

Company registration number: 05516471

Charity registration number: 1112701



Chain Reaction Theatre Company

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Beresfords
Chartered Certified Accountants
1-2 Rhodium Point
Spindle Close
Hawkinge
Folkestone
Kent
CT18 7TQ

Chain Reaction Theatre Company

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Chain Reaction Theatre Company

Reference and Administrative Details

Trustees

Mr MJ Dyer MBE, Chairman
Mrs N Hinksman, Treasurer
Mr S Kenwright
Miss S Watson
Miss L Stewart
Mr John McEachern

Secretary

Ms S Smit

Principal Office

Millers House
Three Mill Lane
London
E3 3DU

The charity is incorporated in England and Wales.

Company Registration

Number

05516471

Charity Registration Number

1112701

Independent Examiner

Beresfords
Chartered Certified Accountants
1-2 Rhodium Point
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Chain Reaction Theatre Company

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

Aims & Objectives

Chain Reaction is an award-winning London-based charity that has been using theatre and media to ignite personal and social change for 26 years.

We work in partnership with schools, local councils and corporate organisations to produce high-quality, emotionally engaging projects which transform the way people relate to themselves, their community and to wider society.

We work across both the public and private sector, ensuring our work with vulnerable young people is at the heart of what we do. We identify and address the most acute health and social issues facing disadvantaged young people today. Using the power of creativity, we engage, educate and empower them to reach their full potential in life.

Whether we're delivering professional theatre performances or running youth theatres, creative media workshops, social action groups or interactive training programmes, our work increases people's skills, knowledge and understanding, whilst building their resilience, self-esteem and confidence.

We fundraise to make sure that our transformational community projects are totally free of charge, making them fully accessible to those who need it most and ensuring our impact is as far reaching as possible. Over the last 25 years we're proud to say that our work has reached over 400,000 people.

- We design and deliver engaging and creative workshop programmes exploring key health and social issues.
- We work with professional actors, writers and directors to create original theatre for young people and adults.
- We develop bespoke programmes for corporate audiences to ignite organisational change.

We've spent 26 years educating, inspiring and increasing the confidence of severely disadvantaged young people aged 5 to 19. Working in areas of extreme deprivation we enable young people to develop essential life skills, motivation and aspirations and access high-quality arts and cultural opportunities (often for the first time).

Our creative programmes for young people take place in schools, community venues, theatres and special education units (for young people who've been excluded from school).

Ensuring our community programmes are free to users enables us to alleviate the barriers which many young people face growing up in our communities. We actively promote access and inclusion to the arts by eliminating physical, cultural, social, and/or financial barriers that can exclude participation.

We hope you enjoy reading about our achievements, despite the difficult circumstances the last 12 months have presented.

Chain Reaction Theatre Company

Trustees' Report

Covid-19

In what has been one of the most challenging years in our existence, we're extremely proud of the strength and adaptability we've shown as an organisation. We had a full programme of creative projects planned for 2020/2021 and it's been disappointing to not have been able to execute it in the way we had envisaged. However, our team have shown incredible resilience and flexibility and we were all determined to deliver whatever projects we physically could because we know how vital they are for our participants. We still managed to deliver 4 large-scale projects during this year which we are immensely proud of; some were online, many were still face-to-face, yet all were delivered with the same passion and enthusiasm as ever.

Our constitutional objectives:

Chain Reaction's objectives are to advance the education of young people and adults by:

- Devising, performing and producing original theatre work promoting awareness of health and social issues.
- Working with young people as performers and writers.
- Working with young people and adults through performance, workshops and media.

Strategies for achieving the objectives:

- Using drama and media to deliver issue-based workshop projects to tackle issues that young people are facing in their lives.
- Producing and touring quality, accessible and entertaining theatre productions and workshops that provoke discussion and thought.
- Ensuring that our work is accessible to our audiences so that schools, theatres and community venues will continue to invite us back year after year.
- Working in collaboration with other agencies and stakeholders.
- Continuing our networking efforts to ensure we continue to build robust partnerships with organisations in the field of arts, health and young people.
- Guaranteeing that young people walk away from our projects feeling better about themselves, raising their self-esteem, self-confidence and aspirations for the future.
- Marketing our work to organisations and young people that might benefit from it. Making use of our website and producing inspiring promotional material.
- Monitoring our fundraising strategy to continually ensure we have the necessary funds to reach vast audiences with our current projects whilst also setting up new theatre projects to address the latest issues facing young people.

Achievements during 2020-2021:

Engagement figures: This year Chain Reaction reached 287 young people aged 5-19 with intensive workshop programmes (*please see the explanation above describing how covid-19 impacted our engagement figures*).

Workshop programmes: We delivered an extensive programme of workshop projects in partnership with a range of youth and community organisations, schools and funding bodies to deliver key specialised targeted projects in and out of school hours. These projects build knowledge on health and social issues, increase aspirations and employability skills, nurture self-esteem, encourage individuality and improve young people's social skills. In 2020-2021, we have delivered the following workshop programmes:

1. *Action4Gascoigne*
2. *Chain Reaction Youth Theatre*
3. *Girls Support Girls - London Borough of Barking & Dagenham*
4. *Girls Support Girls - London Borough of Tower Hamlets*

Chain Reaction Theatre Company

Trustees' Report

Key Projects

ACTION4GASCOIGNE – London Borough of Barking & Dagenham

This year, thanks to funding from the Co-Op Foundation, *Action4Gascoigne* has been on-hand to provide vital support for 30 young people living on and around the severely deprived Gascoigne Estate in Barking.

We adapted quickly in April 2020 by taking our weekly sessions online, working alongside our participants to identify local issues in their community. The young people explored issues impacting themselves, their families, and their community due to the pandemic, but also focused on building relationships and the importance of reducing youth loneliness, now more than ever. We delivered online sessions for a total of 12 weeks with each session consisting of lively team-building games and engaging issue-based activities. Supporting our young people was essential as many of the participants felt isolated and lacked routine and they (and the staff!) relished our weekly A4G online sessions for togetherness, positivity, and focus.

In August, we successfully delivered 4 full days of face-to-face, socially-distanced holiday workshops with 18 young people. We adapted our delivery methods and delivered the programme at Greatfields school on the Gascoigne Estate, working in partnership with Greatfields we produced a full Covid-19 risk assessment. We delivered dynamic drama-based sessions in their large school hall that motivated our participants to improve their communication skills and ignite their creativity! Having been isolated for so long, these sessions were more needed than ever, we loved seeing the young people flourish throughout the process.

In January 2021, we once again took to the internet to host our sessions. Aware that Lockdown #3 was going to severely impact our young people, we were determined not to let them down. Working with them each week, our team helped them plan and host a creative poster competition to inspire others in their community to remain positive and happy during these tough times. Judged by Darren Rodwell, Leader of Barking & Dagenham Council, the competition provided a glimmer of hope and positivity to young people across the borough. The posters were all aimed at encouraging people to look out for one another in this difficult period. The winning poster was printed and presented to the designer with a prize and distributed across social media channels for all to see.

PROJECT OUTCOMES

- 100% of participants enjoyed A4G.
- 100% of felt that A4G was a positive project that made them feel less isolated.
- 95% said that A4G made them feel more confident.
- 100% felt that they were part of the A4G community.
- 91% developed new skills.
- 95% made new friends at A4G.
- 100% felt that A4G brought people together that would otherwise not meet nor socialise.

"[I enjoyed...] the games and the drama because it was fun, educational and you learn a lot of new skills... Many people are feeling isolated, lonely or they have lost their social skills, so they could come to A4G to make new friends and have fun."

Participant, aged 12

"[It's important to have youth groups like this because] it gets people out of their homes and off their phones. Young people get more friends and they get more confident; it also prevents social isolation."

Participant, aged 13

"A4G has helped me a lot and can help other people like me to gain new friends, a new community and new confidence!"

Participant, aged 12

Chain Reaction Theatre Company

Trustees' Report

GIRLS SUPPORT GIRLS (GSG) – London Borough of Barking & Dagenham

During the Autumn term, we worked with 94 young people from 5 schools in the London Borough of Barking & Dagenham. GSG is a specially devised workshop programme for vulnerable girls aged 13–19. The programme tackles barriers to employment by building confidence, self-esteem and knowledge whilst empowering young women to take control of their mental, sexual and physical health.

Delivered by our experienced, fun and streetwise team of specialist female facilitators, GSG enables marginalised young women to realise their true potential in life. Using our transformative drama-based methods GSG promotes:

- The importance of individuality.
- Aspirations and the value of future goals.
- Awareness of mental health issues.
- Healthy body image.
- The importance of being open and supportive to other young women.
- How to identify negative and exploitative relationships.
- Awareness of sexual health issues and positive relationships.

GSG deals with these important issues in a supportive environment that helps build resilience and enables girls to develop confidence in themselves and their abilities.

Across the year and despite the lockdowns and irregularity of school schedules, we delivered GSG in 5 schools across the London Borough of Barking & Dagenham. The programme, funded by the London Borough of Barking & Dagenham Clinical Commissioning Group and the Child and Adolescent Mental Health Services, was a huge success and our outcomes show the impact the project has had on our vulnerable participants:

PROJECT OUTCOMES

- 99% of participants said they had learnt new ways to support other girls and women.
- 97% said they had a greater understanding of mental health issues.
- 98% felt they gained a better understanding of the risks of 'unsafe sex'.
- 96% said the workshop helped them to recognise negative and exploitative relationships.
- 88% said they gained a greater sense of self-belief and self-worth.
- 94% said they now know where to go in the borough should they need additional support.

"I liked how all of us girls could talk about anything we wanted and not feel embarrassed. I enjoyed speaking about whatever I wanted and not feeling scared about what I said."

Participant, aged 13, Sydney Russell School

"I liked that we were communicating like we had known each other for a long time. Also, I have learnt so much important information."

Participant, aged 14, Riverside Secondary School

"I got to talk about how I feel and get advice to gain more confidence."

Participant, aged 13, Greatfields School

"Sessions were fantastic, well run and I could see that students felt comfortable being there, even when conversations were tricky at times. Covid guidelines were adhered to and the set-up was painless for us in school. Nicely resourced and very friendly."

Anne Wright, Deputy Designated Safeguard Lead, Greatfields School

Chain Reaction Theatre Company

Trustees' Report

GIRLS SUPPORT GIRLS – London Borough of Tower Hamlets

We were thrilled to secure funding from The Home Office in partnership with the London Borough of Tower Hamlets that enabled us to take this much-needed programme into another of our local boroughs and work with 148 vulnerable young women. The funding also meant we could expand our *Girls Support Girls* programme to include delivery in a community setting.

The programme explored a number of topics including drugs and alcohol, gangs, sexual health, exploitation and sexual health and relationships. We worked with the young people to identify barriers to success and provided them with knowledge and practical tools to avoid wider exploitation issues. We did a lot of work around positive relationships and provided participants with a fully rounded programme to build their resilience.

In addition to delivering 5 full days of GSG workshops in schools, we also conducted 6 days of intensive community-based workshops in 2 accessible community venues. We ran a 3-day programme in October half-term 2020 and another 3 days in February half-term 2021. At a time when young people were extremely isolated due to lockdown #3, this Covid-safe support group programme was invaluable.

Working with the young women for a three-day period allowed us to truly build up a rapport with each individual. Our team were able to continue working with the most vulnerable of our participants after the programme had finished by providing one-to-one follow-up mentoring tailored to their specific needs. Working through our mentoring and development booklet with online sessions and with regular phone calls, we were able to support these girls through problems at home or in their school life. We were keen to ensure they were able to apply the tools and techniques they'd learnt through the GSG programme to their daily lives.

The one-to-one work we've been able to offer at a time of such need has been hugely beneficial for all involved. The success of GSG this year has been humbling.

PROJECT OUTCOMES

- 98% of participants enjoyed the workshops.
- 94% said GSG has helped them to think more about their future prospects.
- 98% have learnt new ways to support other girls.
- 80% feel more confident.
- 90% believe in themselves more.
- 97% have a greater understanding of mental health issues.
- 97% can recognise what a negative relationship looks like.
- 87% have a clearer understanding of radicalisation and exploitation.

"I made new friends and it helped me gain more confidence and be more resilient...
[I learnt] to speak up and not be quiet all the time and to say my opinions and what I think more."

Participant, aged 14, GSG Community Programme

"I liked how diverse and empowering the topics we discussed were... Life isn't a straight line and you will reach hurdles but you will overcome them... Once you reach a limit of being exploited and radicalised, there's no going back."

Pupil, aged 15, Langdon Park School

"[Students were] Really well engaged and excited about all aspects...
Definitely will recommend to other year groups within the school."

Mr McGarvey, Teacher, Head of Year 9 Girls, Bishop Challoner Catholic School

Chain Reaction Theatre Company

Trustees' Report

CHAIN REACTION YOUTH THEATRE – London Boroughs of Tower Hamlets and Newham

With funding from BBC Children In Need and the People's Postcode Trust we were able to work alongside 15 young people this year through Chain Reaction Youth Theatre (CRYT). CRYT is a dynamic weekly youth-led project for 11–18-year-olds that uses drama and theatre to tackle issues that affect young people and their communities. Working with vulnerable young people from the deprived London Boroughs of Tower Hamlets and Newham, CRYT raises confidence and skills whilst providing a safe, fun and positive environment where they are free to explore their creativity.

Our specialist team of upbeat, dynamic and supportive arts practitioners focus on boosting our participants self-belief, communication and leadership skills, and overall community spirit.

This year CRYT was adapted for online delivery to ensure we could guide some of the most vulnerable young people through a lonely and unfamiliar time. We delivered a whole term on Zoom during lockdown #1, providing our young people with interactive sessions that offered them a supportive and creative outlet - not to mention some much needed social interaction! – In the Autumn, we managed to return to our face-to-face sessions, having devised a programme that could be delivered safely in line with social distancing guidelines. It was brilliant to be reunited with the young people in person but unfortunately, we had to stop face-to face delivery after a few sessions as we entered lockdown #2.

Despite the disruption to our programme, our young people have benefitted hugely from the regular interaction and support we've been able to offer. We have witnessed our young people's confidence and skills grow and we look forward to continuing the project in Spring 2021 and working towards a live performance where they can showcase their talent and skill.

PROJECT OUTCOMES

- 100% of participants enjoyed Chain Reaction Youth Theatre.
- 100% have gained confidence.
- 100% learnt new skills in speaking, listening or presenting.
- 100% said that CRYT helped improve their teamwork skills.
- 100% stated that CRYT helped them become more accepting of others.

"I like the energy of it. It's always fun and exciting, each week we do something better than the last."

Participant, aged 14

"[Chain Reaction Youth Theatre] has helped me increase my drama skills and taught me the important skill of teamwork. It has also taught me how even without all the resources you can still make things work really well."

Participant, aged 12

"Chain Reaction Youth Theatre has taught me to be confident in myself and my abilities. "

Participant, aged 15

Chain Reaction Theatre Company

Trustees' Report

Chain Reaction's Benefit to the Public:

We're one of the leading providers of free positive arts activities in our target boroughs and renowned for engaging the most challenging young people and sustaining that engagement. Young people find out about our projects through our strong partnerships and referral routes with schools, youth/social services and through direct outreach work.

We work primarily in areas of high deprivation throughout London and Essex; our main target areas are within the top 20% most deprived boroughs in the country. Research shows that young people from deprived backgrounds are more likely to take drugs or participate in anti-social behaviour; the diets of young people of low socio-economic status tend to be poor and girls from the poorest backgrounds are more likely to become teenage mothers than girls from professional backgrounds.

Many of the young people we work with are from very challenging backgrounds and at risk of developing anti-social and criminal behaviours. We often engage young people who think becoming a teen parent or going on benefits is a more viable life choice than finishing their education; they desperately need positive engagement to stop them slipping through the cracks. With little confidence in what they can achieve, many face emotional difficulties that often result in behaviour issues at school or work. All of this is exacerbated by a lack of positive role models to help them to progress in life, leading to a cycle of low educational attainment and unemployment.

We work with those who:

- Attend Special Education Units and need help re-integrating back into mainstream education.
- Are in the care system and need extra support.
- Are lacking communication and social skills.
- Have ADHD and/or Autism and find it difficult to integrate in a traditional classroom setting.
- Are disengaging from school and need interventions to raise aspirations.
- Are already NEET and need mentoring and tailored support to get them back into education/training/employment.

Chain Reaction's educational performances and workshop programmes are an engaging way for young people to develop new skills, learn new information and explore a wide range of topics that are most relevant and pressing in today's society.

Our work benefits young people and their communities in numerous different ways:

- Educating young people on key health and social issues.
- Promoting community safety.
- Providing interactive arts and cultural activities.
- Providing extensive and up to date information.
- Raising young people's levels of knowledge, self-esteem and confidence so they can make informed decisions about their futures.
- Instilling a sense of community spirit in young people.

Young people who take part in our out-of-school workshops are actively engaging in positive activities away from the streets and out of trouble. Whilst there, they enjoy fun, safe, informative, issue-based drama and creative activities that help them explore why and how to avoid negative, anti-social behaviour and focus instead on playing a positive, active part in their community.

Chain Reaction Theatre Company

Trustees' Report

Our targeted workshops with young people from Youth Offending Teams, Special Education Units, Youth Inclusion Support Panels and Reception & Reintegration Units ensure that we are working with the most vulnerable youths in our society and tackling the issues that can really make a difference to their futures and the lives of those around them.

The secondary beneficiaries of our projects are the family and friends of the young people with whom we work and members of the wider communities in which they live. Changing attitudes and behaviours make communities more cohesive, safer, happier, and healthier places to live. This, in turn, benefits the whole of society on a long-term basis.

Charity's policy with regard to reserves:

The Board of Directors has examined the requirement for free reserves i.e. those unrestricted funds, designated for specific purposes or otherwise committed. The Board of Directors considers that, given the nature of the charity's work, the level of free reserves should contain sufficient working capital to cover costs i.e. staff redundancies and closure costs at any one time and allow the charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Financial Review

The results of the charity for the year are shown in the annual financial statements set out on pages 13 to 24. The Charity had total income of £186,339 and direct charitable expenditure of £129,611. Total fund balances carried forward were £114,736.

Funds and Reserves

The unrestricted funds include a General Reserve carried forward of £65,326 and restricted funds of £49,410. The Board of Directors consider this level of general reserves as sufficient but will still use strategies to ensure this level of reserves remains strong in the next financial year.

Risk Review

The major risks to which the charity is exposed have been reviewed and systems are being established to mitigate those risks. In addition, funding risk is being addressed by creating a better spread amongst various funders.

Structure, Governance and Management

Governing document

Chain Reaction is registered as a charity and company and governed by its Memorandum and Articles of Association and acts entirely as a non-profit making organisation.

Organisational management

The Directors and Trustees are legally responsible for the overall management and control of Chain Reaction. The work of implementing most of their policies is carried out by themselves and the Artistic Director. Directors meet four to six times a year and meetings are chaired by the Chair. The day-to-day running of the charity is delegated to the respective Artistic Director who also attends meetings of the Directors.

Recruitment and appointment of Directors

In accordance with the governing document, elections for the Directors take place every year at the Annual General Meeting; if eligible outgoing Directors may offer themselves for re-election. Appointment is on the basis of nominations received from Board Members concerning eligibility, personal competence, specialist skills and local availability.

Chain Reaction Theatre Company

Trustees' Report

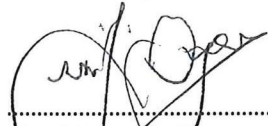
Induction and training of Directors

Directors are inducted through training days and through informal and formal meetings with established or outgoing Directors. Each is provided with an induction pack and other relevant materials to familiarise themselves with the Charity's operations.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on Tuesday 12th October 2021 and signed on its behalf by:


.....
Mr MJ Dyer MBE
Chair of Trustees

2

Chain Reaction Theatre Company

Statement of Trustees' Responsibilities

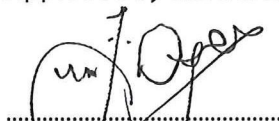
The trustees (who are also the directors of Chain Reaction Theatre Company for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 charitable 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 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Approved by the trustees of the charity on Tuesday 12th October 2021 and signed on its behalf by:



.....
Mr MJ Dyer MBE
Chair of Trustees

Chain Reaction Theatre Company

Independent Examiner's Report to the trustees of Chain Reaction Theatre Company

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 13 to 24.

Respective responsibilities of trustees and examiner

As the charity's trustees of Chain Reaction Theatre Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Chain Reaction Theatre Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Chain Reaction Theatre Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Mr Daniel Payne FCCA
Association of Chartered Certified Accountants
Beresfords
Chartered Certified Accountants
1-2 Rhodium Point
Spindle Close
Hawkinge, Folkestone
Kent
CT18 7TQ

Date: 12/10/21

Chain Reaction Theatre Company

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	37,626	130,413	168,039
Charitable activities	4	15,450	-	15,450
Investment income	5	7	-	7
Other income	6	2,843	-	2,843
Total income		55,926	130,413	186,339
Expenditure on:				
Charitable activities	7	(27,617)	(101,994)	(129,611)
Total expenditure		(27,617)	(101,994)	(129,611)
Net income		28,309	28,419	56,728
Net movement in funds		28,309	28,419	56,728
Reconciliation of funds				
Total funds brought forward		37,017	20,991	58,008
Total funds carried forward	16	65,326	49,410	114,736

The notes on pages 16 to 24 form an integral part of these financial statements.

Chain Reaction Theatre Company

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	47,600	105,567	153,167
Charitable activities	4	9,486	-	9,486
Investment income	5	9	-	9
Other income	6	9,271	-	9,271
Total income		66,366	105,567	171,933
Expenditure on:				
Charitable activities	7	(45,964)	(87,480)	(133,444)
Total expenditure		(45,964)	(87,480)	(133,444)
Net income		20,402	18,087	38,489
Net movement in funds		20,402	18,087	38,489
Reconciliation of funds				
Total funds brought forward		16,614	2,904	19,518
Total funds carried forward	16	37,016	20,991	58,007

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2020 is shown in note 16.

Chain Reaction Theatre Company

(Registration number: 05516471)

Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Current assets			
Debtors	13	9,056	-
Cash at bank and in hand	14	114,370	61,167
		<u>123,426</u>	<u>61,167</u>
Creditors: Amounts falling due within one year	15	(8,690)	(3,160)
Net assets		<u>114,736</u>	<u>58,007</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		49,410	20,991
Unrestricted income funds			
Unrestricted funds		<u>65,326</u>	<u>37,016</u>
Total funds	16	<u>114,736</u>	<u>58,007</u>


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

Directors' responsibilities:

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

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

The financial statements on pages 5 to 16 were approved by the trustees and authorised for issue on Tuesday 12th October 2021. and signed on their behalf by:


.....
Mr M J Dyer MBE
Chair of Trustees

The notes on pages 16 to 24 form an integral part of these financial statements.

Chain Reaction Theatre Company

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Millers House
Three Mill Lane
London
E3 3DU

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Chain Reaction Theatre Company 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 charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

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

Chain Reaction Theatre Company

Notes to the Financial Statements for the Year Ended 31 March 2021

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Chain Reaction Theatre Company

Notes to the Financial Statements for the Year Ended 31 March 2021

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Chain Reaction Theatre Company

Notes to the Financial Statements for the Year Ended 31 March 2021

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 Income from donations and legacies

	Unrestricted		Total	Total
	General	Restricted	2021	2020
	£	£	£	£
Grants, including capital grants;				
Government grants	24,376	-	24,376	-
General grants	13,250	130,413	143,663	153,167
	<u>37,626</u>	<u>130,413</u>	<u>168,039</u>	<u>153,167</u>

4 Income from charitable activities

	Unrestricted	Total	Total
	General	2021	2020
	£	£	£
Project and schools income	15,450	15,450	9,486

Chain Reaction Theatre Company

Notes to the Financial Statements for the Year Ended 31 March 2021

5 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	7	7	9

6 Other income

	Unrestricted General £	Total 2021 £	Total 2020 £
Theatre tax relief refunds	2,843	2,843	9,271

Chain Reaction Theatre Company

Notes to the Financial Statements for the Year Ended 31 March 2021

7 Expenditure on charitable activities

		Unrestricted		Total	Total
	Note	General	Restricted	2021	2020
		£	£	£	£
Governance costs	8	1,440	-	1,440	1,440
Staff costs		24,376	56,227	80,603	75,364
Freelancers: performers, directors and projects		-	26,878	26,878	30,849
Volunteer expenses		-	50	50	261
Rent, rates and venue hire		-	10,679	10,679	10,080
Insurance		1,086	-	1,086	1,020
Project costs		-	3,385	3,385	6,316
Telephone and internet		-	1,455	1,455	1,425
Printing, postage and stationery		-	2,394	2,394	2,176
Tour vehicle expenses		-	-	-	1,377
Travel expenses		-	233	233	728
Hospitality and refreshment expenses		-	323	323	778
Bank charges		98	-	98	112
Legal and professional fees		617	370	987	1,518
		27,617	101,994	129,611	133,444

Chain Reaction Theatre Company

Notes to the Financial Statements for the Year Ended 31 March 2021

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds		
	General	Total	Total
	£	2021 £	2020 £
Independent examiner fees			
Examination of the financial statements	1,440	1,440	1,440
	1,440	1,440	1,440

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	73,744	68,018
Social security costs	5,838	6,847
Pension costs	1,021	499
	80,603	75,364

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
General staff	3	3

1 (2020 - 2) of the above employees participated in the Defined Contribution Pension Schemes.

No employee received emoluments of more than £60,000 during the year.

Chain Reaction Theatre Company

Notes to the Financial Statements for the Year Ended 31 March 2021

11 Independent examiner's remuneration

	2021 £	2020 £
Examination of the financial statements	1,440	1,440

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Debtors

	2021 £
Trade debtors	9,056

14 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	138	25
Cash at bank	114,232	61,142
	114,370	61,167

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Payroll taxes due	-	1,718
Pension scheme creditor	514	-
Accruals - independent examination	1,440	1,442
Deferred income	6,736	-
	8,690	3,160

Chain Reaction Theatre Company

Notes to the Financial Statements for the Year Ended 31 March 2021

16 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted funds				
General	37,017	55,926	(27,617)	65,326
Restricted funds	20,991	130,413	(101,994)	49,410
Total funds	58,008	186,339	(129,611)	114,736

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
Unrestricted funds				
General	16,614	66,366	(45,964)	37,016
Restricted funds	2,904	105,567	(87,480)	20,991
Total funds	19,518	171,933	(133,444)	58,007

17 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2021 £
Current assets	74,016	49,410	123,426
Current liabilities	(8,690)	-	(8,690)
Total net assets	65,326	49,410	114,736

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2020 £
Current assets	40,176	20,991	61,167
Current liabilities	(3,160)	-	(3,160)
Total net assets	37,016	20,991	58,007