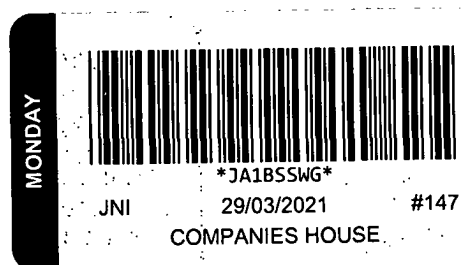


Charity Registration No. NIC100983/XR91653

Company Registration No. NI058233 (Northern Ireland)

THE BLACK BOX TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020



THE BLACK BOX TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Ms J Barkley
Ms R McCarthy
Mr S Watson
Ms S Dickson
Ms E McConnell
Ms G Morton
Mr N Sinclair

(Appointed 18 December
2019)

Secretary

Ms R McCarthy

Charity number

NIC100983/XR91653

Company number

NI058233

Registered office

18-22 Hill Street
Belfast
Co. Antrim
Northern Ireland
BT1 2LA

Auditor

PKF-FPM Accountants Limited
1-3 Arthur Street
Belfast
Co. Antrim
BT1 4GA

THE BLACK BOX TRUST

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THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

The trustees present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019)

Chair Comments;

The Board presents the Trustees Report for the year 2019/2020. We are reporting on a year that has presented further financial challenges to Northern Ireland's arts and creative sectors; this presents ongoing pressures to the Black Box but the manner in which the organisation has responded to these is a testimony to the work of our staff and board.

In an ever-changing Cathedral Quarter it is important to maintain and support creative communities, particularly in an area now regarded as a leading Cultural Quarter far beyond Belfast. The Black Box continues to bring that invaluable offer and sense of 'destination' to visitors with its diverse programme of innovative music, comedy, science, visual arts, disability arts, left-field festivals and queer arts. The organisation continues to provide a necessary space and voice positively supporting the development and success of arts and artists in this cultural quarter.

The excellence of the Black Box staff, their programming, the loyalty of festivals, artists and audiences continues to inspire and remind the board of the importance of the space and to ensure we provide for and inspire audiences that would otherwise be marginalised from opportunities.

In terms of long term resilience progress has been ongoing during the 2019/20 period as follows:

- Delivery of the follow up project to the ACNI /BCC Resilience programme [based on a £15,000 delivery budget] working with Peter Kelly Management, financial partner EF McCambridge and fundraising support partner S3 Solutions.
- Outsourcing of operational finance duties following departure of the Finance Officer.
- Full review of organisation expenditure, staff roles and executive/operational structure.

While building a surplus continues to be challenging, we continue to be 80% self-sustaining and remain dedicated to balancing our income whilst remaining committed to our core vision. The support we receive from Belfast City Council and the Arts Council of Northern Ireland remains fundamental at this stage to sustaining our model and allowing staff the space to build confidence and relationships with new foundations and trusts. A significant development in this regard was the uplift in core funding support from Belfast City Council [CMAF] from £23,000 to £60,000 per annum, which we were delighted to receive as it acknowledges the importance of the organisation to the cultural development of the City.

For the Moon Base project, the PHF Explore & Test grant was secured to deliver a high profile & visible city centre space for and by people with learning disabilities open through the week. The project concluded in this year at its pop-up site on Royal Avenue. The project engaged with 40 regular participants each week across a 15-month period. It delivered creative activity through the week including visual art and drama sessions, a music group, book club, global discussion group and more!

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

We continue to deliver Black Moon and Mini Moon which are both for and by people with learning disabilities. These projects are not aimed at income generation with their importance being embedded in social value and impact and our charitable objectives as an organisation. These Black Box designed projects have a far-reaching impact and currently involve groups from Omagh, Bangor, Armagh, Newcastle and beyond each month through satellite partners.

In 2019/20 our staff have once again outperformed and successfully built new partnerships and brought new funding streams in the most demanding economic climate. These include extremely positive relationships with the Paul Hamlyn Foundation, National Lottery, HSBC, CQ Trust and Arts & Business as well as managing ongoing relationships with longer-term stakeholders including ACNI, BCC and BBC Children In Need.

After 14 years of constant high usage and the delivery of a busy and diverse calendar of events, our venue continues to need investment for our audiences. Equipment grants from the Arts Council have enabled us to upgrade computers and laptops but the quality of sound, staging, lighting, front of house, the Green Room cafe and on-street presence require urgent improvement. Investment in people, fundraising, marketing, and business development, artistic programme and staff are also vital areas that the board will continue to prioritise in the next coming year.

When small, grassroots venues are closing daily in the UK, managing a creative space is both mentally challenging and uncertain, yet the Black Box team remain dedicated; professionally supporting the cultural life of the Cathedral Quarter and Belfast City. The ongoing resilience of the organisation and staff members in extremely challenging times is an achievement that continues to be an inspiration to the Board.

The Black Box team support and contribute with generosity to artists, festivals community groups, charity's (we host 27 annual festivals and we delivered 1170 events & activities in 2019/20 with the addition of the Moon Base pop-up space), working in the area in the knowledge that a cultural quarter is much more than one venue or gallery or festival and after fourteen challenging yet rewarding years the Black Box venue remains a centerpiece of the Cathedral Quarter.

Towards the end of this reporting period, we were faced with the decision to have to close the venue on 17th March 2020 to ensure the safety of staff, patrons, performers and the wider community. This has created a whole new set of challenges and issues to address and everyone involved with the venues continues to be committed to the long-term sustainability of the venue.

Since this decision the Board has remained dedicated to the organisation with a series of emergency Board meetings, action planning sessions, difficult decisions to minimise expenditure and on-going review of financial planning.

We continue to work with our partners and have successfully supported the delivery of some key cultural events in challenging circumstances including Culture Night online, our 14th birthday celebration, and online offers for Outburst and Out To Lunch festivals.

I would like to take this opportunity to thank all those who have supported the organisation through this period, our funders, artists, audiences, festivals, employees, board members, consultants and our committed and determined Director, Rachael.

The future is uncertain, but we cannot wait to welcome everyone back to the venue for more memorable Black Box performances.

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Objectives and activities

Purpose of the Charity and Charity's Objects are as follows:

- to provide a cultural space within the Cathedral Quarter in Belfast to advance arts, culture and sciences and promote the public's knowledge, understanding and appreciation of these purposes by providing facilities, venues, services and staff and by developing and establishing programmes for live music, theatre, literature, comedy, film, visual, abstract, conceptual and performance art amongst others.
- to advance citizenship and community development by supporting social and community infrastructure, promoting social inclusion and volunteering through engagement with arts;
- to promote the effectiveness of charities and the effective use of charitable resources by providing office space for administrative purposes including event organisation and festival launches;
- to advance creative education in arts and drama by fostering, improving and encouraging new and developing artistic talent to improve individual and group competences and skills;
- to promote relief of those in need by reason of age or disability by providing facilities, developing and operating programmes to engage with persons of 16 years or over, older adults and/or adults with learning disabilities to promote social inclusion, learn new skills including advocacy and encourage the use of their creative abilities.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

ARTISITIC AND ORGANISATIONAL VALUES

Through our values we will create a space that celebrates arts and culture through visual art, music, theatre, science, literature and everything in between. The unique selling points of the venue are its no-nonsense approach and alternative programming and this should be maintained.

| | |
|----------------------|---|
| Adventurous | Taking creative risk - risk benefit! |
| Alternative | Platform for original, unusual, emerging, left of centre work |
| Creative | Working creatively and with creative people |
| Collaborative | Working with other artists, organisations, sharing our ideas & resources |
| Accountable | Open, answerable and responsible practices and processes |
| Innovative | Inventive, brave, original new ways of working and producing |
| Provoking | Stimulate debate |
| Stimulating | Generating ideas and responses and inspiring new work |
| Curious | Asking questions, allowing audiences to discover and wonder |
| Radical | On the imaginative edge of creative change, social change through arts engagement |
| Welcoming | Create a safe, welcoming space for audience and artist alike |

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

The Black Box is a successful and acclaimed engaged arts venue in Belfast, supporting an extensive network of performers, organisations, community groups and festivals in creating and promoting innovative, grassroots and accessible events. Its exciting, diverse programme showcases live music, theatre, literature, comedy, film, visual art, live art, science, circus, cabaret, workshops and all points in between.

Central to the success of the Black Box organisation and what makes it unique is its core working value of supporting equality of access, diversity and social inclusion for users, audiences and the creative community of the city. The venue has become the hot-bed of innovative arts and cultural practice, much of this coming from those who are marginalised, under represented and under-resourced in wider arts provision and cultural development.

- While known to audiences as home to **27** key festivals including Cathedral Quarter Arts Festival, Belfast Film Festival, Belfast International Arts Festival, Out To Lunch and NI Science Festival, the venue's most vital work is in creating spaces and opportunities for new artists and producers and social opportunities for some of our most vulnerable and socially isolated communities.
- In-house initiatives for people with learning disabilities include Black Moon, a monthly disco run for and by adults with learning disabilities (including a DJ Academy); Moon Base a new user lead project on Royal Avenue open through the week for a range of activities; Mini Moon sensory disco for young children with disabilities; Black Moon Film Club, relaxed and autism friendly film screenings. That's a total of **200 events** that engage directly with over **6500 people a year** at our main venue and in partner venues throughout Northern Ireland.
- The venue is one of the most LGBTQ+ friendly spaces in the city, with staff trained in LGBTQ+ awareness and a policy of supporting queer arts. As well as being home to the award winning annual Outburst Queer Arts Festival - which would not have been able to grow without the support of the venue - the Box is home to Queertopia performance initiative for young LGBTQ+ people, many Pride events and LGBTQ+ film screenings, talks and workshops.
- Through in-house and guest programming, the Black Box hosts a year round selection of talks, debates, lectures and open forums that promote active citizenship, support and engagement. From well-known names like Mark Thomas, Owen Jones and Germaine Greer to environmental activist groups and women's rights organisations, there is always space for discussion at the Black Box around how we work together for positive social change.
- As the most affordable rentable arts space in the city, the Black Box has enabled hundreds of emerging artists and promoters to try out new ideas and ventures. Hugely successful events like TenX9 storytelling night, Science Cafe, Midweek Magic, Late Night Art and Culture Night all had their genesis in Black Box. Many of these still thrive there. The venue is vital in the arts ecosystem, providing an essential greenhouse space for new ideas to grow. Without this, there is no "leg up" for those artists who will be our household names in ten year's time.

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

- In 2019/20 we welcomed **72,000** people through our doors.
- Delivered **886 events** through our main venue and **284 participatory sessions** through the Moon Base pop-up space on Royal Avenue.
- Feedback from audiences, clients and stakeholders continues to be positive;

The Black Box has many strengths and attractions to a festival organisation like ours. There is no other Belfast venue that is so flexible in terms of concert seating/standing arrangements. It allows us to programme small and mid-scale – and therefore affordable - festival events. The Black Box is crucial to festival needs and unique in its informal atmosphere which is paramount to any music or arts event.

Kieran Gilmore, Director of Open House Festival

The enthusiasm and vigour Moon Base and Black Box deliver through their community arts project have been of great value to NVTV in developing engaging and informative content on the accessibility and the value of the arts to the wider public. Their members have provided wonderful insight into the power of arts and have communicated their feelings through the development of wonderfully crafted artistic materials.

Connor McKernan – Northern Vision Community Television

As a facilitator in the community, spaces like Moon Base are a safe, creative and sociable place to deliver a session. The space allows for individual and group expression. It's a space in which people feel at ease and relaxed thus in turn are open to new creative experiences. I also believe inclusive creative and artistic activity is integral to our society and the basis upon which strong solid and supportive communities are formed.

Moon Base and the Black Box's Outreach activities supply this grounding and opportunity for people to explore, to develop & grow within their community, the creative and artistic community that helps increase people's positive sense of self & wellbeing.

Charmaine McMeekin – Dance and Movement Facilitator

More than any other venue or shared space in the city, the Black Box supports education, engagement and inclusion through its creative programming and partnerships. Most of all it actively supports the idea that when creative space is accessible to everyone and when people come together in a space where they are made equally welcome, the most amazing things can happen.

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

MAIN ACTIVITIES:

Our main activities and programme is fully aligned to our Strategic Aims 2019-2024 as follows:

Creative Social Change; using creativity to support social inclusion, integration and equality and empower people, especially underrepresented groups by developing skills and social experiences

Creative Social Space; creating shared spaces and opportunities for artist, producers and performers to experiment, test ideas, be innovative and build audiences,

Creative Innovation & Partnership; being champions for partnership working, shared learning, and connecting others. We have an open and welcoming approach and invest in developing relationships to support others to fulfill their potential and contribute to the critical mass of artistic endeavor and performance in Belfast.

Creative Destination; being an outward looking and progressive organisation and believing in the benefits of connecting with and sharing knowledge with international communities.

CORE PARTNERSHIPS:

The Black Box Trust is a champion of the arts and promotes access for all. The Black Box continues to be an annually funded client of the Arts Council of Northern Ireland aligned with the aims of their Strategic Framework for Developing the Arts 2019-2024.

In the year 2019/20 we successfully joined the new Belfast City Council Core Multi Annual Funded clients programme delivered as part of the new BCC ten-year Cultural Strategy A City Imagining. This competitive programme selected only nine Anchor Clients and saw a significant increase in annual funding for the Black Box from £23k, to £60k per annum for the next four years.

Other core partners for the year 2019/20 included Paul Hamlyn Foundation, BBC Children In Need Small Grant programme (year 2 of a 3-year programme), the National Lottery Awards for All, HSBC Pound for Pound donation scheme, Department for Communities City Centre Events programme, CQ Trust Events programme and Arts & Business match funding programme.

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance

MAIN ACTIVITIES AND ACHIEVEMENTS IN THE YEAR:

Our programme consists of **three key strands**: Festival & Partnership Programming, Black Box Promotions & Events, and Hires.

Festival & Partnership Programming;

Working with festivals and partners is key to our methodology and approach. Each year we invest a lot of time in maintaining relationships and developing new partnership opportunities. We work with 27 festivals and includes; Out To Lunch Festival, Northern Ireland Sciences Festival, Imagine Festival of Ideas & Politics, Brilliant Corners Festival of Jazz, Young At Art Children's Festival, Belfast Film Festival, Revision Performing Arts Festival, Cathedral Quarter Arts Festival, Belfast City Blues Festival, European Heritage Day, Comedy Lab Comedy Festival, Outburst Queer Arts Festival, Hit the North Street Art Festival, Open House Festival, Culture Night, Docs Fest Ireland, Sound of Belfast, Women's Work, Independent Venue Week, Output Festival, PRIDE, Belfast International Arts Festival, Human Rights Festival, Sonorities, Bounce Disability Arts Festival, Four Corners Festival, Belfast Book Festival.

Programming partners include Strange Victory Promotions, Shine Promotions, AVA, Moving On Music, CQ BID, RESIST, Tenx9, Film Devour, Wonder Frog, Seedhead Arts and The Infinite Jest.

Black Box Promotions & Events;

We design and deliver a range of projects and programmes each year many of which give voice to underrepresented communities. Core activities include Black Moon monthly club night for and by people with learning disability that reduces social isolation and encourages independence in a cool contemporary environment. Black Moon DJs have been trained through our BPM DJ academy where they achieve an OCN Level 1 in DJing. Partners include Mencap, Autism Initiatives, Now Group, Larche, Caring Breaks. 140 participants per event, 2500 annually.

Mini Moon sensory disco for young children with any kind of disability. Partners include Sense NI, Autism NI, BBC Children In Need. Average 28 participants per month, 335 annually. Numbers are capped at 35 per event to ensure quality of experience.

Moon Base Projects Creating Connections and Moon Music; Weekly drop-in creative activities; including visual arts, and Moon Music a music group of people with learning disabilities who write, record, and perform original material. Partners: Skyway Club, Focus Club, Fairholme, Camphill, University of Atypical. 40 active participants per session, 3500 annually – many more when group take part in festival events; Eastside Arts Festival, Feile an Phobail, PRIDE, University of Atypical Bounce Arts Festival, Culture Night, Beat Carnival, Disability Awareness Week.

2019/20 saw the conclusion of the Moon Base Test & Explore project and its pop-up space on Royal Avenue in Belfast's City Centre. Core project activities (Creating Connection and Moon Music) have returned to the Black Box. Moon Base, support by the Paul Hamlyn Foundation a highly successful project that worked to disrupt the preconceptions of people with learning disabilities and increase choice by offering a range of activities through the week.

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

There is a massive amount positivity that comes as part of the workshops with Moon Base. The Moon Base team and Black Box staff are incredibly supportive, to individuals and to the group. They actively encourage a space where new ideas and skills can grow and develop.
Rab Kane, Moon Base volunteer.

The staff and volunteers are professional and person-centered allowing members to lead the direction of the program and I have observed great social improvement in members (both from Fairholme and others) Moon Base is a unique project especially for people who may not be involved with day centers and other clubs and provides an opportunity to socialise for people with learning disabilities who may not have these opportunities elsewhere. I have recommended this project to colleagues and friends for whom this would be beneficial.
Paula Tabakin, Activity Coordinator, Fairholme

Green Room Gallery programme - Month-long visual art exhibitions that supports emerging artists that is programmed by annual an open call. Work is displayed for a month; artists also have the option to sell work and no commission. Twelve artists each year, average 80 people attending per launch event, 400 weekly, 20k people annually.

2019/20 was also the year we delivered NEO NEO #8 and #9. NEO NEO is a Black Box programmed that supports musicians and visuals artist to collaborate and engage with audiences through live immersive events. The project has established an ongoing partnership with the Northern Ireland Science Festival and NEO NEO #9 was part of their festival programme for 2020 and featured Úna Monaghan, a harper, composer, researcher and sound artist from Belfast, sculptor Nóirín Nic Alastair and moving image artist Conan McIvor.

We delivered NEO NEO #8, the first NEO NEO course. NEO NEO SOUND & VISION was free to attend and open to women and those who identify as non-binary. We want to support and promote a diverse, innovative and inclusive music scene. This course provided opportunity to learn the basics in audio recording, creating soundscapes, making beats and DJing.

This year included Black Box live promotions with Carla Dal Forno, Rebekah Fitch, Manu Louis, Fears & Laura Groves, Holly McNish, Luka Bloom, Jamali Mattox, Skallions and Daddy Long Legs. We also delivered a Women Carers project in partnership with Oh Yeah Music Centre, supporting women caring for people with learning disabilities.

The Green Room cafe is open through the week with a range of free events including DJs, live performances and interactive drawing nights.

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Hires

The Black Box continues to be an affordable and popular venue. We have two spaces that are available to hire: 240 capacity the main theatre and 50 capacity Green Room Cafe. Both spaces have a PA, screen & projector and are adaptable to suit a range of events. We work with hundreds of musicians, performers, promoters, start-up companies, community, and activist groups each year who hire the venue for events with live audiences, fundraisers, discussion sessions and workshops.

MILESTONES & ACHIEVEMENTS

- Black Box Trust selected as one of nine Anchor Organisation for the new Belfast City Council CMAF programme 2020-2024
- Completion of the delivery of Paul Hamlyn Foundation Explore & Test Moon Base project for and by people with learning disabilities.
- European Volunteer Service programme with Iman Masfene Martínez
- Black Box Director, Rachael Campbell-Palmer, accepted onto European Diploma in Cultural Project Management with the Marcel Hicter Foundation.

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Financial review

A review of the charity's financial position at the end of the year

2019/20 has continued to be challenging. The Director has been working closely with the Finance staff, management mentor, board, and third-party consultants to continue to improve our financial systems and position.

The decision was made this year to outsource our finances externally to chartered accountants EF McCambridge.

Steps to reduce Deficit; -

- Outsourcing of finances to chartered accountants EF McCambridge
- Strategic funding targets with core funders ACNI AFP, Belfast City Council new CMAF programme, build on partnership with Paul Hamlyn Foundation
- Strategic funding targets with programme funders The Big Lottery, BBC Children in Need, Halifax Foundation, HBSC, Arts & Business, DCQBID,
- Fundraising programmes through membership schemes, donations, fundraising events, and online crowd-funding donations.
- From January 2020 we will engage with S3 Solutions expert 3rd party to develop fundraising capacity [Resilience funding].
- The Green Room Ltd project will be delivered 2020/21 [3rd party expert assistance] supported by Resilience funding.
- Establishment of 'Board Liaison Sub Committee' Error in formula ->(meeting monthly)<- to facilitate greater board input to planning.
- Engagement w/ third party management mentor to strengthen and guide the 'Executive Management Team' in 2020/21.
- Organisation undergoing a structure review - accountable reporting and review arrangements.
- Review of organisation expenditure formally on a monthly basis.
- Review of staff structure as outlined above.
- Review of board as outlined above to identify skills & experience gaps aligned to strategic priority areas.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

LONG TERM AIMS & STRATEGIC PLANNING

1. Grow Black Box curated and promoted programming capacity to ensure attractiveness of offering, compatibility with our mission and to ensure stability and growth of self-generated income.
2. The Black Box Trust will have a reserve equivalent to three months' operating costs and an ongoing capital investment programme to renew and replace ageing equipment and fixtures and fittings.
3. Have sufficient resources to maximise our artistic output, whilst ensuring that the whole community has access to a thriving programme, where all performances achieve maximum capacity.
4. Strengthen enduring partnerships with festivals to ensure continual growth of high profile, supportive and relevant events and programmes at the Black Box.
5. Manage Black Box curated and promoted programming, promoter led events and other activities to ensure the highest level of quality artistic output and occupancy/usage for both the Main Theatre and the Green Room.
6. Nurture and support emerging artists and art & community organisations.
7. As a Grassroots Music Venue, occupy an important role within the city, essential part of music industry ecosystem incubating the 'stars' of tomorrow and significant generator of night-time economic activity.
8. The Black Box Trust will be the Northern Ireland facilitator of the Gig Buddies project with support from Belfast City Council and will be pushing disability arts provision to a new, dynamic place.

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

KEY PRIORITIES FOR 2020-21 & COVID-19 ACTION PLANNING

Continue to build resilience through the delivery of Resilience Project Objectives, and action planning in response to the COVID-19 pandemic. Our objectives and priorities are as follows:

Programming

Review programme activity to adapt in light of COVID-19 pandemic.

- Take inclusion programmes online using interactive digital platforms and bring projects together to better reach target audiences.
- Develop digital programme using digital versions of core programme and develop new programmes for online engagement. Adopt a 'blended approach' with a combination of online and in-person events where possible, with in line with government guidelines and restrictions.
- Review the Black Box offer for festival partners and adapt venue to accommodate recordings and livestreaming from the venue.

Staff management and communication

- Ensure good governance of the organisation with continuity of meetings & business in pursuance of the mission & objectives of the organisation. Ensure a strong focus on the challenges posed by the epidemic and associated restrictions.
- Focus on developing the executive management function through planning and effective control and on delivering the objectives of the organisation and in particular the Resilience project. Introduction of bimonthly executive meetings. Ensure a strong focus on the challenges posed by the epidemic and associated restrictions.
- Communicate regularly with staff and volunteer team and provide updates with information.
- Ensure that the venue is ready to reopen when legislation permits it to do so.
- Update policies & safeguarding for online working.
- Develop COVID-19 staff briefing documents, risk assessments, and operational plan for any venue activity.
- Maintain strong working relationship with management mentor Peter Kelly to include his input to board and executive team meetings.

Commercial Income & Business Development

- Review expenditure and financial performance formally & regularly with the board and Business & Finance Sub Committee.
- Stay up to date with Government support schemes including the CJRSS [furlough] and other small business and local restriction support schemes.
- Manage all furlough and staff planning arrangements.
- Engage with audiences and maintain organisation profile while venue is closed through social media, campaigns and a varied & engaging programme of activity.
- Manage effective input from external finance officer Christine Whiteman and review systems and processes to include relevant software.
- Manage communication with service providers, review contracts as appropriate, and negotiate revised rates during the period of forced venue closure.

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Fundraising and Partnerships

- Manage relationship with funding partners to include changes or adaptations to programmes during the period of closure & restricted activity.
- Identify and make applications to organisations and trusts that can support the organisation and its' projects through the COVID-19 pandemic.
- Establish partnerships and support networks to assist with managing the impact of the COVID-19 pandemic. Utilise existing connections with the Music Venue Trust, Arts Council, City Council and venues network.

Strengthening Our Board

- Increase overall board to twelve members.
- Increase board quorum from three to five.
- Appoint a new Chair for a five-year period.
- Seek to appoint a new board member with a prominent role in arts performance.
- Seek to appoint a new board member with a prominent role in the disability support and representation sector.
- Seek to appoint a new board member with a prominent role in the business and technology sector.
- Seek to appoint a new board member from Black and/or minority ethnic communities

Matching Staff Resource with Ambition

Management Capacity. Better aligning the executive structure to organisational aims and objectives.

- Review of Director job role with focus on planning, management, artistic & audience output and governance of the organisation. The Director is responsible to the Board of Trustees who oversee the performance of the executive in the delivery of business plan and strategic plan objectives.
- Development of Operations Manager post with a focus on venue and operational management ensuring that services & programmes are delivered professionally, efficiently and effectively.
- Review of the marketing and communications role to support the work of the Director and Operations Manager to contribute to achieving the important outcomes outlined in the organisational strategy 2020-2024.
- Review of the outreach activity with a view to consolidating management and delivery mechanisms to ensure effectiveness and growth.
- Financial Management - This is a key area given the envisaged growth activities and the challenges of managing the Black Box Trust/Green Room reorganisation. It will also be key to navigate the organisation through the COVID-19 pandemic. We will continue to work closely with Christine Whiteman, the Bank of Ireland and our accountants PKFFPM.

Structure, governance and management

The charity is a company limited by guarantee governed by its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Ms J Barkley

Ms R McCarthy

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Mr S Watson
Ms S Dickson
Ms E McConnell
Ms G Morton
Mr N Sinclair

(Appointed 18 December 2019)

Recruitment and Appointment of Trustees

Trustees interested in joining the Board must complete an application and interview. Applications and bios are reviewed by the Board and on approval, new trustees go through an induction, and probationary period (of three months) following this, successful candidates are formally appointed to the Committee at the next coming AGM. Trustee induction packs include information from the last AGM; minutes and annual report, minutes from the last three Committee meetings, a copy of the Black Box Trustee Code of Conduct and are appointed a mentor within the current Committee for support and supervision. Our processes and policy are developed in line with The Code of Good Governance handbook created by the Developing Governance Group and with ongoing support from Arts & Business.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

CURRENT STAFFING STRUCTURE

(Charity)

Rachael Campbell-Palmer, Director (FT)
Holly Foscett, Admin & Comms Officer (35.5 hrs per/w contract)
Seonaid Murray, Outreach Officer (32hr per/w contract)
European Volunteer Service placement student Iman Martinez (30 hrs per week)
8 project volunteers (2-4 hours per week)

(Venue)

Neil Jacques, Venue Manager (FT)
Paul Brennan, Bar Manager (FT)
Paul McLaughlin, Ollie Woodhouse, Helena Smyth Duty Manager (PT)
Up to 12 venues staff (PT, casual hours)
Door supervisors (PT, casual)

The Black Box team are highly experienced and motivated and hold a wide and varied range of skills between them. Skills held include:

- Excellent customer care – 'World Host' trained
- Considerable technical expertise
- Forward thinking
- Self motivated
- Management skills – budget, people, time
- Event Management
- Marketing and PR
- First Aid
- Finance and Accountancy
- Creativity and Imagination
- Years of programming expertise

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Remuneration Policy

Salaries for the organisation are set and reviewed in line with Government legislation by the Director and approved by the Board of Trustees. Staff are reviewed continuously by line management with formal annual appraisals, staff are paid weekly or monthly depending on job roles and in line with internal financial policy and procedures. Salaries for senior staff and management are determined and reviewed by the Board of Trustees. Further information is available through contracts of employment and via the Staff handbook, hard and soft copies are accessible online and in the venue.

CULTURE OF ORGANISATION:

We have worked on developing user-centered Design Thinking techniques to implemented a set of goals to encourage all staff members:

1. **Communication.** This will be especially important during the upcoming year with the impact of COVID-19. We recognise people will be in the unknown and feeling concerned and it will be essential to make the staff and volunteer team valued.
2. **Share the "big picture" with employees.** Staff are consulted on this Report, as well as the Black Box Audience Development and the Black Box Strategic Plan. We hold regular staff meetings and opportunities for feedback and discussion.
3. **Work with employees to set challenging, yet attainable goals.** Some of these will be related to up-selling of products at the venue, for example cross selling shows by becoming more involved in knowing exactly what is on and what audiences might like to see next.
4. **Give them a real voice in the Black Box's future.** Advice will be taken from employees and rewarded, for example a 'duvet day', staff feedback box.
5. **Encourage employees to be innovative.** Give people space to think, try out ideas, visit other venues and businesses to get inspired.
6. **Put systems in place for measuring productivity.** Look at who is working where, attaining the highest product sales or producing the best customer feedback and reward.
7. **Give feedback, both formal and real time.** Establish ongoing evaluative processes so people can get feedback on how well they're meeting their goals both in real time and at scheduled assessment times.

Auditor

PKF-FPM Accountants Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

THE BLACK BOX TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Mr N Sinclair

Trustee

Dated: 19 March 2021

THE BLACK BOX TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2020

The trustees, who are also the directors of The Black Box Trust for the purpose 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).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE BLACK BOX TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE BLACK BOX TRUST

Opinion

We have audited the financial statements of The Black Box Trust (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

THE BLACK BOX TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE BLACK BOX TRUST

We draw attention to note 1.2 in the financial statements, which indicates that the Balance sheet of the Black Box Trust shows a position of net current liabilities, which may cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE BLACK BOX TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE BLACK BOX TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

THE BLACK BOX TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE BLACK BOX TRUST

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under section 65 of the Charities Act (Northern Ireland) 2008 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Lowry Grant (Senior Statutory Auditor)
for and on behalf of PKF-FPM Accountants Limited
Chartered Accountants
Statutory Auditors
1-3 Arthur Street
Belfast
Co. Antrim
BT1 4GA

26-3-2021

THE BLACK BOX TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

| | | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total 2020 £ | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total 2019 £ |
|---|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| | Notes | | | | | | |
| Income and endowments from: | | | | | | | |
| Donations and legacies | 3 | 16,970 | - | 16,970 | 26,624 | - | 26,624 |
| Charitable activities | 4 | 502,601 | 72,402 | 575,003 | 589,841 | 117,047 | 706,888 |
| Other income | 5 | 14,775 | - | 14,775 | 10,235 | - | 10,235 |
| Total income | | 534,346 | 72,402 | 606,748 | 626,700 | 117,047 | 743,747 |
| Expenditure on: | | | | | | | |
| Charitable activities | 6 | 586,543 | 68,322 | 654,865 | 626,575 | 91,582 | 718,157 |
| Net (expenditure)/income for the year/ Net movement in funds | | (52,197) | 4,080 | (48,117) | 125 | 25,465 | 25,590 |
| Fund balances at 1 April 2019 | | (82,083) | 26,654 | (55,429) | (82,208) | 1,189 | (81,019) |
| Fund balances at 31 March 2020 | | (134,280) | 30,734 | (103,546) | (82,083) | 26,654 | (55,429) |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE BLACK BOX TRUST

BALANCE SHEET

AS AT 31 MARCH 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|------------------|------------------|------------------|-----------------|
| Fixed assets | | | | | |
| Tangible assets | 10 | | 27,695 | | 30,838 |
| Current assets | | | | | |
| Stocks | 11 | 7,045 | | 10,162 | |
| Debtors | 12 | 33,929 | | 35,720 | |
| Cash at bank and in hand | | 1,292 | | - | |
| | | <u>42,266</u> | | <u>45,882</u> | |
| Creditors: amounts falling due within one year | 14 | <u>(173,507)</u> | | <u>(132,149)</u> | |
| Net current liabilities | | | (131,241) | | (86,267) |
| Total assets less current liabilities | | | <u>(103,546)</u> | | <u>(55,429)</u> |
| Income funds | | | | | |
| Restricted funds | 16 | | 30,734 | | 26,654 |
| Unrestricted funds | | | (134,280) | | (82,083) |
| | | | <u>(103,546)</u> | | <u>(55,429)</u> |

THE BLACK BOX TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2020

| | Notes | 2020 | | 2019 | |
|--|-------|------|---|------|---|
| | | £ | £ | £ | £ |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020, although an audit has been carried out under section 65 of the Charities Act (Northern Ireland) 2008. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 19 March 2021



Mr N Sinclair
Trustee

Company Registration No. NI058233

THE BLACK BOX TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|-----------|----------|-----------|----------|
| Cash flows from operating activities | | | | | |
| Cash (absorbed by)/generated from operations | 19 | | (14,865) | | 23,168 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (4,348) | | (28,908) | |
| Net cash used in investing activities | | | (4,348) | | (28,908) |
| Financing activities | | | | | |
| Repayment of borrowings | | 12,725 | | (5,000) | |
| Net cash generated from/(used in) financing activities | | | 12,725 | | (5,000) |
| Net decrease in cash and cash equivalents | | | (6,488) | | (10,740) |
| Cash and cash equivalents at beginning of year | | | (3,263) | | 7,477 |
| Cash and cash equivalents at end of year | | | (9,751) | | (3,263) |
| Relating to: | | | | | |
| Cash at bank and in hand | | | 1,292 | | - |
| Bank overdrafts included in creditors payable within one year | | | (11,043) | | (3,263) |

THE BLACK BOX TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

The Black Box Trust is a private company limited by guarantee incorporated in Northern Ireland. The registered office is 18-22 Hill Street, Belfast, Co. Antrim, BT1 2LA, Northern Ireland.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future, however, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern. As at 31 March 2020, the Balance Sheet of The Black Box Trust shows a position of net current liabilities. The charity has seen positive results post year end due to a restructured approach to managing costs and a number of new funding streams. Going concern remains a challenge, as well as overcoming the existing deficit however, having reviewed the business plans and actual activity since the year end, we are content that these actions will go some way to addressing the ongoing going concern challenge.

The trustees have considered this in the knowledge that on the 30th January 2020, the World Health Organisation (WHO) announced Coronavirus as a global health emergency and, on the 11th March 2020, it announced that Coronavirus was a global pandemic. The impact of this have been discussed further within the Trustees Report within the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

THE BLACK BOX TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the promotion and development of music and activities undertaken to further the purposes of the charity and their associated support costs; and
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|------------------------------|-------------------|
| Leasehold land and buildings | 10% Straight Line |
| Plant and equipment | 20% Straight Line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

THE BLACK BOX TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE BLACK BOX TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

| | Unrestricted funds | Unrestricted funds |
|---------------------|--------------------|--------------------|
| | 2020 | 2019 |
| | £ | £ |
| Donations and gifts | 16,970 | 26,624 |

THE BLACK BOX TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

3 Donations and legacies

(Continued)

Donations and gifts

Donations

5,470

3,624

Belfast City Council

11,500

23,000

16,970

26,624

THE BLACK BOX TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

4 Charitable activities

| | Unrestricted Fund 2020 £ | Restricted Fund 2020 £ | Total 2020 £ | Unrestricted Fund 2019 £ | Restricted Fund 2019 £ | Total 2019 £ |
|------------------------------------|-----------------------------------|---------------------------------|--------------------|-----------------------------------|---------------------------------|--------------------|
| Sales within charitable activities | 492,969 | - | 492,969 | 586,256 | - | 586,256 |
| Performance related grants | 9,632 | 72,402 | 82,034 | 3,585 | 117,047 | 120,632 |
| | <u>502,601</u> | <u>72,402</u> | <u>575,003</u> | <u>589,841</u> | <u>117,047</u> | <u>706,888</u> |
| Analysis by fund | | | | | | |
| Unrestricted funds | 502,601 | - | 502,601 | 589,841 | - | 589,841 |
| Restricted funds | - | 72,402 | 72,402 | - | 117,047 | 117,047 |
| | <u>502,601</u> | <u>72,402</u> | <u>575,003</u> | <u>589,841</u> | <u>117,047</u> | <u>706,888</u> |
| Performance related grants | | | | | | |
| ACNI - Programme | - | 9,500 | 9,500 | - | 10,000 | 10,000 |
| ACNI - Annual Funding | - | 15,000 | 15,000 | - | 10,000 | 10,000 |
| Film Hub | - | 200 | 200 | - | 2,410 | 2,410 |
| Comedy Lab | - | 3,800 | 3,800 | - | - | - |
| Paul Hamlyn Foundation | - | - | - | - | 45,000 | 45,000 |
| Children in Need | - | 8,623 | 8,623 | - | 9,923 | 9,923 |
| Help Musicians | - | 3,000 | 3,000 | - | - | - |
| DFC | - | 5,700 | 5,700 | - | - | - |
| ACNI - Resilience | - | 12,500 | 12,500 | - | - | - |
| Creative & Cultural Skills | - | 500 | 500 | - | - | - |
| Other | 9,632 | 13,579 | 23,211 | 3,585 | 39,714 | 43,299 |
| | <u>9,632</u> | <u>72,402</u> | <u>82,034</u> | <u>3,585</u> | <u>117,047</u> | <u>120,632</u> |

THE BLACK BOX TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

5 Other income

| | Unrestricted funds | Unrestricted funds |
|--------------|-----------------------|-----------------------|
| | 2020 | 2019 |
| | £ | £ |
| Other Income | 14,775 | 10,235 |

THE BLACK BOX TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6 Charitable activities

| | Unrestricted Fund 2020 £ | Restricted Fund 2020 £ | Total 2020 £ | Total 2019 £ |
|---|-----------------------------------|---------------------------------|--------------------|--------------------|
| Direct Costs | 182,605 | - | 182,605 | 228,693 |
| Opening Stock | 10,162 | - | 10,162 | 5,874 |
| Closing Stock | (7,046) | - | (7,046) | (10,162) |
| Artistic Costs | 2,065 | 200 | 2,265 | 2,256 |
| Performance Fees | 13,363 | 17,357 | 30,720 | 34,233 |
| Production Costs | 2,658 | 8,728 | 11,386 | 18,546 |
| Door Security | 4,440 | - | 4,440 | 9,044 |
| Training | - | 925 | 925 | 1,035 |
| Marketing | 2,014 | 422 | 2,436 | 3,989 |
| | <u>210,261</u> | <u>27,632</u> | <u>237,893</u> | <u>293,508</u> |
| Share of support costs (see note 7) | 361,187 | 30,315 | 391,502 | 417,276 |
| Share of governance costs (see note 7) | 15,095 | 10,375 | 25,470 | 7,373 |
| | <u>586,543</u> | <u>68,322</u> | <u>654,865</u> | <u>718,157</u> |
| Analysis by fund | | | | |
| Unrestricted funds | 586,543 | - | 586,543 | 626,575 |
| Restricted funds | - | 68,322 | 68,322 | 91,582 |
| | <u>586,543</u> | <u>68,322</u> | <u>654,865</u> | <u>718,157</u> |
| For the year ended 31 March 2019 | | | | |
| Unrestricted funds | 626,575 | - | | 626,575 |
| Restricted funds | - | 91,582 | | 91,582 |
| | <u>626,575</u> | <u>91,582</u> | | <u>718,157</u> |

THE BLACK BOX TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

7 Support costs

| | Support costs | Governance costs | 2020 | Support costs | Governance costs | 2019 |
|------------------------|----------------|------------------|----------------|----------------|------------------|----------------|
| | £ | £ | £ | £ | £ | £ |
| Staff costs | 224,970 | - | 224,970 | 234,339 | - | 234,339 |
| Depreciation | 7,491 | - | 7,491 | 2,779 | - | 2,779 |
| Rent | 71,988 | - | 71,988 | 79,842 | - | 79,842 |
| Premises Expenses | 28,674 | - | 28,674 | 29,075 | - | 29,075 |
| Memberships | 8,754 | - | 8,754 | 7,964 | - | 7,964 |
| Finance Charges | 9,686 | - | 9,686 | 11,455 | - | 11,455 |
| Insurance | 4,769 | - | 4,769 | 6,240 | - | 6,240 |
| Travel & Subsistence | 2,689 | - | 2,689 | 6,974 | - | 6,974 |
| Office Expenses | 2,390 | - | 2,390 | 5,404 | - | 5,404 |
| Repairs & Maintenance | 11,960 | - | 11,960 | 14,318 | - | 14,318 |
| Advertising | 2,654 | - | 2,654 | 1,804 | - | 1,804 |
| General Expenses | 15,477 | - | 15,477 | 17,082 | - | 17,082 |
| Audit fees | - | 2,700 | 2,700 | - | 2,700 | 2,700 |
| Legal and professional | - | 22,770 | 22,770 | - | 4,673 | 4,673 |
| | <u>391,502</u> | <u>25,470</u> | <u>416,972</u> | <u>417,276</u> | <u>7,373</u> | <u>424,649</u> |
| Analysed between | | | | | | |
| Charitable activities | <u>391,502</u> | <u>25,470</u> | <u>416,972</u> | <u>417,276</u> | <u>7,373</u> | <u>424,649</u> |

Governance costs includes payments to the auditors of £2,700 (2019- £2,700) for audit fees.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

THE BLACK BOX TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

9 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2020 Number | 2019 Number |
|-------------------------|----------------|----------------|
| | 10 | 11 |
| | <u>10</u> | <u>11</u> |
| Employment costs | 2020 | 2019 |
| | £ | £ |
| Wages and salaries | 209,839 | 225,235 |
| Social security costs | 12,118 | 9,104 |
| Other pension costs | 3,013 | - |
| | <u>224,970</u> | <u>234,339</u> |
| | <u>224,970</u> | <u>234,339</u> |

No employee received remuneration of more than £60,000 during the year (2019-NIL).

10 Tangible fixed assets

| | Leasehold land and buildings £ | Plant and equipment £ | Total £ |
|------------------------------------|--------------------------------------|-----------------------------|----------------|
| Cost | | | |
| At 1 April 2019 | 222,664 | 105,944 | 328,608 |
| Additions | - | 4,348 | 4,348 |
| | <u>222,664</u> | <u>110,292</u> | <u>332,956</u> |
| At 31 March 2020 | 222,664 | 110,292 | 332,956 |
| Depreciation and impairment | | | |
| At 1 April 2019 | 222,375 | 75,395 | 297,770 |
| Depreciation charged in the year | 166 | 7,325 | 7,491 |
| | <u>222,541</u> | <u>82,720</u> | <u>305,261</u> |
| At 31 March 2020 | 222,541 | 82,720 | 305,261 |
| Carrying amount | | | |
| At 31 March 2020 | 123 | 27,572 | 27,695 |
| | <u>123</u> | <u>27,572</u> | <u>27,695</u> |
| At 31 March 2019 | 289 | 30,549 | 30,838 |
| | <u>289</u> | <u>30,549</u> | <u>30,838</u> |

THE BLACK BOX TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

11 Stocks

| | 2020 £ | 2019 £ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 7,045 | 10,162 |

12 Debtors

| | 2020 £ | 2019 £ |
|---|---------------|---------------|
| Amounts falling due within one year: | | |
| Trade debtors | 32,956 | 21,749 |
| Other debtors | 973 | 13,971 |
| | <u>33,929</u> | <u>35,720</u> |

13 Loans and overdrafts

| | 2020 £ | 2019 £ |
|-------------------------|---------------|--------------|
| Bank overdrafts | 11,043 | 3,263 |
| Other loans | 15,225 | 2,500 |
| | <u>26,268</u> | <u>5,763</u> |
| Payable within one year | <u>26,268</u> | <u>5,763</u> |

14 Creditors: amounts falling due within one year

| | Notes | 2020 £ | 2019 £ |
|------------------------------------|-------|----------------|----------------|
| Bank overdrafts | 13 | 11,043 | 3,263 |
| Other borrowings | | 15,225 | 2,500 |
| Other taxation and social security | | 34,355 | 23,043 |
| Deferred income | 15 | - | 2,000 |
| Trade creditors | | 110,974 | 95,419 |
| Accruals | | 1,910 | 5,924 |
| | | <u>173,507</u> | <u>132,149</u> |

THE BLACK BOX TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

15 Deferred Income

Deferred income is included in the financial statements as follows:

| Balance at 1 April 2019 | Introduced in the year | Released in the year | Balance at 31 March 2020 |
|----------------------------|---------------------------|-------------------------|-----------------------------|
| £ | £ | £ | £ |
| 2,000 | NIL | (2,000) | NIL |

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Balance at 1 April 2019 | Movement in funds | | Balance at 31 March 2020 |
|----------------------------|----------------------------|-----------------------|-----------------------|-----------------------------|
| | £ | Incoming resources | Resources expended | £ |
| Capital | 26,654 | - | (5,747) | 20,907 |
| Arts Council | - | 47,900 | (40,196) | 7,704 |
| Children in Need | - | 8,623 | (6,500) | 2,123 |
| Creative & Cultural Skills | - | 500 | (500) | - |
| Department for Communities | - | 5,700 | (5,700) | - |
| Film Hub | - | 200 | (200) | - |
| Comedy Lab | - | 3,800 | (3,800) | - |
| Help Musicians | - | 3,000 | (3,000) | - |
| Access & Inclusion | - | 2,679 | (2,679) | - |
| | <u>26,654</u> | <u>72,402</u> | <u>(68,322)</u> | <u>30,734</u> |

17 Analysis of net assets between funds

| | Unrestricted Funds | Restricted Funds | Total | Unrestricted Funds | Restricted Funds | Total |
|--|-----------------------|---------------------|------------------|-----------------------|---------------------|-----------------|
| | 2020 | 2020 | 2020 | 2019 | 2019 | 2019 |
| | £ | £ | £ | £ | £ | £ |
| Fund balances at 31 March 2020 are represented by: | | | | | | |
| Tangible assets | 1,865 | 25,830 | 27,695 | 1,677 | 29,161 | 30,838 |
| Current assets/ (liabilities) | (136,145) | 4,904 | (131,241) | (86,267) | - | (86,267) |
| | <u>(134,280)</u> | <u>30,734</u> | <u>(103,546)</u> | <u>(84,590)</u> | <u>29,161</u> | <u>(55,429)</u> |

THE BLACK BOX TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

18 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, which includes the managers, is as follows.

| | 2020 | 2019 |
|------------------------|--------|--------|
| | £ | £ |
| Aggregate compensation | 30,161 | 21,881 |

The charity was under the control of the board of trustees throughout the year. There are no related party transactions to disclose under FRS 102.

None of the Trustees receive any reimbursement of expense, remuneration or other benefit from their work with the charity. Any connection between a Trustee or senior manager of the charity with organisations the charity works with must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party.

19 Cash generated from operations

| | 2020 | 2019 |
|--|----------|----------|
| | £ | £ |
| (Deficit)/surplus for the year | (48,117) | 25,592 |
| Adjustments for: | | |
| Depreciation and impairment of tangible fixed assets | 7,491 | 2,779 |
| Movements in working capital: | | |
| Decrease/(increase) in stocks | 3,117 | (4,288) |
| Decrease in debtors | 1,791 | 3,029 |
| Increase in creditors | 22,853 | 39,056 |
| (Decrease) in deferred income | (2,000) | (43,000) |
| Cash (absorbed by)/generated from operations | (14,865) | 23,168 |

THE BLACK BOX TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

20 Going Concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future, however, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern. As at 31 March 2020, the Balance Sheet of The Black Box Trust shows a position of net current liabilities. The charity has seen positive results post year end due to a restructured approach to managing costs and a number of new funding streams. Going concern remains a challenge, as well as overcoming the existing deficit however, having reviewed the business plans and actual activity since the year end, we are content that these actions will go some way to addressing the ongoing going concern challenge.

The trustees have considered this in the knowledge that on the 30th January 2020, the World Health Organisation (WHO) announced Coronavirus as a global health emergency and, on the 11th March 2020, it announced that Coronavirus was a global pandemic. The impact of this have been discussed further within the Trustees Report within the financial statements.

21 Analysis of changes in net (debt)/funds

| | At 1 April 2019 | Cash flows | At 31 March 2020 |
|-----------------------------------|-----------------|-----------------|------------------|
| | £ | £ | £ |
| Cash at bank and in hand | - | 1,292 | 1,292 |
| Bank overdrafts | (3,263) | (7,780) | (11,043) |
| | <u>(3,263)</u> | <u>(6,488)</u> | <u>(9,751)</u> |
| Loans falling due within one year | (2,500) | (12,725) | (15,225) |
| | <u>(5,763)</u> | <u>(19,213)</u> | <u>(24,976)</u> |