by turns visceral, sultry and tormented, all embodied in Aaron Chaplin's powerful and charismatic lead performance."

In addition to our anniversary programme, the second work in collaboration with Opera North, postponed from 2020/21 due to Covid-19, was delivered. Dane Hurst created a narrative work to the musical score of Bernstein's Symphonic Dances. The work then toured in Autumn 2021 and was seen by 6,516 audience members. At each of the venues Dane Hurst delivered pre-show talks. It was extremely well received by audiences and press alike:

★★★★ Yorkshire Times

"Fast paced, rhythmically challenging and relentless; step forward Phoenix Dance...an event not to be missed..."

In 2020/21 the company commissioned three black male choreographers to create work specifically for screen. These works were released online in May and June 2021 and have now been viewed by more than 1,000 people. Developing this digital programme further in 2021/22, Phoenix commissioned three black female choreographers to collaborate with musicians and film makers. These works will be released online in 2022/23. Previous work the Rite of Spring was also released online through Opera Vision and has been watched by more than 14,900 people.

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Phoenix was proud to have been able to share the stage and celebrate our 40th birthday at a Gala event at Leeds Playhouse on 12 February 2022. The company brought together FUBUNATION, DeNada Dance, Yorke Dance Project, The Royal Ballet, Ace Music & Dance, Northern Ballet, Company Chameleon, Scottish Ballet and Mark Bruce to perform pieces from their repertoire alongside Phoenix and students from NSCD performing an excerpt of Windrush. The evening presented diverse works, and we were proud to be able to programme this in our home city.

"It was a really outward-looking, daring and ambitious thing to do – a real step change and I for one was excited about what it said about the future of the company and for dance in the city."

Feedback from an audience member

"It was a pleasure to be included in such a great line-up of talented companies to celebrate 40 years of Phoenix. For us at FUBUNATION we feel very much aligned and connected to the roots and history of what makes Phoenix so special and try to imbue and reflect that in our own organisation. Thank you for creating the space and giving us the platform to showcase our work. We hope you continue to thrive for 40 more years and beyond."

Feedback from FUBUNATION

After a successful Heritage Lottery Fund application, we were able to further celebrate four decades of Phoenix. We created a Physical Exhibition (40 images for 40 years) which was displayed in foyer areas at our touring venues and continues to be displayed at a range of events and performances. We also began creation of a virtual exhibition, a podcast series capturing key voices from across the decades and an R&D project involving founding members of the company during the year, all of which will be launched in 2022/23.

In addition, we have been working on the curation of a commemorative book celebrating the company's history and to highlight the great art that has been produced over the years. This will be launched in autumn 2022.

We offered five professional placements across the year. We were able to extend placements in order to offer performance experience to those students who had not had that opportunity in 2020/21 due to the hiatus caused by Covid-19. Two of these extended placement students were then offered paid work performing with the company.

Access and Education

Returning after Covid-19 to face-to-face delivery was well managed and carefully planned. A phased return and combination of face-to-face delivery to smaller group sizes and online classes was considered with the individual needs of the groups.

Saturday School (open to all) and Illuminate (for young people with additional needs) remained face-to-face throughout the full year with Saturday School continuing to act as a feeder into the Youth Academy programme.

The Doncaster Satellite Youth Academy was successfully launched in September 2021 after being delayed due to Covid-19. Across all Youth Academies (Leeds, Gateshead, York and Doncaster) the young dancers continued with their technique training, worked with company dancers for choreographic intensives, and had multiple performance opportunities throughout the year. 100% of those who auditioned for full time training have obtained places on their preferred courses with two of our Young People gaining places and performing with the National Youth Dance Company.

Phoenix remained one of the key partners delivering the Healthy Holidays programme through the year, targeted at pupils who are in receipt of free school dinners to ensure that even in holiday periods they have access to a healthy meal every day. Two other schools engaged with us for multiple weeks of summer provision as well as running our own summer courses, delivering Arts Award.

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Our School Partnership programme has remained consistent throughout the year, with new schools engaging, and particularly primary schools noting the impact dance has on the wellbeing of their pupils after the extended period of lockdown. All activity is tailored to the needs of the school.

The final two of our provisions 'Older Adults' and 'NO BOUNDS' (boys only) returned to face-to-face weekly sessions in January 2022.

In July 2021 our Summer Platform was delivered online and engaged 804 audience members – all of the groups had the chance to come to the theatre to film their performance piece thereby still enabling a theatre experience for participants.

Operations

At the end of November 2021, the company announced that Dane Hurst would be stepping away from the organisation in order to return to South Africa. He agreed to remain in contact with the company throughout this period and to still lead on specific areas despite being out of the country. He staged the 40th Programme in York and set the team up to successfully deliver the tour. Dane has now decided to remain in South Africa, although he continues to work with the company in a consultancy capacity. Recruitment for a new Artistic Director will take place following the outcome of our Arts Council England National Portfolio Application in autumn 2022.

Some members of the core team remained on flexi furlough until August 2021 as their workload continued to be impacted by the decision not to tour until the autumn due to Covid-19 restrictions. By utilising the furlough scheme, we were able to ensure that no redundancies were made.

We remain committed to improving our environmental sustainability. In terms of transport, during 2021/22 we used smaller trucks, encouraged shared car transport, and used the rail network wherever possible. To reduce the impact of the materials we use, where appropriate, we made different choices regarding fabrics for costumes and the new LED lighting equipment which was purchased in 20-21 was used on tour, which impacted on our energy usage at theatre venues. Paperless correspondence has increased exponentially, and we used our Platform event as a trial run for electronic programmes for performances. Finally, more people have taken advantage of working from home and fewer face-to-face meetings have taken place, being comfortably replaced with Zoom or Teams meetings.

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FINANCIAL REVIEW

Overview

During the year under review the company's incoming resources on unrestricted funds were £920,282 and unrestricted resources expended were £903,134. After Theatre Tax Credit of £16,180 the company achieved a surplus on unrestricted funds during the year of £33,328.

Principal Funding Sources

The charity receives revenue grants from Arts Council England and Leeds City Council, project grants, commissions and fees.

Investment Powers and Policy

Under the memorandum and articles of association the charity has the power to make any investment which the directors see fit.

Reserves Policy and Going Concern

During 2021/22 the company was able to increase unrestricted funds by £33,328 and at 31 March 2022 the charity had an accumulated surplus on unrestricted funds of £277,560. Restricted reserves stood at £59,096 at 31 March 2022.

The trustees maintain their view that the charity needs reserves in line with the guidance issued by the Charity Commission and have successfully built the reserves to the equivalent of three months' operating costs. The unrestricted reserves of the charity are intended to meet risks and contingencies as follows:

- To enable basic operating activities to be maintained in the event of any funding delays.
- To cover any cash flow gaps in the delivery of project funded activity supported by grants paid in arrears.
- The provision of an orderly winding down of operations in the event of a significant adverse event that is outside the control of the charity.

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

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PLANS FOR FUTURE PERIODS

As we celebrate 40 years of Phoenix, we find ourselves in a natural period of reflection. We have faced significant challenges over the past two years, including the Covid-19 pandemic and changes in leadership, and believe that we could be achieving an even greater impact than that we are achieving at present. Strategic conversations that began in 2021/22 have confirmed that change is needed in order set the company up for success for the next 40 years.

In order to ensure that we make the right changes to overcome the challenges we face and take advantage of the many opportunities before us, we need time and space to reflect, engage with our key stakeholders and undertake detailed planning.

The Board therefore approved the proposal to pause our creative delivery from the completion of the 40th anniversary tour at the end of May 2022 until January 2023. In the intervening months we will engage with all key stakeholders including company members, education partners, sector colleagues, communities and funders. In light of their feedback, we will review the scope of our work, our strategic goals and plans and will set a course for the future. It is our aim to ensure that Phoenix has the focus, resources, culture and resilience to deliver another incredible 40 years.

Arts Council England and Leeds City Council are supportive of our approach and have confirmed the following funding for 2022/23:

- Arts Council England £436,395
- Leeds City Council £61,750

Our revised strategy will be in line with the Art Council's Let's Create strategy and their Investment Principles and will build on the plans submitted as part of our 2023-27 National Portfolio Application.

Whilst we will not be undertaking a tour until autumn 2023, the following activity is planned for delivery through the year:

- Studio Activity:
 - Prep for our autumn 2023 UK tour, led by our new Artistic Lead.
 - Third collaboration with Opera North, opening May 2023 - Dane Hurst will direct and choreograph Requiem alongside a new work created with guest artists from South Africa. In this cross-cultural production, Phoenix and performing artists from South Africa will join forces with the Chorus and Orchestra of Opera North conducted by Garry Walker in a unique response to the grief experienced by so many around the world during the pandemic.
- Release of our latest digital programme featuring three black female choreographers.
- Launch of a new satellite Youth Academy programme in Sheffield.
- The publication and launch of the commemorative art book celebrating 40 Years of Phoenix.
- The continuation of the 40 Years of Phoenix Heritage project, which includes:
 - community-based project work
 - dissemination of the podcast series
 - touring of the Physical Exhibition
 - launch of the Virtual Exhibition
 - R & D period for the Heritage strand engaging founding members of the company

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REFERENCE AND ADMINISTRATIVE DETAILS

Charity number: 516672
Company number: 1921513
Principal Office and Registered Office: St Cecilia Street
Quarry Hill
LEEDS
LS2 7PA

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers who served during the year and since the year end were as follows:

C Redwood-Sawyers
P Doherty (resigned 14 September 2021)
K Evans (resigned 12 June 2022)
S Kamstra (resigned 5 August 2022)
L Katerega
B Robinson
S Robinson (resigned 14 June 2022)

Company Secretary
C Charles

Key Management Personnel
Chief Executive Officer J Coleman-Peers
Executive Director C Charles

Our Advisers

Auditors:
O'Brien & Co, Chartered Accountants, 31A Finkle Street, Selby, YO8 4DT

Bankers:
Barclays Bank plc, Park Row, PO Box 100, Leeds, LS1 1PA

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Phoenix Dance Theatre is a charitable company limited by guarantee, incorporated on 11 June 1985 and registered as a charity on 7 September 1985. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. New Articles were adopted by Special Resolution dated 12 September 2017. In the event of the charity being wound up during the period of membership, or within one year afterwards, members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Trustees

The charity recognises the importance of recruiting members to the Board of Trustees who have the appropriate experience and skills to determine strategy, guide artistic development and maintain financial stability.

The Board ensure that the recruitment of Board members is fair, effective and transparent. When a vacancy occurs the Board set up a Nominations Committee, drawn from the Board, and the Committee make recommendations to the Board, which is the appointing authority. The Board maintains a comprehensive skills profile of its membership and recruitment take account of identified skills shortages.

Board Induction and Training

An induction pack and, where appropriate, training is provided for all newly appointed Board members.

A self-assessment process is conducted on a regular basis to monitor and review the effectiveness of the Board.

Organisation

The Board of Trustees meets four times per year. The Chief Executive, Executive Director and Artistic Director are appointed by the Board to manage the day to day operations of the charity.

Related parties and co-operation with other organisations

Arts Council England and Leeds City Council provide essential core funding for the charity.

Pay policy for senior staff

The Board of Trustees, who are the charitable company's trustees, give their time freely and no trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in notes 7 and 8 to the accounts.

The pay of senior staff is reviewed annually and increased when funds permit to keep pace with inflation and average earning of other charitable organisations of a similar size with the arts and culture sector.

Risk Management

The major risks to which the charity is exposed as identified by the Board have been reviewed and systems have been established to mitigate those risks.

TRUSTEES' REPORT
31 March 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are directors for the purpose of Company Law and trustees for the purpose of Charity Law) are responsible for preparing the trustees' Report and the financial statements in accordance with 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).

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 income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom, governing the preparation and dissemination of financial statements, may differ from legislation in other jurisdictions.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

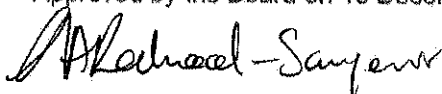
The trustees of the company who held office at the date of approval of this Annual Report as set out above each confirm that:

- So far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

O'Brien & Co, Chartered Accountants, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the forthcoming Annual General Meeting.

Approved by the Board on 13 December 2022 and signed on its behalf by



C REDWOOD-SAWYERR
TRUSTEE

31 March 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PHOENIX DANCE THEATRE

Opinion

We have audited the financial statements of Phoenix Dance Theatre (the charitable company) for the year ended 31 March 2022 which comprise the Statement of Financial Activities (including an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flow and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 Charity's affairs as at 31 March 2022 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 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 12 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, including the trustees' 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PHOENIX DANCE THEATRE
(continued)

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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 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 Trustees' Annual 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 obtained all the information and explanations necessary for the purposes of 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' exemption in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement [set out on page 9], 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PHOENIX DANCE THEATRE
(continued)

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:

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 commercial knowledge and experience of the computer component manufacturing and supply 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, the Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental 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 charitable 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;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charitable company's remuneration policies.

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; and

31 March 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PHOENIX DANCE THEATRE
(continued)

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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charitable company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from 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 directors and other management and the inspection of regulatory and legal correspondence, if any.

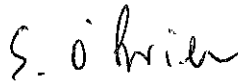
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

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 auditor's 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's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen O'Brien FCA
Senior Statutory Auditor
for and on behalf of O'Brien & Co
Statutory Auditor
Chartered Accountants
31A Finkle Street
SELBY YO8 4DT

13 December 2022

STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and Expenditure Account) for the year ended 31 March 2022

	Note	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £	2021 Total Funds £
INCOME					
Donations and Grants	3	491,971	0	491,971	498,143
Income from Charitable Activities	4	428,163	68,445	496,608	306,798
Investment Income		148	0	148	0
Total Income		<u>920,282</u>	<u>68,445</u>	<u>988,727</u>	<u>804,941</u>
EXPENDITURE					
Costs of Raising Funds		7,150	0	7,150	3,490
Expenditure on Charitable Activities	5	895,984	129,624	1,025,608	633,648
Total Expenditure		<u>903,134</u>	<u>129,624</u>	<u>1,032,758</u>	<u>637,138</u>
Net (expenditure) / income and net movement in funds for the year before tax credit	9	17,148	(61,179)	(44,031)	167,803
Theatre Tax Credit	10	<u>16,180</u>	<u>0</u>	<u>16,180</u>	<u>0</u>
Net (expenditure) / income and net movement in funds for the year after tax credit		33,328	(61,179)	(27,851)	167,803
RECONCILIATION OF FUNDS					
FUND BALANCES B/F		244,232	120,275	364,507	196,704
FUND BALANCES C/F	14	<u>277,560</u>	<u>59,096</u>	<u>336,656</u>	<u>364,507</u>

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

All incoming resources and resources expended derive from continuing activities.

The notes on pages 17 to 24 form part of these financial statements.

PHOENIX DANCE THEATRE
(A Company Limited by Guarantee)

15

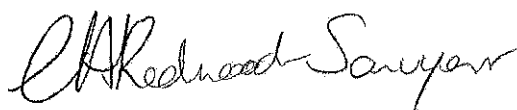
BALANCE SHEET
31 March 2022

	Note	2022		2021	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	11		61,937		98,307
CURRENT ASSETS					
Debtors	12	75,924		42,524	
Cash at bank & in hand		282,935		437,601	
		<u>358,859</u>		<u>480,125</u>	
LIABILITIES					
Creditors falling due within one year	13		84,140		213,925
				<u>213,925</u>	
NET CURRENT ASSETS			274,719		266,200
NET ASSETS			<u>336,656</u>		<u>364,507</u>
FUNDS					
	14				
Unrestricted Funds			277,560		244,232
Restricted Funds			59,096		120,275
TOTAL CHARITY FUNDS			<u>336,656</u>		<u>364,507</u>

The accounts are prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The financial statements were approved by the Board of Trustees on 13 December 2022 and signed on its behalf by:

C REDWOOD-SAWYERR
TRUSTEE



Company no: 1921513

STATEMENT OF CASH FLOW
For the year ended 31 March 2022

	Note	2022 £	2021 £
Cash (absorbed by) / from operating activities	17	(151,087)	384,625
Theatre Tax Credit received		0	23,509
Cash flows from investing activities			
Interest Income		148	0
Purchase of tangible fixed assets		<u>(3,727)</u>	<u>(31,184)</u>
Cash used in by Investing activities		<u>(3,579)</u>	<u>(31,184)</u>
(Decrease) / Increase in cash and cash equivalents in the year		(154,666)	376,950
Cash and cash equivalents at the beginning of the year		437,601	60,651
Total cash and cash equivalents at the end of the year		<u>282,935</u>	<u>437,601</u>

NOTES TO THE FINANCIAL STATEMENTS
31 March 2022

1 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of Preparation

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

Phoenix Dance Theatre 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 notes.

Going Concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Income Recognition Policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Donated Services and Facilities

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 March 2022

1 ACCOUNTING POLICIES (continued)

Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Expenditure and Irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes the costs of providing staff who carry out the work of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of Support Costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the company's activities. The bases on which support costs have been allocated are set out in note 6.

Tangible Fixed Assets

Fixed assets are depreciated on a straight line balance basis over their estimated useful lives as follows:

	Annual Rate
Equipment	20% straight line p.a.

Debtors

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

Cash at Bank and in Hand

Cash at bank and cash in hand is in respect of bank balances.

Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 March 2022

1 ACCOUNTING POLICIES (continued)

Financial Instruments

The charity 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 the carrying value plus accrued interest less repayments.

Pensions

The company has a defined Contribution Pension Scheme. The pension costs charged to the Statement of Financial Activities are the premiums payable in respect of the accounting period.

Significant Judgements and Estimates

In applying its accounting policies the company did not have to make any significant judgements or estimates

2 LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3 DONATIONS AND GRANTS

	2022 £	2022 £	2022 £	2021 £
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
Arts Council England	436,395	0	436,395	436,393
Leeds City Council	55,576	0	55,576	61,750
	<u>491,971</u>	<u>0</u>	<u>491,971</u>	<u>498,143</u>

4 INCOME FROM CHARITABLE ACTIVITIES

	2022 £	2022 £	2022 £	2021 £
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
Grants				
Ellerman Foundation	50,000	0	50,000	0
Garfield Weston	167,441	0	167,441	0
Healthy Holidays	0	17,000	17,000	10,000
Heritage Lottery	0	44,397	44,397	0
Jimbo's Fund	0	0	0	15,770
Leverhulme	0	7,048	7,048	0
Other Grants & Donations	28,697	0	28,697	126,002
Coronavirus Job Retention Scheme	17,491	0	17,491	130,744
Fees & Other Income				
Touring & Production Income	117,740	0	117,740	154
Education Fees	46,794	0	46,794	17,462
Other Income	0	0	0	6,666
	<u>428,163</u>	<u>68,445</u>	<u>496,608</u>	<u>306,798</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 March 2022

5 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	New Productions	Touring & Other Activities	Education	Total	Total
	2022	2022	2022	2022	2021
	£	£	£	£	£
Production	33,091	33,964	0	67,055	4,397
Heritage Project	0	26,366	0	26,366	968
Choreographic Composer Lab	0	0	0	0	4,500
Digital Works	0	13,933	0	13,933	6,990
Touring	62,795	0	0	62,795	(2,598)
Staffing Costs	71,533	402,794	84,686	559,013	433,594
Training & Physio	8,193	11,611	0	19,804	14,974
Education	0	0	58,074	58,074	33,087
Marketing / Audience Development	4,354	17,933	0	22,287	9,074
Building Overheads	8,774	68,423	0	77,197	46,387
Administration	0	31,970	0	31,970	24,338
Legal and Professional	0	28,982	0	28,982	4,453
Depreciation	0	40,097	0	40,097	39,352
Governance Costs (see note 6)	0	6,500	0	6,500	5,500
Support Costs (see note 6)	0	11,535	0	11,535	8,632
	<u>188,740</u>	<u>694,108</u>	<u>142,760</u>	<u>1,025,608</u>	<u>633,648</u>

Of the £1,025,608 expenditure in 2022 (2021: £633,648) £835,984 was charged to unrestricted funds (2021: £577,363) and £129,624 to restricted funds (2021: £56,295)

6 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The company initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. The table below sets out the basis for apportionment and the analysis of support and governance costs.

	Governance Function	General Support	Total	Basis of Apportionment
	£	£	£	
Salaries and related costs	0	10,136	10,136	<i>actual costs</i>
Building Overheads	0	1,399	1,399	<i>pro rata</i>
Auditor's Remuneration	6,500	0	6,500	<i>actual costs</i>
	<u>6,500</u>	<u>11,535</u>	<u>18,035</u>	

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 March 2022

7	STAFF NUMBERS & COSTS	2022 £	2021 £
	Wages & Salaries & Other Emoluments	454,839	383,837
	Social Security Costs	33,747	26,807
	Other Pension Costs	8,317	6,988
		<u>496,903</u>	<u>417,632</u>

No employees earned in excess of £60,000 p.a.

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	Number	Number
Administrative Staff	4	4
Artistic Team & Technical Staff	19	17
	<u>23</u>	<u>21</u>

Key Management Personnel

The key management personnel comprise the trustees, the chief executive officer and the artistic director and the executive director).

No remuneration or any other benefits was paid to any trustees in the year (2021: £nil)

Expenses of £285 were reimbursed to 1 trustee during the year (2021: no expenses were reimbursed)

The total emoluments of the key management personnel (salaries, employer's NIC and pension costs) during the year was £59,049 (2021: £72,287).

8 RELATED PARTY TRANSACTIONS

No trustee or other person related to the Charitable Company had any personal interest in any contract or transaction entered into by the Charitable Company during the year (2021 - Nil).

9	NET (EXPENDITURE) / INCOME	2022 £	2021 £
	is stated after charging:		
	Depreciation	40,097	39,352
	Auditor's Remuneration	6,500	0
	Independent Examination	0	5,000
		<u>0</u>	<u>5,000</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 March 2022

10 TAXATION

As a charity Phoenix Dance Theatre is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charitable Company.

The company incurs theatre production costs and are entitled to claim Theatre Tax Relief on these costs. In connection with these costs the group has submitted claims for a payable Theatre Tax Credit totalling £16,180 (2021: £nil).

11 TANGIBLE FIXED ASSETS

	Equipment
	£
COST	
At 1 April 2021	300,326
Additions	3,727
Disposals	0
At 31 March 2022	<u>304,053</u>
DEPRECIATION	
At 1 April 2021	202,019
Charge for the Year	40,097
On Disposals	0
At 31 March 2022	<u>242,116</u>
NET BOOK VALUE	
At 31 March 2022	<u>61,937</u>
At 31 March 2021	<u>98,307</u>

All fixed assets are used in direct furtherance of the charity's objects.

At 31 March 2022 the company had made no capital commitments (2021: nil).

	2022	2021
	£	£
12 DEBTORS: amounts falling due within one year:		
Trade Debtors	53,059	3,616
Other Debtors	19,688	35,801
Prepayments & Accrued Income	3,177	3,107
	<u>75,924</u>	<u>42,524</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 March 2022

13	CREDITORS: amounts falling due within one year:	2022 £	2021 £
	Trade Creditors	74,558	27,163
	Other Creditors & Accruals	1,025	2,235
	Donations & Grants Received in Advance	0	175,489
	Other Taxes & Social Security Costs	8,557	9,038
		<u>84,140</u>	<u>213,925</u>

14	FUNDS				
	Balance b/f 01.04.21 £	Incoming Resources £	Resources Expended £	Theatre Tax Credit £	Balance c/f 31.03..22 £
	244,232	920,282	903,134	16,180	277,560
	Restricted				
	98,448	0	39,352	0	59,096
	0	44,397	44,397	0	0
	10,000	17,000	27,000	0	0
	11,827	0	11,827	0	0
	0	7,048	7,048	0	0
	<u>120,275</u>	<u>68,445</u>	<u>129,624</u>	<u>0</u>	<u>59,096</u>
	<u>364,507</u>	<u>988,727</u>	<u>1,032,758</u>	<u>16,180</u>	<u>336,656</u>

Purposes of Restricted Funds:

The **Capital Fund** was a grant to replace technical touring equipment, production equipment and practical office equipment to enable the company to operate more efficiently in terms of time and cost, to be better connected digitally and to bring obsolete equipment up to date to ensure the company is able to perform on a diverse range of performance platforms.

Heritage Project funded 40 year of Phoenix, a project allowing the company to really celebrate its 40th Birthday. The project consisted of an education project involving 120 young people who actively learnt about the heritage and history of the company, working with dance practitioners to make performance pieces. The funding enabled us to create a Physical Exhibition which toured to the theatre venues, as well as an online virtual exhibition which is yet to be released. A Lecture Demonstration created by founding members of the organisation was developed and recorded for future use.

Healthy Holidays programme allows the company to deliver dance and arts activities during school holiday periods providing a healthy lunch and all snacks for the children throughout the day. These holiday camps run across various holiday periods (Summer, Easter, half terms and Christmas) at multiple locations across the city, targeting areas where there is a high percentage of children accessing free school meals at school.

NOTES TO THE FINANCIAL STATEMENTS (continued)
31 March 2022

14 FUNDS (continued)

Purposes of Restricted Funds (continued):

Jimbo's Fund supports the financial costs of running Illuminate Dance - weekly dance programme for young people aged 6 – 18 with additional needs. The provision runs term time only and offers respite to parents/ carers and siblings.

Leverhulme funding is specifically to support the Youth Academy Programme that Phoenix delivers in Leeds, York, Gateshead, Doncaster and now Sheffield. Founded in Leeds in 2009, Phoenix Youth Academy offers high-quality pre-vocational training programmes for young, aspiring dancers aged 13 - 19 years who are interested in pursuing dance as a career. Many Youth Academy alumni have gone on to successfully audition for numerous leading conservatoires.

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
Tangible Fixed Assets	2,982	58,955	61,937
Current Assets	358,718	141	358,859
Creditors: due within one year	(84,140)	0	(84,140)
	<u>277,560</u>	<u>59,096</u>	<u>336,656</u>

16 FUTURE FINANCIAL COMMITMENTS

At 31 March 2022 the company had total commitments under operating leases over the remaining life of these assets of £4,571 (2021: £6,710).

17 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net movement in funds	(27,851)	167,803
Add back depreciation charge	40,097	39,352
Less interest received	(148)	0
(Increase) / decrease in debtors	(33,400)	(398)
(Decrease) / increase in creditors	(129,785)	177,868
Net cash (absorbed by) / from operating activities	<u>(151,087)</u>	<u>384,625</u>