

Company Registration number: 05516471  
Charity Registration number: 1112701



**Chain Reaction Theatre Company**  
(a company limited by guarantee)

**Annual Report & Financial Statements**  
for the year ended 31<sup>st</sup> March 2023

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

## **Chain Reaction Theatre Company**

### **Contents**

Reference and Administrative Details	3
Trustees' Report	4 to 14
Statement of Trustees' Responsibilities	15
Independent Examiner's Report	16
Statement of Financial Activities	17 to 18
Balance Sheet	19 to 20
Notes to the Financial Statements	21 to 29

## **Chain Reaction Theatre Company**

### **Reference and Administrative Details**

#### **Secretary**

Ms S Smit

#### **Charity Registration Number**

1112701

#### **Company Registration Number**

05516471

The charity is incorporated in England and Wales

#### **Registered Office**

Millers House  
Three Mill Lane  
London  
E3 3DU

#### **Independent Examiner**

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

## **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 2023.

#### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

Mrs N Leach, Chairperson

Mr MJ Dyer MBE

Mr S Kenwright

Miss S Watson

Miss L Stewart

Mr John McEachern (Resigned 23 June 2022)

Mr S Eves (appointed 9 May 2023)

Secretary:

Ms S Smit



## Chain Reaction Theatre Company

### Trustees Report

#### **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 28 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 28 years we're proud to say that our work has reached over 415,000 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 28 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.

# **Chain Reaction Theatre Company**

## **Trustees Report**

### **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.
- 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 2022-2023:**

**Engagement figures:** This year Chain Reaction reached 1,451 young people aged 5-19 with intensive workshop programmes.

**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 2022-2023, we have delivered the following workshop programmes:

1. ***Chain Reaction Youth Theatre***
2. ***Girls Support Girls - London Borough of Newham***
3. ***Girls Support Girls – London Borough of Tower Hamlets***
4. ***Girls Support Girls – London Borough of Barking & Dagenham***
5. ***Focus Pocus***
6. ***School and college based bespoke workshop programme***

**Please find below a breakdown of some of our Key Projects delivered in 2022-2023:**



# Chain Reaction Theatre Company

## Trustees Report

### CHAIN REACTION YOUTH THEATRE LONDON BOROUGH OF NEWHAM & TOWER HAMLETS



**Dates:** April 2022 – March 2023

**Funding:** BBC Children In Need, Westfield Creative Futures

**Total participants:** 37

*Chain Reaction Youth Theatre (CRYT)* is an innovative, weekly youth-led project that uses drama to tackle issues that affect young people's lives and communities whilst raising the confidence, skills and knowledge of disadvantaged young people in the London Boroughs of Newham and Tower Hamlets.

This year our specialist team of upbeat, dynamic and supportive arts practitioners have engaged 37 vulnerable 11 – 18-year-olds, focusing on empowering them, whilst boosting their self-belief and communication and leadership skills.

The sessions gave our young participants an opportunity to work with a diverse team of arts practitioners, including professional actors, writers, presenters and directors. The young people performed a mini showcase in June 2022 and then a large performance at a professional theatre in December 2022 called *Find Your Smile*. They also completed a 60-week masterclass *Acting with Scripts* which culminated in a rehearsed reading at the end of March 2023.

The weekly sessions have given our young people an opportunity to utilise a plethora of drama and theatre techniques to explore the most prevalent health and social issues that their communities face including mental health, racism, friendship, freedom and crime. They have all learnt transferable skills through the lens of drama which has built their confidence and communication skills, all essential skills that will help them to excel professionally in the future.

#### Outcomes:

- 92% of participants have gained sector-specific creative skills by attending CRYT.
- 92% have developed essential life skills.
- 91% feel more confident after attending CRYT.
- 92% are more aware of how they can reach their full potential in life.
- 100% of participants enjoyed CRYT.

"I felt accepted and free and I really loved the help from the facilitators. [I have learnt] how to find my smile, different ways of acting, learnt new fun games [and] how to focus for much longer. I enjoyed everything. Been coming for two years, I enjoy that I can express myself."

**Participant, aged 16, London Borough of Tower Hamlets**

"[I enjoyed] Raising a project ground up with an ensemble to make a finished production. [I have learnt] more [as an] actor – audience interaction in use of Brechtian theatre conventions and a killer fake laugh. [I enjoyed] everything from the performance to the casual games and overall the entire experience."

**Participant, aged 14, London Borough of Tower Hamlets**

"[My daughter] comes home from school and rushes out the door to Chain Reaction each week – definitely a sign of enjoyment. Chain Reaction work so hard in building our young people's confidence. Keep up the great work Chain Reaction. My daughter had social and communication difficulty prior to Chain Reaction. She would hide if there was more than 3 people in a room and to see her now perform and do speeches in front of lots of parents is major".

**Parent of CRYT Attendee**



## Chain Reaction Theatre Company

### Trustees Report

## **GIRLS SUPPORT GIRLS – The Project**

**Girls Support Girls** (GSG) is a school workshop programme that's been devised to empower and inspire vulnerable young women aged 13-16. GSG builds the confidence, self-esteem and knowledge of girls from disadvantaged areas and empowers them to take control of their mental and physical health.

GSG is delivered by our skilled and experienced team of female facilitators in a creative and interactive way. It consists of three, 1.5-hour workshops and teaches a number of essential life and employability skills including communication and social skills, teamwork, social interaction, acceptance, self-awareness and belief. GSG can be adapted to explore a whole host of different issues and outcomes. To date we have explored a plethora of topics including aspirations, employability, relationships, exploitation, grooming, self-worth and mental and sexual health.

Ultimately, GSG is an amazing opportunity for young women to access knowledge and support to heighten their sense of self-worth, gain confidence and encourage aspirations to lead positive, successful lives.

## **GIRLS SUPPORT GIRLS – EDUCATIONAL WORKSHOPS**

### **London Borough of Tower Hamlets**

**Dates:** April 2022-March 2023

**Funding:** London Borough of Tower Hamlets and The Home Office

**Areas:** London Borough of Tower Hamlets

**Total participants:** 119

We are now in our third year of working in partnership with the Tower Hamlets Prevent Team. With funding from the Home Office, we have been able to deliver the *Girls Support Girls* workshop programme in 5 local schools and deliver a 4-day intensive school holiday programme, working with a total of 119 vulnerable young women.

Tower Hamlets has a history of young women becoming radicalised and succumbing to wider exploitation issues such as gangs, drugs, alcohol misuse, crime and ASB. There is a need for education around the risks of extremism and radicalisation to secure the futures of these vulnerable young women.

*Girl Support Girls* (GSG) explores a wide range of exploitation issues and discusses radicalisation as a barrier to future success. By fostering a safe and open environment individuals felt encouraged to contribute without judgement. Our holistic form of education was interactive and fun which enabled us to address sensitive topics in a way which traditional teaching methods don't allow. Our dynamic and supportive delivery model ensured that each participant left the programme feeling more self-assured, knowledgeable and with greater power and control over her own life and her ability to effect change.

"[The workshop] brought together girls within a year group which may not always work together. It allowed the girls to work in different ways, talk about subjects that they may not always get to talk about and express themselves. I feel everyone got involved and enjoyed themselves, even the more quiet girls. It was a safe space where the girls felt comfortable to express themselves. I feel the girls had a good understanding of mental health prior, but it gave them another opportunity to discuss. I felt it was a fantastic day and covered an array of excellent topics".

**Una O'Neill, Deputy Designated Safeguarding Lead, Central Foundation Girls School**



## Chain Reaction Theatre Company

### Trustees Report

#### Outcomes:

- 94% of participants said they now have a clearer understanding of the risks of radicalisation.
- 98% of participants said the workshop helped them recognise negative relationships.
- 98% of participants now have a greater understanding of mental health.
- 90% of participants said the workshop helped them think more about their future goals.
- 73% of participants feel more self-confident.

"It was enjoyable but also taught me valuable life lessons and made me aware about radicalisation as well as being confident in myself and positive/negative relationships. [The biggest risk of radicalisation is] it could lead young, vulnerable people like me to be groomed in ways no one would want to be."

**Pupil, aged 14, Mulberry Academy Shoreditch**

"[I] loved the games and the chance to interact with new people... I've gained confidence and social skills and am more aware of issues in the world... [The biggest risks of radicalisation are] it becoming a normality and more victims of rape and murder... [I] loved being able to meet and talk with everyone."

**GSG Community Participant, aged 15**

## GIRLS SUPPORT GIRLS

### London Borough of Newham

**Dates:** January 2023-March 2023

**Funding:** London Borough of Newham and The Home Office

**Areas:** London Borough of Newham

**Total participants:** 140

We were delighted this year to have received commissioning from the London Borough of Newham's Prevent Team to deliver a full *Girls Support Girls* programme in six secondary schools in the borough. As this is part of the Prevent Agenda, we worked with vulnerable young women to identify barriers to success and to provide knowledge and practical tools to avoid wider exploitation issues and radicalisation. As part of this we looked at grooming, British values, and positive relationships to provide our participants with a fully rounded programme that builds their resilience and confidence.

We have seen the vastly positive effects GSG has had on these young women, and the significant need for it. The feedback was unanimously positive from the staff members and we have been asked to return to develop our connections with the schools.

#### Outcomes:

- 86% now think more about their future goals.
- 94% have a greater understanding of mental health issues.
- 98% now recognise what a negative relationship looks like.
- 88% have a clearer understanding of the risks of radicalisation.
- 76% feel more confident.

"Being in the workshop all day, what was fantastic to see was the confidence and collaboration increase so much throughout... [The pupils] were really engaged, able to talk about a range of really sensitive topics and really grew in confidence... [There was] really strong discussion about mental health in the workshop... The adverts at the end were all really strong."

**Sally Probett, Teacher, Drama Course Leader, Little Ilford, London Borough of Newham**

## Chain Reaction Theatre Company

### Trustees Report

"[GSG] was very fun and interactive, while still educating us on topics such as mental health, future goals, and grooming/exploitation... [The biggest risks of radicalisation are] deportment, death isolation and low self-esteem... The instructors were very nice and understanding and educated us in an enjoyable way."

**Pupil, aged 15, Azhar Academy, London Borough of Newham**

"I love how enthusiastic and welcoming [Chain Reaction] are and how supportive the group is, and I love how we openly share our ideas... [I learnt to] make sure you have a few goals, make sure you're happy with it... [The biggest risk of radicalisation is] being used, pretending to be someone you're not... I learnt everything I wanted to."

**Pupil, aged 14, Cumberland Community School, London Borough of Newham**

## **GIRLS SUPPORT GIRLS – EDUCATIONAL WORKSHOPS**

### **London Borough of Barking and Dagenham**

**Dates:** October 2022 – December 2022

**Funding:** London Borough of Barking and Dagenham Public Health Team.

**Areas:** London Borough of Barking and Dagenham

**Total participants:** 134

With funding from the London Borough of Barking and Dagenham's Public Health Team Chain Reaction planned and successfully delivered 6 *Girls Support Girls* (GSG) workshop programmes in October-December 2022 in 6 secondary schools.

Our agreed aims were to explore sexual harassment, body image, mental health, positive relationships and the importance of healthy eating and sleep. It was aimed at girls who were considered to be vulnerable to, or particularly at risk of, the issues explored. Pupils were selected and referred to the programme by their teachers.

We used Chain Reaction's transformative drama-based methods and techniques to facilitate learning and to raise confidence, it was wonderful to see how all the young women pushed themselves into doing the drama exercises despite many of them having severely low confidence. The pride and sense of achievement they felt after showing their presentations and drama scenes was evident to see.

### **Outcomes:**

- 100% of pupils have a greater understanding of mental health issues.
- 100% are able to identify sexual harassment and know how to deal with it.
- 100% have a greater ability to recognise negative relationships.
- 97% of participants enjoyed the workshop.
- 84% feel more confident.

"I love how the workers taught me about mental health and teaching me how to gain self-love and self-confidence. I also loved the games we played. I enjoyed sharing my thoughts about the topics we learnt and I was able to recognise negative relationships that I did not know were negative. I hope you come to our school again, I enjoyed! 😊 <3 <3!"

**Pupil, aged 15, Goresbrook School**



## Chain Reaction Theatre Company

### Trustees Report

"[The pupils] have acquired better coping mechanisms and have been able to communicate with adults that they didn't see as teachers or school staff, they came out of the workshop more confident and lighter in the way that they were regulating their emotions and feelings. [The students responded] very well. The girls told me that they felt more knowledgeable about sexual harassment and how to deal with it. We have more girls that would benefit from your workshop."

**St Racon, Deputy Head, The Warren School**

"I enjoyed the games that we played and when we saw how much sugar we are putting [in] our body and how it can affect us later on in life. I also enjoyed where we recognised the unhealthy and healthy relationships with others. I think this is helpful for later on in life and it helps us to understand an abusive and toxic relationship."

**Pupil, aged 14, Eastbury Community School**

## FOCUS POCUS – EDUCATIONAL DRAMA PROGRAMME

### London Borough of Barking & Dagenham

**Dates:** May – June 2022

**Funding:** The Toy Trust

**Areas:** London Borough of Barking & Dagenham

**Total participants:** 8 young people excluded from mainstream school

*Focus Pocus* is a drama-based programme specially designed to engage vulnerable children aged 8-11 who have been excluded from mainstream school. Throughout May and June 2022, we delivered a 3-week programme at the Cambell Primary Centre in Dagenham, this is a Special Education Unit (SEU) for young people with serious emotional and behavioural issues. The programme was funded by the Toy Trust and delivered by our team of skilled and experienced facilitators.

*Focus Pocus* used games, role-play, discussion and improvisation to raise young people's confidence and improve their focus, communication, teamwork and social skills, in order to boost attainment.

The project provided a safe and supportive environment, by giving personal attention, encouragement and praise we helped these vulnerable young people to grow in confidence and raise their self-esteem. The programme provided tools and techniques which enabled them to de-stress and deal with difficult situations in a positive manner. They learnt new ways to focus and their confidence grew over the three weeks with them all taking part in a drama presentation to their teachers on the last day.

### Outcomes:

- 100% of participants enjoyed the workshops.
- 100% learnt new ways to focus.
- 100% feel more confident.
- 100% learnt new skills.

"[They responded] really well, they have gained so much confidence! They have learnt to focus well, work together and give things a try... they learnt a lot by taking part and doing rather than watching. The staff have been great with the children, even when they are difficult."

**Rachel Peake, Teaching Assistant, James Cambell Primary Centre**

"I liked all the games and the fun activities and the drama!... Chain Reaction taught me to get more sleep and help me focus... please come back! 😊"

**Pupil, aged 11, James Cambell Primary Centre**



# 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.

"[The pupils] really enjoyed themselves and focused well during games and activities e.g. role play. [They] Got the children to work well together and find ways to help them focus through games and role play. Children gained confidence...The children learned well through play and a hands-on approach...

Sarah and Mimi are really understanding with our children and are great at re-focusing."

**Gemma Bird, Teaching Assistant, James Cambell Primary Centre**



## **Chain Reaction Theatre Company**

### **Trustees Report**

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.

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 15 to 30. The Charity had total income of £151,409 and direct charitable expenditure of £145,338. Total fund balances carried forward were £112,799.

#### **Funds and Reserves**

The unrestricted funds include a General Reserve carried forward of £88,686 and restricted funds of £24,113. 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.

## **Chain Reaction Theatre Company**

### **Trustees Report**

#### **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.

#### **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 19<sup>th</sup> September 2023 and signed on its behalf by:

A handwritten signature in dark ink, appearing to read 'N Leach', is written over a horizontal dotted line.

**Mrs N Leach**  
**Chair of Trustees**

## 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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 the incoming resources and application of resources, including its 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 proper accounting records that can 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 charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on Tuesday 19<sup>th</sup> September and signed on its behalf by:

 **Mrs N Leach** Trustee

## **Chain Reaction Theatre Company**

### **Independent Examiner's Report to the trustees of Chain Reaction Theatre Company (‘the Company’)**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

#### **Responsibilities and basis of report**

As the charity’s trustees of the 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 the 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: 19/9/23

## Chain Reaction Theatre Company

### Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies		29,444	109,919	139,363
Charitable activities	4	6,231	-	6,231
Investment income	5	132	-	132
Other income	6	5,683	-	5,683
Total income		41,490	109,919	151,409
<b>Expenditure on:</b>				
Charitable activities	7	(31,318)	(114,020)	(145,338)
Total expenditure		(31,318)	(114,020)	(145,338)
Net income/(expenditure)		10,172	(4,101)	6,071
Net movement in funds		10,172	(4,101)	6,071
<b>Reconciliation of funds</b>				
Total funds brought forward		78,514	28,214	106,728
Total funds carried forward	18	88,686	24,113	112,799



## Chain Reaction Theatre Company

### Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	33,140	99,104	132,244
Charitable activities	4	1,968	-	1,968
Investment income	5	6	-	6
Total income		35,114	99,104	134,218
<b>Expenditure on:</b>				
Charitable activities	7	(21,927)	(120,300)	(142,227)
Total expenditure		(21,927)	(120,300)	(142,227)
Net income/(expenditure)		13,187	(21,196)	(8,009)
Net movement in funds		13,187	(21,196)	(8,009)
<b>Reconciliation of funds</b>				
Total funds brought forward		65,326	49,410	114,736
Total funds carried forward	18	78,513	28,214	106,727

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 18.

# Chain Reaction Theatre Company

(Registration number: 05516471)  
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	412	-
<b>Current assets</b>			
Debtors	14	708	-
Cash at bank and in hand	15	119,392	112,522
		120,100	112,522
<b>Creditors: Amounts falling due within one year</b>	16	(7,563)	(5,795)
<b>Net current assets</b>		112,537	106,727
<b>Total assets less current liabilities</b>		112,949	106,727
<b>Creditors: Amounts falling due after more than one year</b>	17	(150)	-
<b>Net assets</b>		112,799	106,727
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		24,113	28,214
<b>Unrestricted income funds</b>			
Unrestricted funds		88,686	78,513
<b>Total funds</b>	18	112,799	106,727

## **Chain Reaction Theatre Company**

**(Registration number: 05516471)**  
**Balance Sheet as at 31 March 2023**

For the financial year ending 31 March 2023 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 financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 4 to 15 were approved by the trustees, and authorised for issue on Tuesday 19<sup>th</sup> September and signed on their behalf by:



**Mrs N Leach** Trustee



## **Chain Reaction Theatre Company**

### **Notes to the Financial Statements for the Year Ended 31 March 2023**

#### **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)) (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.

##### **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.

##### **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.

##### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## Chain Reaction Theatre Company

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### **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 meetings and reimbursed expenses.

#### **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.

#### **Tangible fixed assets**

Individual fixed assets costing £100.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Office equipment	5 years straight line

## **Chain Reaction Theatre Company**

### **Notes to the Financial Statements for the Year Ended 31 March 2023**

#### **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 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.

##### ***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.

# Chain Reaction Theatre Company

## Notes to the Financial Statements for the Year Ended 31 March 2023

### 3 Income from donations and legacies

	Unrestricted		Total 2023	Total 2022
	General £	Restricted £	£	£
Donations and legacies;				
Donations received	9,925	-	9,925	-
Grants, including capital grants;				
General grants	19,519	109,919	129,438	132,244
	29,444	109,919	139,363	132,244

### 4 Income from charitable activities

	Unrestricted	Total 2023	Total 2022
	General £	£	£
Project and schools income	6,231	6,231	1,968

### 5 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	132	132	6

### 6 Other income

	Unrestricted	Total 2023
	General £	£
Theatre tax relief refunds	5,683	5,683



## Chain Reaction Theatre Company

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 7 Expenditure on charitable activities

		Unrestricted		Total	Total
	Note	General	Restricted	2023	2022
		£	£	£	£
Governance costs	8	1,440	-	1,440	1,440
Depreciation		37	-	37	-
Staff costs		6,944	80,486	87,430	93,842
Freelance project staff		-	30,445	30,445	23,246
Volunteer expenses		315	-	315	600
Rent, rates and venue hire		10,080	-	10,080	10,080
Insurance		1,250	-	1,250	1,315
Project costs		-	3,089	3,089	4,764
Repairs and maintenance		579	-	579	1,045
Telephone and internet		1,514	-	1,514	1,304
Computer software and maintenance costs		2,500	-	2,500	-
Printing, postage and stationery		726	-	726	2,309
Travel expenses		1,606	-	1,606	853
Hospitality and refreshment expenses		1,777	-	1,777	1,261
Bank charges		152	-	152	120
Legal and professional fees		963	-	963	48
Cleaning		1,154	-	1,154	-
Subscription and membership fees		281	-	281	-
		31,318	114,020	145,338	142,227

# Chain Reaction Theatre Company

## Notes to the Financial Statements for the Year Ended 31 March 2023

### 8 Analysis of governance and support costs

	<b>Governance costs</b>	
	<b>Unrestricted funds General</b>	<b>Total</b>
	<b>£</b>	<b>2023</b>
		<b>£</b>
Independent examiner fees		
Examination of the financial statements	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:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	74,466	82,170
Social security costs	8,283	7,987
Pension costs	4,681	3,685
	87,430	93,842

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

	<b>2023</b>	<b>2022</b>
	<b>No</b>	<b>No</b>
General staff	3	3

3 (2022 - 1) 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 2023

#### 11 Independent examiner's remuneration

	2023   £	2022   £
Examination of the financial statements	1,440	1,440

#### 12 Taxation

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

#### 13 Tangible fixed assets

	Office equipment £	Total £
<b>Cost</b>		
Additions	449	449
At 31 March 2023	449	449
<b>Depreciation</b>		
Charge for the year	37	37
At 31 March 2023	37	37
<b>Net book value</b>		
At 31 March 2023	412	412

#### 14 Debtors

	2023 £
Prepayments	708

#### 15 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	556	580
Cash at bank	118,836	111,942
	119,392	112,522

# Chain Reaction Theatre Company

## Notes to the Financial Statements for the Year Ended 31 March 2023

### 16 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other loans	224	-
Payroll taxes due	4,011	4,354
Other creditors	821	-
Accruals - independent examination	1,843	1,441
Deferred income	664	-
	<u>7,563</u>	<u>5,795</u>

### 17 Creditors: amounts falling due after one year

	2023
	£
Bank loans	<u>150</u>

### 18 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>				
General	78,514	41,490	(31,318)	88,686
<b>Restricted funds</b>	28,214	109,919	(114,020)	24,113
<b>Total funds</b>	<u>106,728</u>	<u>151,409</u>	<u>(145,338)</u>	<u>112,799</u>

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>				
General	65,326	35,114	(21,927)	78,513
<b>Restricted funds</b>	49,410	99,104	(120,300)	28,214
<b>Total funds</b>	<u>114,736</u>	<u>134,218</u>	<u>(142,227)</u>	<u>106,727</u>



# Chain Reaction Theatre Company

## Notes to the Financial Statements for the Year Ended 31 March 2023

### 19 Analysis of net assets between funds

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2023 £</b>
Tangible fixed assets	412	-	412
Current assets	95,987	24,113	120,100
Current liabilities	(7,563)	-	(7,563)
Creditors over 1 year	(150)	-	(150)
Total net assets	88,686	24,113	112,799

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2022 £</b>
Current assets	84,309	28,213	112,522
Current liabilities	(5,795)	-	(5,795)
Total net assets	78,514	28,213	106,727

