

BLAST THEORY

LIMITED BY GUARANTEE

Report of the Trustees and Unaudited Financial Statements for the year ended 31 March 2023

Registered Company Number: 03162239 (England and Wales)
Registered Charity Number: 1053343

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Blast Theory make interactive art to explore social and political questions. The group's work places the public at the centre of unusual and sometimes unsettling experiences, to create new perspectives and open up the possibility of change.

Led by Matt Adams, Ju Row Farr and Nick Tandavanitj, the group draw on popular culture and new technologies to make performances, games, films, apps and installations.

Significant activities

Our main achievements for the year were:

- We collaborated intensively with computer scientists, roboticists, vets, experts in feline behaviour and animal welfare organisations as part of our research project Cat Royale.
- We premiered Cat Royale at Science Festival Brisbane to 411,000 visitors in person. Online the highlights films were watched over 75,000 times.
- Short Periods Of Structured Nothingness was presented as part of Hooked at Science Gallery Atlanta.
- We hosted two international artist residencies.
- We supported 14 artists with free studio space.
- We hosted six Pot Luck evenings for emerging artists.
- We mentored 11 artists and creatives at all stages in their careers, via formal and informal mentoring schemes.
- We offered three paid internships to young people looking to start a career in the creative industries.
- We secured Arts Council England National Portfolio Organisation funding for the period 2023-26.

Key artistic projects

Cat Royale

Cat Royale explores the impact of AI on humans and animals.

Three cats lived inside an environment created by the artists. For 12 days Ghostbuster, Pumpkin and Clover spent time inside each day. Their every need was catered for. They had food, drink and air conditioning. They had high ledges to watch from; cubbyholes to snooze in and a floor to ceiling scratchpost. Every surface was covered in carpet so that they could climb and explore freely.

At the centre of the room was a robot arm controlled by an AI, connected to a computer vision system. Every few minutes the AI instructed the robot to offer a game to the cats. Over time it learned which games each cat liked best.

The robot threw balls or dropped them into a ball run. It dangled feathers, offered snacks and introduced a cardboard box. It rang bells and dragged a toy mouse.

To ensure the comfort and safety of the cats, experts in animal welfare were involved in the design of the project from the start. Senior staff from the RSPCA were supervising throughout the 12 days.

Cat Royale was made possible as part of Blast Theory's role as Cultural Ambassadors for the Trustworthy Autonomous Systems Hub. The work was created as part of an extensive collaboration with researchers at the Mixed Reality Lab at the University of Nottingham; and with Professor Clara Mancini at the Open University, Professor Daniel Mills at the University of Lincoln and Dr Kate Devlin at Kings College London.

In March and early April 2023, the work was presented as a time delayed video stream at the World Science Fair in Brisbane. Daily highlight films were shown on YouTube and Facebook.

BLAST THEORY (REGISTERED NUMBER: 03162239)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

Exhibitions, presentations and screenings

Museum and gallery exhibitions extend our reach to new, diverse and large audiences, reaching 634,669 people this year according to the presenting partners' own monitoring.

Cat Royale at Science Festival Brisbane (Australia)

Via a 72-hour delayed livestream, audiences at Curiosity Brisbane, a free outdoor festival showcasing the intersection of art, science and technology as part of Brisbane Science Festival, watched the three cats in Cat Royale eat, sleep and play with the robot arm over a period of 12 days. An estimated 411,000 people saw the work at Queen Street Mall, a popular shopping precinct.

Short Periods Of Structured Nothingness at Science Gallery Atlanta (USA)

This work was first presented at Science Gallery London in 2018 as part of the Hooked exhibition which explored the world of addiction and recovery. In 2022 Short Periods Of Structured Nothingness was included in a new iteration of Hooked at Science Gallery Atlanta, attracting 3,300 visitors.

A Cluster of 17 Cases at Rijksmuseum Boerhaave, Leiden (Netherlands)

A Cluster Of 17 Cases (2018) continued at Rijksmuseum Boerhaave until August 2022 as part of Contagious!, an exhibition examining the history of infectious diseases and their effects on people's lives up to the Covid-19 pandemic. In 2022/23 the exhibition attracted 34,175 visitors.

Spit Spreads Death: The Exhibition at The Mütter Museum, Philadelphia (USA)

A documentation film of Spit Spreads Death: The Parade (2019) is included in the wider exhibition at The Mütter Museum. The exhibition explores the influenza pandemic of Philadelphia in 1918/19 and its impact on the city. The exhibition saw 120,347 visits in 2022/23.

Hurricane at The Red Cross Museum, Geneva (Switzerland)

Commissioned in 2012 for the permanent collection of the Red Cross Museum, this interactive work reached 65,847 visitors in 2022/23.

LEARNING & PARTICIPATION

Education and inspiration

The Blast Theory artists continue to teach in the UK and internationally. In 2022/23 we hosted a workshop for students visiting from the University of Nebraska; delivered workshops at the University of Dundee and Theatre Royal Haymarket; and held talks at the Royal College of Art, Institute of Contemporary Theatre, Kikk Festival in Namur (Belgium), Subotron in Vienna, the Kitchen in Budapest and xPUB in Rotterdam.

The artists and team regularly give interviews and provide mentoring to emerging artists and students as well as mid-career artists. In 2022/23 we mentored 11 artists including two Brighton MET college students. The Blast Theory team offered wraparound mentoring to three interns throughout the year, focusing on creative practice as well as business planning, finance and communications.

We hosted a total of six Pot Lucks in the year, each attended by between five and 15 young artists. Pot Luck is a series of informal dinners and creative events hosted at our studios for local artists to exchange ideas, build networks and develop systems of mutual support. The evenings are always well received, as demonstrated by participant feedback: "So grateful for all the light you bring to our lives with Pot Lucks"; "So lovely to be surrounded by so many inspirational people."

Fostering new talent

Blast Theory's placements are all offered as internships paid at the Real Living Wage. We provided two full-time placements and one part-time placement in 2022/23. One placement was funded entirely by charitable donations; one placement was via the government's Kickstart scheme; and one was part of the University of Sussex Career Lab summer internships scheme.

"My time here at Blast Theory has been incredibly valuable and I am confident that the skills and experiences I have gathered here will impact my future in significantly positive ways.

My experience at Blast Theory opened my eyes to the creative industry and helped me understand how I may fit in, how I may find avenues in and how I could express myself in and through art." Stephen Oppong-Addai, intern in 2022

Diversity & Inclusion

Diversity & Inclusion remained central to our work in 2022/23:

Commissions: for Cat Royale we devised and recruited an Audience Advisory Panel (AAP) with diverse representation across the UK and abroad, to discuss and review the work at key stages. AAP members took part in five online sessions, contributing to conversations and creative exercises to help develop the project. UK-based members of the panel also received an exclusive invitation to see the Cat Royale installation in person.

Talent development: building on a successful programme in 2021/22, we again offered free studio space to local artists and makers in 2022/23, supporting 14 artists from different backgrounds and at different stages in their careers.

Internships: we received a large number of applications from diverse applicants for all opportunities. Two of our 2022/23 interns were young people of colour and one identified as queer. We have an inclusive recruitment process for all opportunities, including offering alternative ways to apply, offering feedback to unsuccessful candidates and sharing interview questions in advance.

Residency Programme

Blast Theory's Residency Programme, initiated and run by the artists, provides space and uninterrupted time for residents to research and develop new work in a supportive environment. We encourage debate and exchange with residents throughout the residency and provide weekly mentoring.

In 2022/23 we made a decision to only offer residencies which included a stipend for the artist. Through a new partnership with Brighton-based creative consultancy Urbanflo we hosted Caribbean artist Rodell Warner as part of The World Reimagined, a national art education project to transform how we understand the Transatlantic Trade in Enslaved Africans and its impact on all of us.

Between January and March 2023 we hosted Sigrún Gyða, an Icelandic artist based in the Netherlands, with support from the Netherlands Creative Media Fund.

AUDIENCES AND ONLINE REACH

Blast Theory is known worldwide by a passionate and knowledgeable group of fans. Our work engages a broad audience ranging from students, academics, artists, critics, researchers and the general public to games fans, bloggers and technology enthusiasts.

Audiences are at the centre of Blast Theory's work and we focus on deep, highly immersive forms of engagement that are innovative and, on occasion, risky. As many of our works are experienced individually or in small groups and cover complex social issues, we create debrief spaces to allow audiences to talk and debate the work afterwards.

Our work is devoted to participation and interaction. As public visits began to recover from the pandemic we continued to embrace and trial new ways of reaching and engaging with audiences, including via Blast Theory's website, newsletter and social channels. In 2022/23 we attracted 40,000 unique visitors to our website and had a combined social media following of 22,800. Via lead generation ads, we grew our newsletter to 9,600 subscribers.

The Cat Royale highlights videos were watched 75,200 times, in addition to 411,000 people seeing the work in person at Science Festival Brisbane. Blast Theory's museum installations attracted 634,669 visitors.

AWARDS & PRESS

We were longlisted in three categories in the 2023 Digital Culture Awards. Blast Theory's Communications Manager Jonny Goode was also nominated for the Tech Champions' Choice Award.

Cat Royale was covered in a number of news outlets in the UK and Australia, including Newsweek, Broadsheet, Concrete Playground and the Brisbane Times.

PUBLICATIONS & RESEARCH PAPERS

The breadth and quality of the publications featuring Blast Theory's work demonstrates its impact and significance in the fields of theatre, visual art and interaction design. Notable publications this year include "Hybrid Museum Experiences: Theory and Design" by Annika Waern (Editor) and Anders Løvlie (Editor); and "Scènes numériques. Anthologie critique: Digital stages" by Izabella Pluta.

PUBLIC BENEFIT

In developing the objectives for the year, and in planning activities, the Trustees have considered the Charity Commission's general guidance on public benefit. Blast Theory aims to contribute to the cultural life of the South East region, the United Kingdom and internationally by implementing a diverse programme of innovative performances, exhibitions, research projects and public events. We introduce a broad range of the public - from all backgrounds - to the potential of new forms of theatre and visual arts and we contribute to a dialogue about the impact of emerging technologies on contemporary society. We are committed to supporting the careers of young and emerging practitioners and create opportunities that provide hands-on access to the Company's creative and business models.

Our Learning & Participation activity - including free studio space, Pot Luck evenings and mentoring - enabled us to reach a young, diverse audience with a specific focus on people from lower socioeconomic backgrounds.

We consider the affordability of our ticketed events when we determine prices making events free where possible. Online activity is an important way to share our work with the widest audience.

FINANCIAL REVIEW

Overall Position

The charity incurred a deficit on unrestricted activities of £42,846 and this has been deducted from the reserves brought forward of £232,320 to leave £189,474 being carried forward.

Arts Council England funding

Following a competitive bidding process, Blast Theory were successful in our bid to remain in Arts Council England's National Portfolio for the 2023-26 funding period, with a total award of £409,875 over three years.

The funding received from Arts Council England (ACE) contributes to the core running costs of the Company. However, these funds do not cover core costs in full, representing 32% of Blast Theory's total income in 2022/23. Blast Theory leverages ACE funding to secure contributed, project and earned income to supplement its running costs.

Reserves policy

The Trustees have established a policy of maintaining an unrestricted reserve for two purposes. Firstly, the designated reserve is held to provide for essential staff and running costs in times of financial uncertainty. Secondly, there is a general reserve to safeguard against the risk element inherent in the Company's research and development projects.

Reserves

Total income in this year amounted to £421,064 an increase of 20% on the previous year. Resources expended in 2022/23 were £478,266 (2021/22 £436,003).

The Company currently has a designated reserve of £92,500 to cover six months' operating costs. In addition, an unrestricted reserve is maintained to support artistic ambition and to manage risk. In the current financial year £5,588 has been added to the general (undesignated) reserve, bringing the total to £58,908.

In addition, Blast Theory has a £26,066 Designated Fund made up of prize money from the Nam June Paik Art Center Award which will be invested in the development of new work.

Former Blast Theory artist Jamie Iddon bequeathed £12,000 to the Company to be used in support of new artists. This amount will be treated as a Designated Fund.

The total reserves at the year-end stand at £256,427 of which £66,953 is represented by restricted assets. At 31 March 2023, the level of reserves available for the charity's use (i.e. unrestricted funds not invested in fixed assets) was £189,474 (2021/22 £232,320).

To achieve artistic excellence and take artistic risks with a sustainable financial system, the Company assigns a minimum of 5% contingency to each project. This is matched with a 5% contingency against core costs to protect against unexpected eventualities.

FUTURE PLANS

The major financial objective for the Company is to sustain a mixed economy of revenue and earned income in order to fund its artistic ambitions, and to ensure ongoing funding through ACE.

Key goals for the future planning period are to:

- Take artistic risks and be bold. We will continue to create new hybrids: artworks that may not look like artworks but that have wide reach and deep engagement;
- Create large-scale art works to engage communities across whole cities;
- Explore new forms of practice through new models of creation and distribution;
- Demonstrate innovation and experimentation through research-led practice;
- Build strong fundraising skills through the organisation;
- Secure funding via our individual giving scheme and Trusts & Foundations to fund paid internships;
- Deepen our understanding of our audiences - online and in person - to underpin targeted audience development activity

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company was incorporated on 1 February 1996 (company no: 3162239) and is governed by its Memorandum and Articles of Association.

The company was registered as a charity with the Charity Commission on 29 February 1996.

The company is limited by guarantee and therefore has no share capital.

Recruitment and appointment of new trustees

The Trustees from the Company form its Committee of Management and Governing Body and are empowered to act as necessary in order for the Company to fulfil its objectives. Trustees may be appointed by fellow Trustees at any time. Blast Theory acknowledges that the Company can make a significant contribution to the region and wish to involve local expertise on the Board. Trustees are recruited based on their knowledge and experience of the digital media, arts and cultural sector.

Upon joining, Trustees are issued with an induction pack which includes Blast Theory's Memorandum and Articles and most recent Business Plan; the most recent minutes; management accounts; Blast Theory biography; a copy of "The Essential Trustee: What you need to know" and a copy of "Charity Fundraising Guidance", both published by the Charity Commission.

The Trustees approve strategy, annual plans and budgets, and monitor progress against agreed objectives. Trustees delegate the management of the organisation to the Director.

Organisational development

Nick Tandavanitj sits on the Board of Fabrica, a contemporary art gallery in Brighton. Matt Adams chairs the Advisory Board for non zero one. Ju Row Farr is a Trustee at Lighthouse.

Environmental performance

Our carbon footprint in 2022/23, directly related to travel, was 5 tonnes CO₂e. We strive to reduce emissions year on year but given the nature of Blast Theory's work, international travel is essential and there will be some years where our carbon footprint is larger as a result. We consider our overseas travel carefully to ensure we only travel when absolutely necessary.

We continue to review the data we record so that we are able to act in a more nuanced way to reduce our overall environmental impact. Speaking with peers, attending regular meetings and workshops to further our understanding of how we can effect meaningful change to our practice.

We consider the environmental impact across the entire operation both in our building and during production and set targets for overall reduction. We are also looking at alternatives to offsetting, working locally or within our communities and will continue to adapt our approach.

Risk management

The current environment for small artist led organisations with strong commitments to innovation and risk remains challenging.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees have considered the major risks that the charity faces and have systems in place to mitigate those risks. Some of the biggest risks identified by the charity are:

- The continuation and level of funding from Arts Council England, higher educational organisations and other funders and organisations;
- The impact of Brexit on the UK's ability to access EU funding programmes such as Horizon Europe;
- Increasing competition on digital platforms;
- Large commissions with long complex contract negotiations;
- Key members of the Artistic team becoming ill or leaving the Company;
- An ambitious programme to be delivered by a small team and risks of working beyond capacity;
- Finding appropriate measures to safeguard the Company's Intellectual Property Rights.

We continued to use our company-wide Risk Register which is updated and reviewed annually at Board meetings. Where risks are identified between Board meetings, Trustees are informed and we arrange ad-hoc meetings to assess the risks and consider appropriate action plans.

BLAST THEORY (REGISTERED NUMBER: 03162239)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
03162239 (England and Wales)

Registered Charity number
1053343

Registered office

Unit 5, 20 Wellington Road
Portslade
Brighton
East Sussex
BN41 1DN

Trustees

Ms S L Lau
A W Lilley (Chair)
Ms I Maor
Ms L N Mcdermott
S Williams
R Mireskandari
G B J Gadney
Mrs C J Christesen

Company Secretary

Anne Rupert

Independent Examiner

Christopher Robert Tyler FCA DChA FCIE
Institute of Chartered Accountants in England and Wales
F1 CRT Limited
Flat 24 Wellingtonia Court
Laine Close
Brighton
East Sussex
BN1 6TD

Senior Staff Members

Matt Adams (Artist and Director)
Ju Row Farr (Artist)
Nick Tandavanitj (Artist)
Anne Rupert (Business Director)

Bankers

The Cooperative Bank
1 Islington High Street
London
N1 9TR

BLAST THEORY (REGISTERED NUMBER: 03162239)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

INDEPENDENT EXAMINATION

In accordance with section 72 of the Memorandum of Association the company has dispensed with the requirement to have its accounts formally audited and has appointed C R Tyler FCA DChA FCIE to act as Independent Examiner.

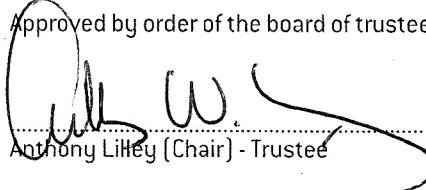
STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Blast Theory for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 5/9/23 and signed on its behalf by:


Anthony Lilley (Chair) - Trustee

Independent examiner's report to the trustees of Blast Theory ('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

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

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 the 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.

Christopher Robert Tyler FCA DChA FCIE
Institute of Chartered Accountants in England and Wales
F1 CRT Limited
Flat 24 Wellingtonia Court
Laine Close
Brighton
East Sussex
BN1 6TD



Date: 13th September 2023

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	Restricted Development £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	19,050	-	-	19,050	-
Charitable activities						
Artistic Productions		389,471	-	-	389,471	343,268
Other trading activities	3	3,335	-	-	3,335	857
Investment income	4	<u>9,208</u>	<u>-</u>	<u>-</u>	<u>9,208</u>	<u>6,869</u>
Total		<u>421,064</u>	<u>-</u>	<u>-</u>	<u>421,064</u>	<u>350,994</u>
EXPENDITURE ON Charitable activities						
Artistic Productions	6	92,965	-	14,356	107,321	46,604
Support costs		<u>370,945</u>	<u>-</u>	<u>-</u>	<u>370,945</u>	<u>389,399</u>
Total		<u>463,910</u>	<u>-</u>	<u>14,356</u>	<u>478,266</u>	<u>436,003</u>
NET INCOME/(EXPENDITURE)		(42,846)	-	(14,356)	(57,202)	(85,009)
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>232,320</u>	<u>-</u>	<u>81,309</u>	<u>313,629</u>	<u>398,638</u>
TOTAL FUNDS CARRIED FORWARD		<u>189,474</u>	<u>-</u>	<u>66,953</u>	<u>256,427</u>	<u>313,629</u>

BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	13	76,950	92,797
CURRENT ASSETS			
Debtors	14	135,644	80,914
Cash at bank and in hand		<u>143,164</u>	<u>222,560</u>
		278,808	303,474
CREDITORS			
Amounts falling due within one year	15	(99,331)	(82,642)
		<u>179,477</u>	<u>220,832</u>
NET CURRENT ASSETS			
		<u>179,477</u>	<u>220,832</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		256,427	313,629
		<u>256,427</u>	<u>313,629</u>
NET ASSETS			
		<u>256,427</u>	<u>313,629</u>
FUNDS	17		
Unrestricted funds:			
General fund		58,908	53,320
Designated fund - fund set up to ensure the smooth closing of the charity should the need arise.		92,500	135,000
Designated fund - Artist fund to support further project work.		26,066	32,000
Designated fund - to support new artists.		<u>12,000</u>	<u>12,000</u>
		<u>189,474</u>	<u>232,320</u>
Restricted funds:			
SEEDA - towards leasehold improvements		-	4,594
Arts Council of England South East - towards leasehold improvements		66,953	76,715
		<u>66,953</u>	<u>81,309</u>
TOTAL FUNDS		<u>256,427</u>	<u>313,629</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

BLAST THEORY (REGISTERED NUMBER: 03162239)

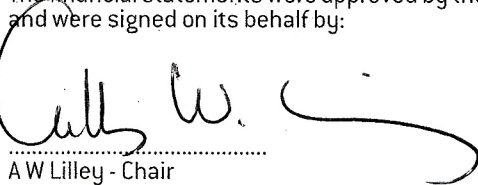
BALANCE SHEET - continued
FOR THE YEAR ENDED 31 MARCH 2023

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 5/9/23
and were signed on its behalf by:


.....
A W Lilley - Chair

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(77,951)</u>	<u>(118,889)</u>
Net cash used in operating activities		<u>(77,951)</u>	<u>(118,889)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,043)	(13,677)
Interest received		<u>1,598</u>	<u>269</u>
Net cash used in investing activities		<u>(1,445)</u>	<u>(13,408)</u>
		—————	—————
Change in cash and cash equivalents in the reporting period		(79,396)	(132,297)
Cash and cash equivalents at the beginning of the reporting period		<u>222,560</u>	<u>354,857</u>
Cash and cash equivalents at the end of the reporting period		143,164	222,560

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(57,202)	(85,009)
Adjustments for:		
Depreciation charges	18,890	20,034
Interest received	(1,598)	(269)
Increase in debtors	(54,730)	(46,699)
Increase/(decrease) in creditors	<u>16,689</u>	<u>(6,946)</u>
Net cash used in operations	<u>(77,951)</u>	<u>(118,889)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank and in hand	<u>222,560</u>	<u>(79,396)</u>	<u>143,164</u>
	<u>222,560</u>	<u>(79,396)</u>	<u>143,164</u>
Total	<u>222,560</u>	<u>(79,396)</u>	<u>143,164</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

There are no material uncertainties affecting the current year's accounts.

Income

All incoming resources are accounted for on a receivable basis and are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

The following specific policies apply to categories of income:

Grants.

Grants are recognised on an accruals basis, accounted for in relation to the period to which they relate. Where grants have been received for capital projects the costs have been capitalised on the Balance Sheet and depreciated in accordance with the accounting policy and charged against income.

Such income is only deferred when:

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

Donated services and facilities.

These are included at the value to the charity where this can be quantified. No amounts are included in the financial statements for services donated by volunteers.

Investment income.

This is recognised on an accrual basis.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Costs are allocated to an activity consistent with the uses of resources, eg. staff costs by time spent and other costs by their usage.

Expenditure is classified and accounted for as follows:

Resources expended

Costs of generating funds.

Comprises the costs included in attracting voluntary income and those incurred in trading activities to raise funds.

Charitable activities.

Comprises those costs incurred by the charity associated with the staging of shows and presentations.

Support costs.

Expenditure

Includes the office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and financing. It also includes those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Tangible fixed assets and depreciation

Fixed assets acquired from unrestricted funds are capitalised and the cost is written off over their useful economic life as follows:

Leasehold Improvements - over the lease term, 20 years.

Fixtures, Fittings and Equipment - over 4 years.

Fixed assets acquired from restricted funds are written off in the year in which the expenditure is occurred.

Impairment reviews take place annually and adjustments made to the carrying value where necessary.

Donated assets are recognised at current value at the date of the gift.

Assets costing £500 or more are capitalised.

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 for charitable purposes.

Fund accounting

The charity has the following funds for which it is responsible:

Unrestricted Funds

These funds are for use on the general objectives of the charity.

Designated Funds

These comprise general funds which have been set aside at the discretion of the Trustees for specific purposes.

Restricted Funds

These funds are subject to specific restrictions imposed by the donor. The purposes and use of restricted funds are set out in the notes to the accounts.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken to the Statement of Financial Activities.

2. DONATIONS AND LEGACIES		2023	2022
		£	£
Donations		<u>19,050</u>	<u>-</u>
3. OTHER TRADING ACTIVITIES		2023	2022
		£	£
Sales, hires & merchandise		206	857
Residency programme		<u>3,129</u>	<u>-</u>
		<u>3,335</u>	<u>857</u>
4. INVESTMENT INCOME		2023	2022
		£	£
Rental income		7,610	6,600
Deposit account interest		<u>1,598</u>	<u>269</u>
		<u>9,208</u>	<u>6,869</u>
5. INCOME FROM CHARITABLE ACTIVITIES		2023	2022
		£	£
Performance fees	Activity	34,432	87,049
Commissions	Artistic Productions	27,810	5,750
Education	Artistic Productions	5,524	6,284
Grants	Artistic Productions	318,618	217,911
Trusts and foundations	Artistic Productions	<u>3,087</u>	<u>26,274</u>
		<u>389,471</u>	<u>343,268</u>
Grants received, included in the above, are as follows:		2023	2022
		£	£
Arts Council England - National Portfolio Organisation		136,625	136,623
The Imperial War Museum on behalf of 14-18 NOW - Bloodyminded		-	20,790
University of Sussex - Career Lab Summer Internship Programme 2022		3,000	-
DWP Kickstart Scheme		11,606	17,285
The UKRI Trustworthy Autonomous Systems (TAS Hub) - Cat Royale		130,268	11,682
Horizon Digital Economy - Cat Royale		4,050	-
The British Council		-	25,000
In Situ: European Platform for Artistic Creation in Public Space		6,377	6,531
Curiosity Brisbane - Cat Royale		26,400	-
British Council Japan		<u>292</u>	<u>-</u>
		<u>318,618</u>	<u>217,911</u>
Deferred income carried forward consists of the following:		2023	2022
		£	£
The UKRI Trustworthy Autonomous Systems (TAS) Hub - Cat Royale		9,460	42,728
DWP Kickstart Scheme		-	565

5. INCOME FROM CHARITABLE ACTIVITIES - continued

Ports Fest - Rider Spoke	8,090	4,750
Charitable Giving	-	5,429
Chalk Cliff Trust	4,451	5,000
The Wellcome Trust	-	2,538
Factory International - We Cut Through Dust	17,190	-

Income raised through charitable giving is used to fund the internship programme.

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Support costs (see note 8) £	Totals £
Artistic Productions	107,321	-	107,321
Support costs	-	370,945	370,945
	<u>107,321</u>	<u>370,945</u>	<u>478,266</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Freelance fees	18,485	28,740
Production development costs	68,026	17,864
Independent examination	1,920	1,920
Depreciation	18,890	20,034
	<u>107,321</u>	<u>68,558</u>

8. SUPPORT COSTS

Support costs	Management £ <u>370,945</u>
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Support costs, included in the above, are as follows:

	2023 Support costs £	2022 Total activities £
Employee costs	296,935	288,031
Management cost	687	1,316
Premises costs	26,859	28,209
General administration exps	24,620	38,842
Professional fees	21,844	11,047
	<u>370,945</u>	<u>367,445</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	18,890	20,035
Independent examination	<u>1,920</u>	<u>1,920</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

The amount of reimbursed expenses to the trustees during the year was £65 for one trustee for travelling expenses (2022: £216).

11. STAFF COSTS

Staff costs were as follows:

	2023	2022
	£	£
Salaries and wages	270,360	266,704
Employer's national insurance costs	25,789	24,052
Employer's pension costs	7,850	7,942
SMP recovered	(2,142)	(6,027)

The average head count of employees including 2 (2022: 4) employed on fixed term contracts through the DWP Kickstart scheme and 1 through the University of Sussex Summer Intern Programme during the year was:

14	14
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There were no employees with emoluments (excluding employer pension costs) above £60,000 in this year or the preceding year.

The key management personnel comprises the trustees, business director and artistic directors. The employee benefits of the key management personnel were £164,249 (2022: £153,456) including employer's national insurance and pension contributions.

The charity has entered into an agreement with one of its artists (and employees) Matt Adams under which they receive rents of £19,000 (2022: £18,000) per year plus service charges of £3,600 (2022: £3,068). The agreement relating to this was made on an arms-length basis using documentation drawn up by a Solicitor. This lease commenced on 20 February 2007.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES (2022)

	Unrestricted funds £	Restricted funds £	Restricted Development £	Total £
INCOME AND ENDOWMENTS FROM				
Charitable activities				
Artistic Productions	343,268	-	-	343,268
Other trading activities	857	-	-	857
Investment income	<u>6,869</u>	<u>-</u>	<u>-</u>	<u>6,869</u>
Total	<u>350,994</u>	<u>-</u>	<u>-</u>	<u>350,994</u>
EXPENDITURE ON				
Charitable activities				
Artistic Productions	46,604	-	-	46,604
Support costs	<u>375,044</u>	<u>-</u>	<u>14,355</u>	<u>389,399</u>
Total	<u>421,648</u>	<u>-</u>	<u>14,355</u>	<u>436,003</u>
NET INCOME/(EXPENDITURE)	(70,654)	-	(14,355)	(85,009)
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>302,974</u>	<u>-</u>	<u>95,664</u>	<u>398,638</u>
TOTAL FUNDS CARRIED FORWARD	<u>232,320</u>	<u>-</u>	<u>81,309</u>	<u>313,629</u>

13. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Totals £
COST			
At 1 April 2022	287,109	106,517	393,626
Additions	<u>-</u>	<u>3,043</u>	<u>3,043</u>
At 31 March 2023	<u>287,109</u>	<u>109,560</u>	<u>396,669</u>
DEPRECIATION			
At 1 April 2022	205,801	95,028	300,829
Charge for year	<u>14,355</u>	<u>4,535</u>	<u>18,890</u>
At 31 March 2023	<u>220,156</u>	<u>99,563</u>	<u>319,719</u>
NET BOOK VALUE			
At 31 March 2023	<u>66,953</u>	<u>9,997</u>	<u>76,950</u>
At 31 March 2022	<u>81,308</u>	<u>11,489</u>	<u>92,797</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	19,244	15,622
Grants receivable	<u>116,400</u>	<u>65,292</u>
	<u>135,644</u>	<u>80,914</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	32,103	1,026
Social security and other taxes	6,669	4,912
VAT	19,447	11,557
Deferred income	39,192	61,010
Accrued expenses	<u>1,920</u>	<u>4,137</u>
	<u>99,331</u>	<u>82,642</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds funds £	Restricted funds £	Restricted Development £	2023 Total £	2022 Total funds £
Fixed assets	9,997	-	66,953	76,950	92,797
Current assets	278,808	-	-	278,808	303,474
Current liabilities	<u>(99,331)</u>	-	-	<u>(99,331)</u>	<u>(82,642)</u>
	<u>189,474</u>	-	<u>66,953</u>	<u>256,427</u>	<u>313,629</u>

17. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	53,320	(36,912)	42,500	58,908
Designated fund - fund set up to ensure the smooth closing of the charity should the need arise.	135,000	-	(42,500)	92,500
Designated fund - Artist fund to support further project work.	32,000	(5,934)	-	26,066
Designated fund - to support new artists.	<u>12,000</u>	-	-	<u>12,000</u>
	232,320	(42,846)	-	189,474
Restricted funds				
SEEDA - towards leasehold improvements	4,594	(4,594)	-	-
Arts Council of England South East - towards leasehold improvements	<u>76,715</u>	<u>(9,762)</u>	-	<u>66,953</u>
	<u>81,309</u>	<u>(14,356)</u>	-	<u>66,953</u>
TOTAL FUNDS	<u>313,629</u>	<u>(57,202)</u>	-	<u>256,427</u>

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	421,064	(457,976)	(36,912)
Designated fund - Artist fund to support further project work.	-	(5,934)	(5,934)
	421,064	(463,910)	(42,846)
Restricted funds			
SEEDA - towards leasehold improvements	-	(4,594)	(4,594)
Arts Council of England South East - towards leasehold improvements	-	(9,762)	(9,762)
	-	(14,356)	(14,356)
TOTAL FUNDS	<u>421,064</u>	<u>(478,266)</u>	<u>(57,202)</u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	135,974	(70,654)	(12,000)	53,320
Designated fund - fund set up to ensure the smooth closing of the charity should the need arise.	135,000	-	-	135,000
Designated fund - Artist fund to support further project work.	32,000	-	-	32,000
Designated fund - to support new artists.	-	-	12,000	12,000
	302,974	(70,654)	-	232,320
Restricted funds				
SEEDA - towards leasehold improvements	9,570	(4,976)	-	4,594
Arts Council of England South East - towards leasehold improvements	86,094	(9,379)	-	76,715
	95,664	(14,355)	-	81,309
TOTAL FUNDS	<u>398,638</u>	<u>(85,009)</u>	<u>-</u>	<u>313,629</u>

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	350,994	(421,648)	(70,654)
Restricted funds			
SEEDA - towards leasehold improvements	-	(4,976)	(4,976)
Arts Council of England South East - towards leasehold improvements	-	(9,379)	(9,379)
	-	(14,355)	(14,355)
TOTAL FUNDS	<u>350,994</u>	<u>(436,003)</u>	<u>(85,009)</u>

18. CONTINGENT LIABILITIES

The Charity received a substantial grant from the Arts Council England towards the improvements of its leasehold property in 2006/07. A condition for receipt of this funding was the grant of a fixed and floating charge, in favour of the Arts Council England, over the Charity's assets. This charge includes a covenant for repayment of some or all of the amounts granted to the Charity in the event that certain conditions are breached. The legal charge expires 12 February 2027.

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

20. LEGAL STATUS

Blast Theory is a charitable company, limited by guarantee, registered in England and Wales.

The company's registered number and registered office address can be found in the Legal and Administrative Information section of the accounts.

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is £1.

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	19,050	-
Other trading activities		
Sales, hires & merchandise	206	857
Residency programme	<u>3,129</u>	<u>-</u>
	3,335	857
Investment income		
Rental income	7,610	6,600
Deposit account interest	<u>1,598</u>	<u>269</u>
	9,208	6,869
Charitable activities		
Performance fees	34,432	87,049
Commissions	27,810	5,750
Education	5,524	6,284
Grants	318,618	217,911
Trusts and foundations	<u>3,087</u>	<u>26,274</u>
	<u>389,471</u>	<u>343,268</u>
Total incoming resources	421,064	350,994
EXPENDITURE		
Charitable activities		
Freelance fees	18,485	28,740
Production development costs	68,026	17,864
Independent examination	1,920	1,920
Depreciation of tangible fixed assets	<u>18,890</u>	<u>20,034</u>
	107,321	68,558
Support costs		
Management		
Employee costs	296,935	288,031
Management cost	687	1,316
Premises costs	26,859	28,209
General administration exps	24,620	38,842
Professional fees	<u>21,844</u>	<u>11,047</u>
	<u>370,945</u>	<u>367,445</u>
Total resources expended	<u>478,266</u>	<u>436,003</u>
Net expenditure	<u>(57,202)</u>	<u>(85,009)</u>