



Blaze Arts

Trustees' Annual Report and Financial Statements

For the year to 31st July 2021

Blaze Arts' Registered Office:

Blaze C/O Burnley Library
Grimshaw Street
Burnley
Lancashire
BB11 2BD

Blaze Arts is a Charitable Incorporated Organisation

Registered Charity Number 1179235

Contents

Company Information	2
Chair's Statement	3
Trustees' Annual Report	4
Our Plans for the Future	10
Structure, Governance & Management	13
Statement of Trustees' responsibilities	15
Independent Examiner's Report to the Trustees of Blaze Arts	16
Statement of Financial Activities for the Year to 31 st July 2021 (including income & expenditure account)	18
Balance Sheet as at 31 st July 2021	19
Statement of Cash Flow for the year to 31 st July 2021	20
Notes to the Financial Statements for the year to 31 st July 2021	21

Company Information

Incorporation

The charitable incorporated organisation was registered on 17th July 2018.

Trustees

Derri Burdon (Co Chair)
Jasleen Kaur (Co Chair from 2/22/22)
Guy Christiansen
Joe Clegg
Sara Domville
Lydia Hesketh (Co Chair to 2/2/22)
Charles Morrison (Resigned 21/12/21)
Azraa Motala
Russell Tennant

Executive Management Team

Director	Helen Thackray
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Independent Examiners

Mitchell Charlesworth LLP
3rd Floor
44 Peter Street
Manchester
M2 5GP

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent MA19 4JQ

Solicitors

Counterculture Partnership LLP
Unit 115
Ducie House
Ducie Street
Manchester M1 2JW

Chair's Statement

This report covers the period during which the Covid-19 social restrictions were impacting everybody's day-to-day life and, while the pace of change accelerated, young lives were put on hold.

Blaze entered this period as a fledgling Charity that had been effectively frozen out of its strategy and plans. Staff and trustees responded quickly, working together to create an alternative plan to secure Blaze's future. Blaze achieved so many great things for young people during these challenging times. This is a testament to the dedication and determination of everybody involved in the charity, especially its Director, Helen Thackray (who only joined Blaze in March 2021) and Programme Producer, Hannah Whitlow (who left Blaze in September 2021 to live, study and develop her artistic practice in Germany). Hannah had been involved with Blaze as a participant in its programmes, a freelance facilitator and then a paid team member for many years. We are glad that we are still able to keep in touch and follow her creative adventures.

We recently said goodbye to one of the Founding Trustees of the Charity, Charlie Morrison. Charlie too had been involved with Blaze since its beginnings as a Cultural Olympiad programme. We are truly grateful to Charlie for giving his time and expertise to Blaze over many years.

We also want to express sincere gratitude to the funders and commissioners that continued to support Blaze during this challenging period including Curious Minds and Arts Council England.

We are currently working with a team of expert consultants from Counter Culture LLP to develop the Charity's strategy, improve organisational resilience and strengthen its governance. As we emerge from the uncertainty of the Covid-19 Pandemic we do so with a renewed sense of optimism and determination, and a heightened level of ambition to meet the needs of the next generation of creative producers and pioneers.

Derri Burdon & Jasleen Kaur, Co-chairs

Trustees' Annual Report

Blaze's Purpose and Activity

Blaze began as a London 2012 Olympic and Paralympic Games Legacy Project. For over ten years we have supported the next generation of cultural producers in Lancashire by aligning passion with opportunity through arts, culture and digital technology.

Aims of the Charity as set out in our governing document:

- To advance the education of children and young people aged primarily between 12 and 25 in the arts by fostering and promoting, understanding and appreciation of the arts, including but not exclusively by the provision of classes, seminars, workshops, performance opportunities and training.
- To promote public appreciation of the arts by staging public events, including performances and exhibitions of work of artistic merit

Blaze is youth-led and supports young people to take the lead at all levels of the CIO. We're proud to have a youth-led board with 50% of our trustees aged 30 and under when they were appointed. In 2021 we used funding from Arts Council England to establish a Youth Advisory Group who meet with the Director once a month to participate in consultation and decision making.

In March 2021 Blaze appointed Helen Thackray as the new Director of the CIO. Helen has brought a fresh perspective to Blaze's mission and has begun working with trustees and stakeholders to update Blaze's business plan in response to the impact of Covid 19 on the world, our organisation and on the lives of young people.

We have reflected on our successes over the past decade and imagined what Blaze might look like in 2032. The future is increasingly uncertain which is why we are adapting our theory of change and programmes to focus on the next generation of creative citizens. Our new vision, mission and values reflect our ambition to be more relevant, more resilient and more diverse.

Our Vision: A world where all young people are valued as creative citizens who can improve their lives, communities, and the world.

Our Mission: Young people from all backgrounds develop confidence, creativity and transferable skills through youth led creative projects and networks

Our Methods: We hold the space for young people from diverse backgrounds to connect, collaborate and create.

There are three main strands to our work:

Young Producer Programmes

A producer is someone who takes an idea and turns it into a reality. Since 2012 Blaze has trained 1016 young people to produce their own festivals, publications, exhibitions, or events. Our Young Producer Programmes combine high quality training, mentoring, peer networks and the opportunity for young people to access and take ownership of resources.

Blaze Community

At the heart of our mission is our belief in the power of creative communities. We nurture and develop networks and partnerships that bring together diverse people to effectively collaborate and create change. We ensure that young people have the opportunity to lead and shape these communities.

Developing Youth Led Practice

We work with the creative industry, cultural organisations and freelance professionals to improve how they work with young people. We train them to reflect on their practice, listen effectively, champion diversity and embed youth voice within their work. We deliver bespoke packages of support for organisations who want to pilot new ways of working. We have worked with over 41 cultural organisations to date.

Our Core Outcomes:

- Young people develop their confidence, creative thinking and ability to collaborate.
- Young people set their own goals and are able to identify their progress towards them.
- Cultural organisations are motivated to co-design with young people from diverse backgrounds
- Young people experience the personal and social benefits of being part of a creative community

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. Our main beneficiaries are young people and those working with them. Blaze Arts relies on grants, donations and income from fees for services to cover its operating costs. Affordability and access to our programmes is important to us and remains a key consideration when we are planning our activity. Wherever possible, we provide places on our training programmes and workshops at low or no cost to participants using the grants we receive as subsidy.

Review of our Achievements and Performance in 2020/21

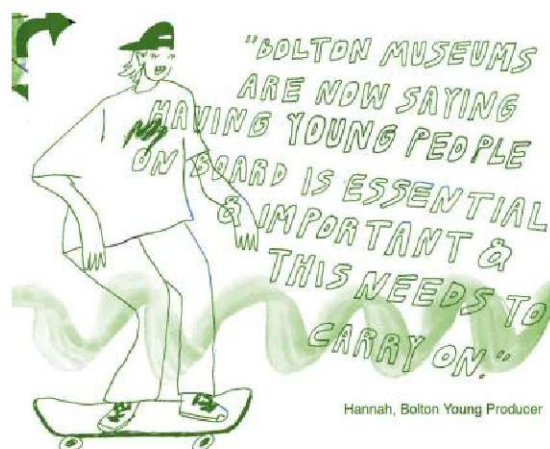


Harris Young Producers – During the national lockdowns we continued to work online with The Harris in Preston and their new group of young producers. The group chose to produce an Isolation Handbook full of inspiring artwork and activities for young people to do to improve their mental health when feeling lonely. We provided training and support throughout the process including advice on commissioning a designer. The finished publication has since been distributed to young people across Lancashire. We are also part of the steering group supporting The Harris' major capital redevelopment project. Our role on the steering group is to ensure that young people's voices and needs are being considered in decision making throughout the project.

Amplify – We have a long term partnership with Lancashire Music Hub and have been supporting them to consult with young people and embed youth voices within their organisation. This year we commissioned four young digital content creators who have created new films and podcasts exploring the key themes that emerged from the consultation undertaken with 450 young people from across Lancashire. The content was shared with Lancashire Music Hub's Board in September and then presented to young people and a wide range of stakeholders at a public event in November 2021 where it provoked further discussion and action planning.



Hope Streets – Blaze was commissioned by Curious Minds to support The Festival of Hope which took place in Summer and Autumn 2020. The festival was a youth-led celebration and exploration of hope and heritage on young people's terms, providing personal development, training and career progression opportunities. To complete the project we commissioned artist Luci Pina to create a zine that documents the festivals and that will be distributed across the arts, culture and heritage sector to inspire other organisations to adopt similar, youth led models.



As part of our work on the Hope Streets festival we also delivered a training session on 'Embedding Youth Voice within your Organisation' for professionals working in museums across Lancashire. Feedback included:

'The most useful session I have attended in a long while, I got so much from it'.

'It was genuinely so useful and I feel like I've got a renewed sense of purpose'.



Shape Blaze – Thanks to funding from Curious Minds we were able to work with a group of young creatives to refresh Blaze's brand. The project was led by designer Millie Davis who consulted with the focus group and involved them in every stage of the design process.

Create Carefree – With funding from Community Foundation for Lancashire we were able to offer young people in Burnley the opportunity to take part in artist led workshops in summer 2021 with a focus on improving mental health and wellbeing through relaxed, process led creative activities. Over 60 participants took part in the workshops including 21 year old Searlait who said:

'I found the workshop really fun, it was the first I've ever been to and way different from anything I've done before, I got lots of advice and tips that will help me improve my future photos and am already putting them into practice...I have quite severe anxiety and this has helped me overcome a part of it. Thank you!'

We also took some of the participants on a trip to Blackpool where they visited a range of cultural venues, participated in a workshop and met professional artists.



WigLe Dance Festival – We were commissioned by WigLe Dance to support them in delivering a youth led digital dance festival. Blaze provided training and support for 9 young producers who commissioned 5 new dance performances that were performed and recorded on location before being edited and livestreamed as part of the festival.

Wigan and Leigh LCEP – Blaze was commissioned to support WLCEP to develop a youth voice platform as part of their partnership. We delivered two training sessions with organisations in the LCEP and a further 2 training sessions for other cultural organisations across the borough. We also delivered 3 sessions directly to young people who signed up to be “Creative Activators” and take a part in decision making within the partnership.

Reverberate – As part of this national project, Blaze worked online with young people based in Preston to deliver ‘The Preston Project’ which explored and celebrated Preston’s cultural heritage whilst showcasing Preston’s diverse, creative talent online. The research- based project culminated in a zine [which can be explored here](#).

Lancashire 2025 –

To support Lancashire bid for City of Culture 2025, Blaze consulted with over 180 16 – 25 year olds across the County on behalf of Creative Lancashire to answer two key questions:

1. How are young people connecting with arts & culture in Lancashire today?
2. How do young people envision the future for art & culture in Lancashire?

The findings were collated into a report which was used to develop the vision for the bid.



Preston LCEP Arts Award Map –

Blaze was commissioned by Curious Minds to design and produce an interactive guide which highlighted the Arts Award Supporter offer across Preston, Lancashire. Blaze worked with early career designer and illustrator Edie-Mea McCartney to deliver the work.

Zine Not Heard – Arts Council England Emergency Funding covered some of our core costs during the pandemic and enabled us to deliver an 8 week, online project, introducing 15 young people to zine history, techniques, content and creative expression. Participants were sent material packs in the post and then created their own zines exploring social issues.

Our Plans for the Future

Since 2012 Blaze has developed a reputation for training and developing the next generation of creative producers. Our alumni have gone on to careers in the prestigious arts organisations such as NPOs and the BBC. Ten years on from our first major project the needs of young people have changed significantly. The methodologies that we have developed over the past ten years have the potential to go beyond supporting diverse young people into creative careers. By supporting and training young people to produce cultural activity, we can nurture creative citizens; people who have creative skills that can be applied in a wide variety of settings and benefit communities on a local and global scale.

In May 2020 we established six key aims for the following 12 months:

- Increase our income and create a more resilient financial model
- Strengthen Blaze so that we can be more resilient and ambitious in the future
- Raise the profile of Blaze and amplify the voices of young creatives
- Improve youth led practices within a wide range of organisations in the UK and beyond.
- Develop and deliver Young Producer Programmes that hold the space for diverse young people to connect, collaborate and create.
- Develop and expand the Blaze community into an ecosystem of opportunities for young creative people in the North West

Our new strategic plan outlines how we intend to achieve these six aims.

In August 2020 we secured funding from Arts Council England to deliver an organisational development project that will strengthen our charity by developing an income generating training offer, raising our profile, establishing a new youth advisory group and providing training and development opportunities for our trustees.

We also secured funding from Skelton Charity and Granada Foundation to pilot our first 'Campfire' event – a networking event for young creatives.

We've moved our registered address to Burnley Library and have begun working with staff at the library on innovative new partnership projects including a National Lottery Heritage Funded project that will see young people producing events and exhibitions celebrating diversity and Burnley's LGBT+ heritage.

The move to Burnley has also opened up new opportunities for Blaze to support the development of local networks including the Local Cultural Education Partnership. Our aim is to ensure that young people are represented within these networks and contributing to decision making at every level.

Financial Review

Financial Results

The principal funding sources during the year were derived from commissions and a Partnership Investment (PI) grant of £33,000 through Curious Minds which supports the charity to deliver similar youth led projects with the aim of becoming internationally known for its development of young people's leadership skills and cultural practice.

Core funding

Blaze's grant funding strategy was significantly affected by Covid 19. All emergency funding streams provided by the government were explored and the Government Job Retention Scheme contributed £2,142 towards staff salaries. £4,476 was also received from the Arts Council England Fund to deliver a project responding directly to young people's needs during lockdown.

Financial Risk Management

Within the wider risk management process, the Board of Trustees monitors and assesses financial risks to which Blaze Arts may be exposed and assesses their potential impact on the Charity. The ongoing Covid 19 pandemic continued to impact Blaze's finances in 2020/21 but since July 2021, Blaze has secured over £60,000 of income from grants, commissions and the Culture Recovery Fund. The Director and Trustees are aware of the challenge to ensure financial stability in 2022/23 and are working closely with external consultants to mitigate risks and strengthen the fundraising strategy.

Reserves policy

The Trustees review the amount of reserves that are required to ensure they are adequate to fulfil the charity's continuing obligations at their board meetings. A formal policy is currently being created and will be implemented as soon as it is agreed by the board.

Investment policy

The charity does not currently hold any investments. A formal policy is yet to be discussed and agreed by the board.

Financial control and examination

The organisation's finances are overseen by the Director with the commissioned support of Curious Minds' Finance and Operations Team. They use Xero Accounts for financial processing and adhere to finance systems which were developed in partnership with Auditors and reviewed annually. Relevant staff receive appropriate

training for day-to-day financial systems and consistently process financial information in an accurate and timely manner.

To ensure effective financial management within the organisation, management accounts are produced on a monthly basis for the Director. They are presented to the Board of Trustees quarterly alongside a written report. Budget meetings are held between the Director and Curious Minds' Finance Manager monthly to ensure that all transactions are posted accurately and according to the principles of accruals-based accounting.

The Board of Trustees undertakes duties associated with financial policies and procedures, including the consideration of our accounting policies and ensuring compliance with statutory requirements, risk management and financial planning.

Structure, Governance & Management

Governing Document

The Charity is a Charitable Incorporated Organisation and is governed by its Constitution, formally registered on 17th July 2018 with the Charity Commission.

Trustee recruitment

Blaze began with 5 founding Trustees who played a pivotal role in establishing Blaze Arts as a CIO. The founding Trustees were invited to join based on their strengths, skills, experience and passion for Blaze Arts.

The Chair then worked closely with the Director to create and promote an open call out for additional Trustees. The recruitment criteria reflected Blaze Arts' ethos to attract young and culturally diverse board members.

Related Parties and links with other organisations

None of our Trustees receive remuneration or other benefit from their work with the charity. Trustees and members of the Blaze Arts paid staff team are required to declare any interest - when considering what interests to declare, the principal rule is that if members of the general public could reasonably conclude that the interests might have an influence on an approach taken by Blaze Arts to an application or contract awarded, to funding received by Blaze Arts, or general organisational decisions taken by Blaze Arts, then they must declare them.

Due to Blaze Arts recruitment of experienced sector leaders, it is inevitable that Trustees and Executive Management will have declared interests arising from either executive or non-executive appointments with Public, Cultural and Education Sector organisations. Where Blaze Arts engages with a partner organisation in which a declaration has been made, the interested party must be excluded from the decision-making processes. It is considered that these transactions do not represent 'related party transactions' for reporting purposes.

Decision making

The Board of Trustees have delegated the day-to-day management and decision making of Blaze Arts to the Director. Significant decisions that impact on, for example, staff employment, business planning, financial stability and the sustainability of the organisation, are brought to the Board for approval prior to action taking place.

Risk management

The Trustees have a duty to identify and review the risks to which Blaze Arts is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Blaze Arts has a thorough risk management

procedure wherein risks to which the organisation may be exposed are monitored and assessed as to their potential impact and likelihood. Appropriate controls are then identified and put in place to provide reasonable assurance against their occurrence.

The major risks identified include:

Major Risk	Mitigation
Loss of key personnel due to illness or resignation	Co Chairs meeting fortnightly with Director to maintain up to date knowledge on activity. Robust project management and administration systems in place.
Financial stability insecure for continued operation.	Fundraising Working Group meeting monthly to support Director with fundraising. Fundraising strategy in place. Mitigating Action Planning taking place with Curious Minds and consultants.

The Director monitors the risks associated with the organisation regularly and the updated risk register is presented to the Board of Trustees annually for discussion and approval.

Internal policies

Blaze Arts have a range of internal policies that have been written in consultation with appropriate professionals and that are reviewed annually and amended more frequently according to new legislation as appropriate. These include (but are not limited to) the following areas:

- Health & Safety
- Safeguarding
- Environmental Sustainability
- Equality and Diversity
- Procurement

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

In preparing financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charity Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement as to disclosure of information to Examiners

In so far as the Trustees are aware at the time of approving the Trustees' annual report:

- there is no relevant information, being information needed by the Examiner in connection with preparing their report, of which the charity's Examiners are unaware, and
- the Trustees have each taken all the steps that they are obliged to have taken as a Director in order to make themselves aware of any relevant information and to establish that the charity's Examiners are aware of that information.

On behalf of the Board of Trustees:


Derri Burdon (Apr 14, 2022 10:55 GMT+1)

Derri Burdon
Co-Chair of the Board of Trustees


Jasleen Kaur (Apr 14, 2022 11:32 GMT+1)

Jasleen Kaur
Co-Chair of the Board of Trustees

Independent Examiner's Report to the Trustees of Blaze Arts

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31st July 2021 which are set out on pages 18 to 29.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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, except for the following:

We draw attention to The Financial Review part of the Trustees' Report, and the note on going concern which indicate that because of the courses put on hold or cancelled a material uncertainty exists that may cast significant doubt on the organisation's ability to continue as a going concern. The organisation's projections show that costs are met from core funding to January 2022 but that new courses and funding will be needed to enable the organisation to continue after that date.

Mitchell Charlesworth

14/04/2022

Alison Buckley FCA

Independent Examiner

Mitchell Charlesworth LLP
44 Peter Street
Manchester
M2 5GP

Statement of Financial Activities for the Year to 31st July 2021 (including income & expenditure account)

		2020/21		2019/20		2020/21	2019/20
		Unrestricted Funds	Restricted Funds	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Note	£	£	£	£	£	£
INCOME							
Incoming resources from charitable activities	2	1,070	72,933	954	48,754	74,003	49,708
TOTAL INCOME		1,070	72,933	954	48,754	74,003	49,708
EXPENDITURE							
Expenditure on charitable activities	3	8,638	62,857	10,538	51,714	71,495	62,252
TOTAL EXPENDITURE		8,638	62,857	10,538	51,714	71,495	62,252
NET INCOMING / (OUTGOING) RESOURCES FOR THE YEAR BEFORE TRANSFERS							
	5	(7,568)	10,076	(9,584)	(2,960)	2,508	(12,544)
TRANSFERS BETWEEN FUNDS	9	8,638	(8,638)	10,538	(10,538)	-	-
NET INCOMING/ (OUTGOING) RESOURCES FOR THE YEAR AFTER TRANSFERS							
		1,070	1,438	954	(13,498)	2,508	(12,544)
RECONCILIATION OF FUNDS							
BALANCES BROUGHT FORWARD	9	954	19,500	-	32,998	20,454	32,998
BALANCES CARRIED FORWARD		2,024	20,938	954	19,500	22,962	20,454

The notes on pages 21 to 29 form part of these accounts.

Balance Sheet as at 31st July 2021

	Note	2021 £	2021 £	2020 £	2020 £
CURRENT ASSETS					
Debtors	6	4,381		6,716	
Cash at bank and in hand		24,120		34,875	
		<u>28,501</u>		<u>41,591</u>	
CREDITORS					
Amounts falling due in one year	7	<u>5,539</u>		<u>21,137</u>	
NET CURRENT ASSETS			22,962		20,454
TOTAL NET ASSETS			<u>22,962</u>		<u>20,454</u>
FUNDS					
Unrestricted	9		2,024		954
Restricted	9		20,938		19,500
TOTAL FUNDS			<u>22,962</u>		<u>20,454</u>

The notes on pages 21 to 29 form part of these accounts.

Approved by the Board of Trustees and authorised for issue on

and signed on their behalf by


 Derri Burdon (Apr 14, 2022 10:55 GMT+1)

Derri Burdon
Co-Chair of the Board of Trustees


 Jasleen Kaur (Apr 14, 2022 11:32 GMT+1)

Jasleen Kaur
Co-Chair of the Board of Trustees

Statement of Cash Flow for the year to

31st July 2021

		2021	2020
	Note	£	£
<i>Cash used in operating activities</i>			
Net movement in funds		2,508	(12,544)
Decrease / (increase) in debtors	6	2,335	1,144
Increase / (decrease) in creditors	7	(15,598)	(8,707)
<i>Net cash flow from / (to) operating activities</i>		<u>(10,755)</u>	<u>(20,107)</u>
<i>Increase / (decrease) in cash and cash equivalents in the year</i>		<u>(10,755)</u>	<u>(20,107)</u>
Cash and cash equivalents at the beginning of the year		34,875	54,982
<i>Total cash and cash equivalents at the end of the year</i>		<u>24,120</u>	<u>34,875</u>

Analysis of changes in net debt

The charity did not hold any overdraft or loan facilities nor finance lease obligations at the start or during the period covered by these accounts.

Notes to the Financial Statements for the year to 31st July 2021

1. Accounting Policies

Blaze Arts is a charitable incorporated company, registered in England and Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees Report.

Basis of Preparation

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 2019).

Blaze Arts 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 note(s). The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

These accounts are prepared on the going concern basis. At the time of approving the financial statements and having due regard to the impact of the uncertainty of future funding, the trustees have some uncertainty that the charity has sufficient resources to continue in operational existence for the foreseeable future. The trustees continue to adopt the going concern basis of accounting in preparing the financial statements and monitor closely the financial position.

Incoming resources

Income is recognised in the accounting period in which it is receivable, except in the following circumstances, when the income is deferred and included in creditors:

- The income is unrestricted core funding for a specified future period.
- A sales invoice has been raised ahead of work being carried out and there is no contractual entitlement to the income until the work has been done
- Not all the terms and conditions for the receipt of the grant instalment have been met
- The project has been completed and the grant conditions are such that unspent grant must be refunded

Income includes grants in respect of revenue and capital items.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Support costs have been allocated between the cost centres: salaries; travel, subsistence, entertaining; learning, development and recruitment; marketing and publicity; office and sundry costs.

Central costs are charged to unrestricted funds with contributions to overheads levied to individual programmes as appropriate. Contributions to overheads are charged to programme funds, as agreed with funders and where funds are restricted, these are shown within fund transfers along with relevant permissible recharges for specific programme work.

Taxation

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

The Charity is not registered for VAT and therefore all its input VAT is irrecoverable.

Expenditure is analysed inclusive of VAT where this has been incurred.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees. Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in this note to the financial statements.

Restricted Funds

- ***Arts Council England (ACE) Emergency Fund***

A Covid Response Grant that contributed to overheads, staff salaries and enabled the delivery of the Zine not Heard project.

- **Christal Foundation**
A grant to support the delivery of the Zine not Heard project.
- **Community Foundations for Lancashire/ Red Rose Response Fund**
Grant to deliver Create Carefree project in Burnley responding to the impact of Covid 19 on young people's mental health.
- **Curious Minds PI**
Curious Minds Partnership Investment was awarded to Blaze Arts to help achieve Blaze Arts' vision of 'A world where all young people have the opportunity to produce their own culture'. Although formally restricted funding, its purpose is to cover general running and development costs of the new charity.
- **National Lottery Awards for All**
National Lottery funding for the Generation Change project in partnership with Super Slow Way and Thompson Park.
- **The Radcliffe Trust**
Combined funding with Harris Young Producers, as agreed with the Trust to enable the young project leaders to show there is 'More T' North' by hosting an event and series of workshops to prove that Northerners aren't living in the shadow of our former textile and weaving past, but instead using our heritage to shape our future
- **Curious Minds – LCEP Arts Award**
Production of Preston Arts Award Supporter Map in collaboration with early career designer.
- **Harris Youth Board**
Funding from Preston City Council to support the development of a youth board at the Harris to encourage the voices of younger people to share decision making within the museum.
- **Lancashire 2025**
Commission to undertake consultation with young people on behalf of Lancashire 2025.
- **Lancashire Music Service – Amplify**
To fund a collaboration with young people to produce a research project about music education.
- **NHLF Kick the Dust - Hope Streets**
Production of the 'Festival of Hope' involving youth led teams through five museums across the North West as part of the Hope Streets five-year programme, funded by National Heritage Lottery Fund (NHLF).
- **Preston City Council Harris Young Producers**
Funding from Preston City Council to support the next group of Young Producers. Resulted in the production of the Isolation Handbook.

- **Reverberate**
Grant provided by English Heritage and funded by National Lottery Heritage Fund to deliver 'The Preston Project' in collaboration with The Harris Young Producers.
- **Wigan LCEP**
Funding to deliver Youth Voice Task Team Research and Development Project to support Local Cultural Education Partnership.
- **WigLe Dance**
Commission to support the development and delivery of a Young Producer Programme and online, youth led dance festival.

2. Income

Incoming Resources from Charitable Activities:

Restricted Income

Grants:

	2020/21	2019/20
	£	£
Arts Council England (ACE) Emergency Fund	6,476	6,274
Christal Foundation	3,000	-
Community Foundation for Lancashire - Lancashire Red Rose Response Fund	524	-
Curious Minds PI	32,514	-
National Lottery Awards for All	-	7,248
The Radcliffe Trust	-	4,000
	42,514	17,522

Commissions:

Curious Minds LCEP Arts Award	1,305	-
Harris Youth Board	785	785
Lancashire 2025	3,000	-
Lancashire Music Service - Amplify	3,294	1,186
NHLF Kick the Dust - Hope Streets	6,535	18,983
Preston City Council - Harris Young Producers	8,875	10,278
NLHF - Reverberate	2,000	-
Wigan LCEP support	2,000	-
WigLe Dance	2,625	-
	30,419	31,232

Other Income - Consultancy Fees

	1,070	954
Total	74,003	49,708

3. Expenditure on Charitable Activities

Analysis of expenditure on charitable activities

Charitable expenditure is allocated between unrestricted and restricted funds, direct, support and governance costs as follows:

	2020/21		2019/20		2020/21	2019/20
	Unrestricted	Restricted	Unrestricted	Restricted	Total	Total
	£	£	£	£	£	£
Direct Costs	-	34,633	-	40,593	34,633	40,593
	-	34,633	-	40,593	34,633	40,593
Support Costs						
Staff costs & expenses	343	28,224	695	11,121	28,567	11,816
External support & advice	6,000	-	6,000	-	6,000	6,000
General office costs	1,365	-	2,801	-	1,365	2,801
	7,708	28,224	9,496	11,121	35,932	20,617
Governance						
Independent examiners fees	930	-	930	-	930	930
Trustees expenses	-	-	52	-	-	52
Board meeting & development costs	-	-	60	-	-	60
	930	-	1,042	-	930	1,042
Total	8,638	62,857	10,538	51,714	71,495	62,252

4. Staff Costs

The salary related costs of the charity were as follows:	2020/21	2019/20
	£	£
Wages & salaries	43,500	30,577
Social Security costs	4,028	4,775
Pension costs	2,675	2,704
Total Staff costs	<u>50,203</u>	<u>38,056</u>

No employee had earnings (excluding employer pension costs) over £60,000 during the year.

The Director was furloughed part time from August 2020 to October 2020, with £2,142 received towards costs from the Government Retention Scheme.

The remuneration costs during the year of the Director and Interim Director (inclusive of pension costs), charged to Blaze Arts under a secondment agreement with Curious Minds, was £48,061 (2019/20: £38,056).

	2020/21	2019/20
The average number of FTE staff was:	1.6	2

5. Net incoming resources before transfer

<i>This is stated after charging:</i>	2020/21	2019/20
	£	£
Independent Examiners fees	930	930
Trustees expenses	-	52
	<u>930</u>	<u>982</u>
Number of trustees claiming expenses:	-	1

6. Debtors

	2020/21	2019/20
	£	£
Prepayments & Accrued Income	709	2,740
Grant and other income receivable	3,672	3,976
	4,381	6,716

7. Creditors falling due within one year

	2020/21	2019/20
	£	£
Trade creditors	1,570	-
Accruals	2,363	3,033
Grants and income in advance	1,606	18,104
	5,539	21,137

Blaze Arts pays all suppliers within 30 days of receipt of invoices due for payment.

Accruals include £774 (2019/20: £1,859), being the cost of staff annual leave due but not taken at year end and £659 pension contributions due to 31 July 2021.

8. Deferred income

	2020/21	2019/20
	£	£
ACE Emergency Fund	-	6,476
Christal Foundation	-	3,000
Curious Minds LCEP Arts Award	270	500
Curious Minds PI	486	-
Lancashire 2025	-	1,500
Liverpool CVS - Skelton Charitable Fund	500	-
Lancashire Music Service - Amplify	350	3,644
NHLF Kick the Dust - Hope Streets	-	2,984
	1,606	18,104

Movement in deferred income

Balance as at 31 July 2020 / 2019	18,104	18,919
Amount released to income in year	(17,484)	(18,919)
Amount deferred in year	986	18,104
Balance as at 31 July 2021 / 2020	1,606	18,104

9. Statement of funds

	<i>Balance</i>				<i>Fund</i>				<i>Balance</i>
	<i>31/07/2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>31/07/2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>31/07/2021</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Unrestricted Funds									
General Fund	-	954	(10,538)	10,538	954	1,070	(8,638)	8,638	2,024
	-	954	(10,538)	10,538	954	1,070	(8,638)	8,638	2,024
Restricted Funds									
Arts Council England (ACE) Emergency Fund	-	6,274	(5,384)	(890)	-	6,476	(3,785)	(2,691)	-
Christal Foundation	-	-	-	-	-	3,000	(1,836)	(1,164)	-
Community Foundation for Lancashire - Lancashire Red Rose Response Fund	-	-	-	-	-	524	(524)	-	-
Curious Minds PI	32,998	-	(11,121)	(2,377)	19,500	32,514	(30,738)	(338)	20,938
National Lottery Awards for All	-	7,248	(6,252)	(996)	-	-	-	-	-
The Radcliffe Trust	-	4,000	(2,000)	(2,000)	-	-	-	-	-
Curious Minds LCEP Arts Award	-	-	-	-	-	1,305	(1,305)	-	-
Harris Youth Board	-	785	-	(785)	-	785	-	(785)	-
Lancashire 2025	-	-	-	-	-	3,000	(3,000)	-	-
Lancashire Music Service - Amplify	-	1,186	(956)	(230)	-	3,294	(1,958)	(1,336)	-
NHLF Kick the Dust - Hope Streets	-	18,983	(16,523)	(2,460)	-	6,535	(6,535)	-	-
Preston City Council - Harris Young Producers	-	10,278	(9,478)	(800)	-	8,875	(8,145)	(730)	-
NLHF - Reverberate	-	-	-	-	-	2,000	(1,631)	(369)	-
Wigan LCEP support	-	-	-	-	-	2,000	(1,500)	(500)	-
WigLe Dance	-	-	-	-	-	2,625	(1,900)	(725)	-
	32,998	48,754	(51,714)	(10,538)	19,500	72,933	(62,857)	(8,638)	20,938
Total Funds	32,998	49,708	(62,252)	-	20,454	74,003	(71,495)	-	22,962

Fund Transfers include contributions to overheads charged to programmes within individual funds, as agreed with funders, along with relevant permissible recharges for specific programme work in accordance with the use of those funds.

The net transfer of £8,638 (2019/20: £10,538) between restricted and unrestricted funds during the year is in respect of agreed programme contributions to overheads.

The balance of restricted funds represents expenditure not due at the Balance Sheet date from grant funding received.

10. Analysis of net assets between funds

	<i>2020/21</i>		<i>2019/20</i>		<i>2020/21</i>	<i>2019/20</i>
	<i>General</i>	<i>Restricted</i>	<i>General</i>	<i>Restricted</i>	<i>Total</i>	<i>Total</i>
	<i>Funds</i>	<i>Funds</i>	<i>Funds</i>	<i>Funds</i>		
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Net current assets	2,024	20,938	954	19,500	22,962	20,454
	2,024	20,938	954	19,500	22,962	20,454

11. Corporation tax

The company is a registered charity and is entitled to claim annual exemption from UK corporation tax.

12. Related Party Transactions

Derri Burdon is joint Chair of Trustees of Blaze Arts and is also Chief Executive Officer of Curious Minds who awarded a Partnership Investment grant of £60,000 in 2018/19 and a further £33,000 in July 2020. The Hope Streets commission to Blaze Arts of £24,000 is via a National Heritage Lottery project through Curious Minds, extended in 2020/21 with additional funding of £3,000. Curious Minds contracted Blaze for LCEP Support commissions totalling £3,305 in 2020/21. Blaze Arts also reimbursed Curious Minds for salary costs of £48,061 (2019/20: £38,056) for its Director and Programme Producer under a secondment agreement.

Derri's daughter runs WigLe Dance who commissioned Blaze for a project at a fee of £2,625 in 2020/21.