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# **Southampton Film Theatre**

**A Registered Charity and  
Company Limited by Guarantee**

**Trustees Reports and Financial Statements  
For the year ended 31 July 2021**

**Charity number                      276825  
Company number                    1383708**

The Trustee Directors present their report and financial statements for the year ended 31 July 2021.

## **STATUS**

Southampton Film Theatre, popularly known as the Phoenix (and also referred to below as the Phoenix or the Society) is run in association with Union Films, based in Southampton University's Students' Union.

The Society enjoys charitable status and is registered with the Charity Commission (Registration No 276825) under the name of Southampton Film Theatre.

The Society is also registered with Companies House (Registration No 1383708) under the name of Southampton Film Theatre, and is a company limited by guarantee and does not possess share capital. Liability of members is restricted to £1 each in the event of the Society being wound up.

The Registered Office address is:

The Phoenix (Southampton Film Theatre), PO Box 1212, 15 Hilldown Road, SO17 1ZL.

The website address is: <https://www.thephoenix.org.uk>

The Phoenix is a member of Cinema for All, the trading name of the British Federation of Film Societies, and Film Hub South West.

## **GOVERNANCE**

The charity Trustees are also Directors of the company and, in the company's Articles, are known as members of the Council of Management. According to the requirements of the Memorandum and Articles of Association the members of the Council of Management are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting. Members of the Council of Management are set out on page 4.

## **PURPOSES AND AIMS**

The purposes and aims of the Society, its Charitable Objects, are as detailed in its Articles of Association and form the basis of its registration as a charity. Briefly, they are to encourage the development of film and public appreciation of the medium of film, and to promote the use of film as a record of contemporary life, particularly with reference to Hampshire and the City of Southampton.

## **ENSURING OUR WORK DELIVERS OUR AIMS**

The Council of Management reviews the Society's aims, objectives, activities and risks each year. The review process helps us to ensure that our aims, objectives and activities remain focused on our stated purposes. We also identify risks and prioritise them in terms of likelihood of occurrence and potential impact. Our review process was extended as the Covid-19 pandemic developed; our reaction to the Covid-19 restrictions is set out in detail in the "Review of Business" on pages 2 and 3.

Our key risks, in addition to those arising from the Covid-19 pandemic, comprise the loss of key members of the Council of Management; a material reduction in the Society's membership; a sustained fall in the popularity of cinema towards small screen streaming services; various issues relating to Brexit; and venue loss.

The Council of Management has paid due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Council consider how planned activities will contribute to the aims and objectives they have set.

## **HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT**

The Society's main activity, who we hope to benefit and our achievements and performance in the year are described in the "Review of Business" on pages 2 and 3. All our charitable activities are undertaken to further our charitable purposes, as embodied in our Charitable Objects, for the public benefit.

## REVIEW OF BUSINESS

### *Working with the Students' Union and Union Films*

The Phoenix operates in conjunction with Southampton University's Union Films from the Southampton University Students' Union building Cinema, which offers DCI-compliant projection and 35mm facilities in a recently refurbished space providing a comfortable, well-ventilated environment for film-watching.

We retain our status as Union Films' 'World Cinema' provider whilst maintaining our identity as a standalone film society serving the wider public with an interest in the medium of film in and around Southampton. We value the often annually changing personnel in Union Films and our contact with the Students' Union team; the Union values our community involvement.

### *Responding to the Covid-19 pandemic*

As reported in the Trustees Report for the year ended 31 July 2020, we took the decision to temporarily cease screenings after we presented Evelyn on 11 March 2020, ahead of HM Government's decision to order the closure of cinemas and much of the economy on 24 March 2020.

Since then, the Council of Management has met regularly by utilising Zoom and Teams platforms with a primary focus of protecting the health of our members and volunteers and always keeping in mind our public benefit charitable aims. To inform these discussions, we have:

- maintained contact with the Students' Union and the Union Films Manager;
- reviewed public statements from the University of Southampton;
- read the words of encouragement from our members, for which we have been ever grateful;
- sought to understand the developing advice from the Charity Commission;
- monitored the reaction of other film societies and the commercial art house sector; and
- monitored the ongoing advice from HM Government.

The Council of Management has communicated with members and other interested parties, generally on a monthly basis, with a Mailchimp email and a link to a Newsletter on our website. These communications have been well received and some have included input from our members as well as from members of the Council of Management. We have also hosted online meetings with our members and have welcomed the opportunity to come together as a community in this way and to hear as clearly as possible the developing views of our membership.

Whilst we had hoped to return to screening earlier rather than later in 2021, the course of the pandemic meant that the first available opportunity was to recommence screenings on 13 October. At this time, we were delighted to welcome back our members, assisted by the Union Films Manager and her volunteer team as well as our Phoenix volunteers. We have published a programme of nine films for the autumn term, and we are currently planning the rest of our programme for the 2021-22 year.

We will continue to monitor developments, always guided by what is best for the health of our members and volunteers and, of course, the availability of our venue.

### *Finance*

We were heartened and grateful that no members sought a refund for those films unable to be shown between March and June 2020.

In the year under review, we reduced our activity as much as possible, but an element of fixed cost could not be properly eliminated, and the financial statements show a deficit for the year of £714. Had we sought to cancel these commitments, we would have damaged our opportunity to return to screening at the earliest available opportunity.

When it became clear that we could safely resume screening and as indicated in our Trustees Report for the year ended 31 July 2020, we have offered 2019-20 annual members and associates a discount at least equivalent to the value of films we were unable to screen from mid-March until the end of the 2019-20 season.

Despite not having published a full programme, we were immensely encouraged to have sold more than 140 annual memberships in the month before the resumption of screenings, another indicator of the loyalty of our members; we anticipate further annual members will join us in the coming months. This level of member engagement is at the top end of our projections and gives us confidence that we can return to a break-even position over time.

#### *Our reserves*

Members of Council continue to monitor the Society's reserves on a regular basis and consider the reserves held by the Phoenix to be satisfactory, recognising both current uncertainties and possible future events, and to adequately cover risks identified in our risk register as identified on page 1. The risk register also acknowledges the voluntary nature of our Council, and from time to time we make requests of our membership for additional support to enable us to continue operating successfully in the future.

#### *Going concern*

Members of Council have assessed the ability of The Phoenix to continue as a going concern. That assessment included consideration of the impact of the Covid-19 pandemic on the operations and finances of The Phoenix, including reviews of different scenarios and the assumptions underpinning them, the level of cash held as reserves and the associated risk profile of the organisations holding the cash, the key risks as identified in our risk register and noted on page 1 and our budgets for 2021-22 using conservative assumptions. The assessment made by the Members of Council is that The Phoenix will remain a going concern for a period of at least 12 months from the date of approval of this report and of the financial statements.

#### *Thanks*

We wish to record publicly our thanks to:

- The Union Films Manager and her fellow volunteers who work so hard to deliver an amazing experience for our members and who have worked diligently with us to prepare for a return to screening the best of world cinema;
- the SUSU management who continue to work hard behind the scenes to support our activity;
- our non-student volunteers who attend week in, week out, to welcome our members; and
- the individuals who, as the Phoenix Council, continue to search out and enable the showing of the best of world cinema, a task which has continued throughout the last year.

Most importantly, we would like to thank our members for their loyalty over time and particularly throughout the past year, and for continuing to support the efforts of the Council of Management whilst our screenings remained temporarily suspended. We are delighted to have been able to resume screenings on October 13<sup>th</sup>, welcoming returning and new members alike.

#### *Conclusion*

Having concluded that the state of the Company's affairs and the accounts for the year are satisfactory in the current circumstances, the Trustee Directors of the Phoenix recommend acceptance of this report.

## **COUNCIL OF MANAGEMENT**

Members of the Council are both Trustees of the Charity and Directors of the Company.

No member of the Council of Management receives remuneration or other benefit from their activities as a Trustee Director of the Phoenix. Any connection between a member of the Council of Management of the Phoenix and a contractual party must be disclosed to the Council. During the year under review, no such related party transactions were reported, although we note that Ms White is an employee of the University of Southampton.

During the year the Council Members were:

G Cole (Chair)	(elected 27 January 2021)
S Edwards	(elected 27 January 21021)
A Jackman (also Company Secretary)	(elected 14 November 2018)
J Marshall	(elected 27 January 2021)
JA Pickering	(elected 27 January 2021)
W White	(elected 20 November 2019)

## **FINANCIAL STATEMENTS**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS**

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

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Acts. 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.

**By order of the Council**

**A Jackman**

**Company Secretary**

Southampton Film Theatre

[ DRAFT 17 November 2021 ]

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**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating an Income and Expenditure Account)**  
for the year ended 31 July 2021

	<i>Notes</i>	<b>2021</b>	<b>2020</b>
<b>INCOME</b>	<b>2</b>		
		<b>£</b>	<b>£</b>
Membership		-	6,476
Door receipts		-	2,460
Other operating income		-	10
Deposit account interest	3	<b>9</b>	239
<b>TOTAL INCOME</b>		<b>9</b>	<b>9,185</b>
<b>EXPENDITURE</b>			
Film hire and purchase		<b>156</b>	3,618
Venue hire		-	4,000
Administration expenses		<b>567</b>	931
Promotion (including printing and advertising)		-	1,588
<b>TOTAL EXPENDITURE</b>		<b>723</b>	<b>10,137</b>
<b>(DEFICIT) / SURPLUS ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION</b>	<b>4</b>	<b>(714)</b>	<b>(952)</b>
<b>RETAINED FUNDS BROUGHT FORWARD</b>		<b>31,692</b>	32,644
General fund £2,942 (£3,894); designated fund £28,750 (£28,750)			
<b>RETAINED FUNDS CARRIED FORWARD</b>		<b>30,978</b>	<b>31,692</b>
General fund £2,228 (£2,942); designated fund £28,750 (£28,750)			

There are no recognised gains or losses attributable to members other than the deficit for the period of £714 (2020: deficit of £952).

**BALANCE SHEET**

at 31 July 2021

	<i>Notes</i>	<b>2021</b> £	2020 £
<b>CURRENT ASSETS</b>			
Cash at bank and in hand	5	<b><u>45,632</u></b>	<u>46,774</u>
<b>CREDITORS: amounts falling due within one year</b>	6	<b><u>14,654</u></b>	<u>15,082</u>
<b>NET CURRENT ASSETS</b>		<b><u>30,978</u></b>	<u>31,692</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b><u>30,978</u></b>	<u>31,692</u>
<b>FUNDS</b>			
Unrestricted funds:			
General funds (undesignated)		<b>2,228</b>	2,942
Designated fund: Equipment Reserve	8	<b><u>28,750</u></b>	<u>28,750</u>
		<b><u>30,978</u></b>	<u>31,692</u>

For the year ending 31 July 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

)  
**G Cole)**  
 ) **Directors and Trustees**  
**A Jackman)**  
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[ Draft 17 November 2021 ]

**CASH FLOW STATEMENT**

for the year ended 31 July 2021

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net (deficit) / surplus	<b>(714)</b>	(952)
(Decrease) / increase in creditors	<b>(428)</b>	(4,244)
<b>Cash flow from operating activities:</b>	<hr/>	<hr/>
Net cash used in operating activities	<b><u>(1,142)</u></b>	<b><u>(5,196)</u></b>
<b>Change in cash and cash equivalents in the year</b>	<b><u>(1,142)</u></b>	<b><u>(5,196)</u></b>

## NOTES TO THE ACCOUNTS

at 31 July 2021

### 1. ACCOUNTING POLICIES

#### *Basis of accounting and going concern*

The accounts are prepared under the historical cost convention and are drawn up in accordance with the requirements of the Statement of Recommended Practice (SORP FRS102).

The Trustee Directors assess whether the use of the going concern basis of accounting is appropriate, i.e. whether there are material uncertainties related to events or conditions that may cast doubt on the ability of the Phoenix to continue as a going concern. The Trustee Directors review forecasts and projections covering a period of at least one year from the date of approval of the financial statements in making that assessment. The Trustee Directors do not consider that there are any such material uncertainties, other than the impact of the Covid-19 pandemic which is considered further in the Review of Business on pages 2 and 3. The overall impact of the Covid-19 pandemic on the finances of the Phoenix will be dependent on the duration and nature of restrictions on social contact, whether government imposed or due to general concerns regarding to the safety of members and volunteers and the availability of a venue. The Trustee Directors have reviewed a range of scenarios which differ in timescale for a resumption of activities and the timeline for building back up to the level of activity prior to the pandemic, recognising that the Phoenix is a volunteer-led organisation with a low level of fixed cost. As a result of this review process, the Trustee Directors consider that the going concern assumption remains valid.

#### *Income and expenditure*

Income is recognised when the company has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Expenditure is recognised when a liability is incurred.

#### *Trustee Directors' responsibilities*

See Statement on page 4.

### 2. INCOME

The Phoenix is not required to register for Value Added Tax.

### 3. INTEREST

	<i>2021</i>	<i>2020</i>
	£	£
Bank deposit account interest	<u>9</u>	<u>239</u>

### 4. TAXATION

HM Revenue & Customs ("HMRC") has confirmed that the company is a charity for tax purposes in line with Paragraph 1 of Schedule 6 Finance Act 2010, and that the company is regarded for tax purposes as a charitable company. The charity reference number supplied by HMRC is EW05773. No provision for corporation tax is required.

**5. CASH AT BANK AND IN HAND**

	<b>2021</b>	2020
	<b>£</b>	£
Current account (Santander Bank)	<b>5,444</b>	6,595
On demand deposit account (COIF)	<b>40,188</b>	40,179
	<b><u>45,632</u></b>	<u>46,774</u>

**6. CREDITORS: Amounts falling due within one year**

	<b>2021</b>	2020
	<b>£</b>	£
Trade creditors	<b>10,450</b>	10,878
Membership income in advance	<b>4,204</b>	4,204
	<b><u>14,654</u></b>	<u>15,082</u>

**7. MEMBERS' LIABILITY**

The liability of the members is limited to £1 each.

**8. EQUIPMENT RESERVE**

The principle of establishing an equipment reserve was discussed by Council and at the AGM 2005. This designated, unrestricted fund has been established in order that the means to achieve the aims of the Charitable Company can continue to be met, particularly in relation to projection of future (digital) productions.

In the current year, an amount of £nil (2020: £nil) was transferred from the undesignated general fund to the designated equipment reserve, resulting in a balance in this reserve at the end of the year of £28,750 (2020: £28,750).