

Report of the Trustees and

Financial Statements

For the period ended 31 August 2020

(Unaudited)

for

The Rock Academy Foundation

(A Charitable Incorporated Organisation)

Charity number: 1158478

**Contents of the Financial Statements**

**For the period ended 31 August 2020 (Unaudited)**

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**Charity Information**

**For the period ended 31 August 2020 (Unaudited)**

**Charity name:** The Rock Academy Foundation

**Charity registration number:** 1158478

**Registered Office** 11 Whinchat Close  
Hartley Wintney  
Hook  
Hampshire  
RG27 8TT

**Trustees** William Lang  
Ian Stock  
Joseph Da Silva  
Nicholas Blake  
Richard Stainthorp  
Ann Murphy

**Independent Examiner** Gail Ninnim BA FCA

**Bankers** HSBC  
1-2 Market Place  
Wokingham  
Berkshire  
RG40 1AL

## **Report of the Trustees**

### **For the period ended 31 August 2020 (Unaudited)**

The Trustees present their report with the financial statements of the charity for the period ended 31 August 2020.

The Trustees confirm that their report and the financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document, the provisions of the Charities Act 2011, 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).

### **Reference and Administrative Information**

The reference and administrative information is set out on page 2.

## **Structure, Governance and Management**

### Governing document

The organisation is a charitable incorporated organisation, registered as a charity on 8 September 2014. The charity was established under a constitution which details the objects and powers of the organisation and it is governed by the constitution.

### Recruitment and appointment of trustees and directors

Under the requirements of the constitution, the Trustees must be appointed for a term of three years by a resolution passed at Trustee meetings. Trustees may be re-appointed after an interval of one year.

Under the constitution, any person may stand for election as a Trustee unless that person has not attained the age of 16 and at least one of the existing trustees is aged 18 or over and has not been disqualified from acting as a trustee under S178-180 of the Charities Act 2011. A Trustee can only be appointed by resolution by all of the charity trustees.

### Trustee Induction and training

New trustees are provided with a copy of the charity's constitution and latest annual report and statement of accounts. Trustees are appointed based on their skills, knowledge and experience that is considered to be appropriate for the charity's activities.

New trustees undergo briefings on the vision for the charity, its charitable objectives, current activities and priorities, and financial status and forecasts. They are provided with a copy of the Charity Commission, "The Essential Trustee" (CC3) document, and are required to sign our Code of Conduct. Trustees are supported by the Chair of Trustees on an ad-hoc needs basis for their role and responsibilities, introduced to all other trustees and committee members, and invited to all trustee meetings.

## **Trustees**

Trustees who served during the period and up to the date of this report are set out below.

William Lang (Chair from 26 November 2020)

Ian Stock (Chair until 25 November 2020)

Joseph Da Silva

Nicholas Blake

Richard Stainthorp

Ann Murphy

**Report of the Trustees - continued**

**For the period ended 31 August 2020 (Unaudited)**

**Objectives and Activities**

Objectives

The charity's objectives are to help and educate young people, especially, but not exclusively, through musical activities, so as to develop their capabilities as members of society.

Activities

The core of our activity is centred around 3 main services - band experience, instrument lessons and school music enrichment sessions.

Our band experience provides tuition for small groups of young people in the 10-18 age range. Each band is given a dedicated coach who uses a blend of structured exercises and creative techniques to teach song structure, practical theory and musical composition. Original compositions are strongly encouraged and students are given the opportunity to perform at our end of term fundraising live events, helping provide targets to motivate them and develop their self-confidence.

We provide graded and non-graded group and individual instrument lessons for students who want to improve their playing and their music theory as a standalone service or to supplement our other services.

In our music enrichment services, we work with teachers to deliver standard or custom developed music activities over and above a student's normal academic pursuits at school/college. These can include modern group and ensemble work, instrument lessons, technical workshops and live performances.

Volunteers

The charity has been supported by willing volunteers in meeting its objectives and administration activities of the charity and the trustees would like to take this opportunity to say how much they appreciate their continuing and valuable support. The trustees consider no reliable value can be placed on the cost of volunteers so have not included it within these accounts.

**Achievements and Performance**

The 2019/2020 year started apace with four bands for the Band Experience, continuation of the project at the Silverdale Centre in Earley and at Reading, Prospect and Oakbank schools. Our instrumental lessons also started to grow again.

We had our regular Christmas concert in December 2019 and started the spring term positively. We were building up to the Easter concert and had received a grant from the Berkshire Community Foundation for local community projects when the first COVID-19 lockdown started. With support from Reading Borough Council and Readipop, we applied for COVID-19 support grants from Youth Music and the Arts Council. In short order, we received a Youth Music grant for £8k and this allowed us to pay our support and administration costs (principally for the Head of Academy and an administrative support) until the end of August.

Once lockdown started we managed to move our guitar and drum lessons online within a week and then moved the Band Experience online for the new term. Unfortunately delivery at Oakbank and Prospect fell away but we did continue with some online tuition for both schools until the summer.

Unlike previous years, we also continued some of our activities into the summer break which brought in some extra funds. We finished August spending the last of the Youth Music grant and started to plan for online and impending face-to-face delivery in the new financial year.

Public benefit

The charity's Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties. This guidance is contained in "Charities and Public Benefit" published by the Charity Commission.

**Report of the Trustees - continued**

**For the period ended 31 August 2020 (Unaudited)**

**Financial Review**

Incoming resources for the period are £38,245 (2019: £33,873) and resources expended of £34,402 (2019: £35,226), leaving an overall surplus for the period of £3,843 (2018: deficit £1,353). Total reserves of £14,779 (2019: £10,936) include unrestricted reserves of £6,641 (2019: £8,423) and £8,138 (2019: £2,513) of restricted reserves.

**Reserves Policy**

The trustees have agreed to maintain sufficient reserves to cover one term (3-4 months) of fixed costs, currently estimated to be £5,000.

**Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the financial statements in accordance with applicable law and regulations.

The Trustees are required to prepare financial statements for each financial year that give a true and fair view of the financial activities of the charity and its financial position at the end of the 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 of the Charities SORP
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts: and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees have taken all steps that they ought to have taken in order to make themselves aware of any information relevant to the independent examination and to ensure that the independent examiner is aware of all relevant information. As far as each Trustee is aware, there is no relevant information of which the charity's independent examiner is unaware.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011. The Trustees 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.

This report was approved by the Trustees on 24 June 2021 and signed on its behalf.

**ON BEHALF OF THE TRUSTEES:**

William Lang

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**William Lang – Chair of Trustees**

Statement of Financial Activities (including Income and Expenditure Account)

For the period ended 31 August 2020 (Unaudited)

	Notes	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total Funds £	2019 Total Funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds:</b>					
Activities for generating funds	2	21,548	-	21,548	25,657
Voluntary income	3	900	15,797	16,697	8,216
Total incoming resources		22,448	15,797	38,245	33,873
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds:</b>					
Cost of charitable activities	4	23,730	10,172	33,902	34,726
Governance costs	5	500	-	500	500
		24,230	10,172	34,402	35,226
Net Movements in funds		(1,782)	5,625	3,843	(1,353)
Total funds brought forward	15	8,423	2,513	10,936	12,289
Total transfers between reserves	15	-	-	-	-
Total funds carried forward		6,641	8,138	14,779	10,936

The statement of financial activities includes all gains and losses for the period. All incoming resources and resources expended derive from continuing activities.

The notes form part of these financial statements

Balance sheet

As at 31 August 2020 (Unaudited)

	Notes	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	11	196	320
<b>CURRENT ASSETS</b>			
Debtors	12	1,780	-
Cash		13,230	13,025
		<hr/> 15,010	<hr/> 13,025
<b>CREDITORS</b>			
Amounts falling due within one year	13	(427)	(2,409)
<b>NET CURRENT ASSETS</b>		<hr/> 14,583	<hr/> 10,616
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/> <b>14,779</b>	<hr/> <b>10,936</b>
<b>FUNDS</b>			
Unrestricted funds	14	6,641	8,423
Restricted funds	14	8,138	2,513
<b>TOTAL FUNDS</b>		<hr/> <b>14,779</b>	<hr/> <b>10,936</b>

The financial statements were approved and authorised for issue by the Trustees on 24 June 2021 and were signed on their behalf by

William Lang

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**William Lang – Chair of Trustees**

The notes form part of these financial statements



**Notes to the Financial Statements**

**For the period ended 31 August 2020 (Unaudited)**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared in accordance with the 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 2016) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

**Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amounts have been received. The following specific policies are applied to particular categories of income:

- Income for lessons, bank experiences, use of instruments, memberships, room hire and music enrichment are recognised when there is entitlement to receipt and the amount can be measured with sufficient reliability.
- Voluntary income, including donations and monies received from events is recognised where this is entitlement to receipt and this amount can be measured with sufficient reliability.
- Donated services are recognised as income where quantifiable and measurable at market value. Volunteers and other donated services which are not quantifiable and measurable are not included within these accounts.

**Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional requirements of the charity and include the independent examiner's fees and costs linked to the strategic management of the charity.

**Financial instruments**

The charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and are subsequently measured at their settlement value.

**Tangible fixed assets**

Tangible assets are reflected at cost less accumulated depreciation. Cost includes the purchase price and expenses directly incurred in bringing the asset to the condition and location for intended use. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment	Between 3 years and 10 years on a straight line basis.
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Notes to the Financial Statements - continued

For the period ended 31 August 2020 (Unaudited)

**2. ACTIVITIES FOR GENERATING FUNDS**

	<b>2020 Unrestricted Funds £</b>	<b>2020 Restricted Funds £</b>	<b>2020 Total Funds £</b>	<b>2019 Total Funds £</b>
Lessons, fees and membership	21,548	-	21,548	25,657

**3. VOLUNTARY INCOME**

	<b>2020 Unrestricted Funds £</b>	<b>2020 Restricted Funds £</b>	<b>2020 Total Funds £</b>	<b>2019 Total Funds £</b>
Events	323	-	323	150
Donations / Grants	77	15,797	15,874	6,366
Donated services	500	-	500	1,700
Total incoming resources	900	15,797	16,697	8,216

**4. CHARITABLE ACTIVITIES COSTS**

	<b>2020 Unrestricted Funds £</b>	<b>2020 Restricted Funds £</b>	<b>2020 Total Funds £</b>	<b>2019 Total Funds £</b>
Coach and tutor costs	16,741	8,048	24,789	24,552
Room hire	1,200	-	1,200	1,660
General expenses	612	-	612	304
Telephone & IT	136	-	136	558
Equipment – non capital	199	-	199	586
Bad debts	780	-	780	368
Wages and salaries	-	-	-	1,680
Admin assistant costs	4,000	2,000	6,000	4,730
Depreciation	-	124	124	227
Marketing	63	-	63	61
	23,730	10,172	33,902	34,726

Notes to the Financial Statements - continued

For the period ended 31 August 2020 (Unaudited)

**5. GOVERNANCE COSTS**

	2020 £	2019 £
Independent examiner fees	500	500

**6. NET INCOMING RESOURCES FOR THE YEAR**

	2020 £	2019 £
This is stated after charging:		
Independent examiner fees	500	500
Depreciation – owned assets	124	227

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2020.

**Trustees' Expenses**

There were no trustees' expenses paid for the period ended 31 August 2020.

**8. STAFF COSTS**

	2020 £	2019 £
Salaries and wages	-	1,680
Social security	-	-
	-	1,680

The average number of employees during the period, calculated on the basis of full time equivalents, was as follows:

	2020 £	2019 £
Administrative staff	-	<1

**9. TRUSTEES' REMUNERATION AND BENEFITS**

The charity is exempt from tax on income and gains falling within S505 of the Taxes Act 1988 or S252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to charitable objects. No UK corporation tax charges have arisen in the charity for the year ended 31 August 2020 due to the charity's charitable status.

**10. RELATED PARTY TRANSACTIONS**

During the period the trustees did not consider there to be any related party transactions.

Notes to the Financial Statements - continued

For the period ended 31 August 2020 (Unaudited)

**11. TANGIBLE FIXED ASSETS**

	<b>EQUIPMENT £</b>	<b>TOTAL £</b>
<b>COST</b>		
As at 1 September 2019 and at 31 August 2020	2,416	2,416
<b>DEPRECIATION</b>		
As at 1 September 2019	2,096	2,096
Charge for year	124	124
As at 31 August 2020	2,220	2,220
<b>NET BOOK VALUE</b>		
As at 31 August 2020	<b>196</b>	<b>196</b>
As at 31 August 2019	<b>320</b>	<b>320</b>

**12. DEBTORS**

	<b>2020 £</b>	<b>2019 £</b>
Trade debtors	1,780	-

**13. CREDITORS**

	<b>2020 £</b>	<b>2019 £</b>
Accrued expenses	427	2,409

**14. ANALYSIS OF NET ASSETS BETWEEN RESERVES**

	<b>2020 Unrestricted Funds £</b>	<b>2020 Restricted Funds £</b>	<b>2020 Total Funds £</b>	<b>2019 Total Funds £</b>
Tangible Fixed Assets	-	196	196	320
Current Assets	7,068	7,942	15,010	13,025
Current Liabilities	(427)	-	(427)	(2,409)
Total incoming resources	6,641	8,138	14,779	10,936

Notes to the Financial Statements - continued

For the period ended 31 August 2020 (Unaudited)

**15. MOVEMENT IN FUNDS**

	As at 1 September 2019 £	Incoming Resources £	Outgoing Resources £	Transfers £	As at 31 August 2020 £
Unrestricted funds	8,423	22,448	(24,230)	-	<b>6,641</b>
Restricted funds	2,513	15,797	(10,172)	-	<b>8,138</b>
Total funds	10,936	38,245	(34,402)	-	<b>14,779</b>

**16. RESTRICTED FUNDS**

	As at 1 September 2019 £	Incoming Resources £	Outgoing Resources £	Transfers £	As at 31 August 2020 £
Music Equipment fund	320	-	(124)	-	<b>196</b>
Bursary / Scholarships	145	-	-	-	<b>145</b>
Grants	2,048	15,797	(10,048)	-	<b>7,797</b>
Total funds	2,513	15,797	(10,172)	-	<b>8,138</b>

**Restricted reserves**

Restricted reserves comprise those funds which have been given for particular purposes and projects. These are as follows:

Music Equipment Fund - this fund was generated through donations received and is to be used specifically for the purpose of the purchase of musical equipment.

Bursary/Scholarship Fund - this fund was generated through various donations and is to be used to assist individuals with funding for musical lessons, instruments and experiences.

Grants – this fund consists of four separate grants:

1. Awarded by the Earley Charity in 2019, to be used to assist individuals with funding for musical lessons, instruments and experiences and local community organisations. This grant was fully used in the year ended 31 August 2020.
2. Awarded by Youth Music to be used to assist with tutor costs and administrative costs during the first COVID-19 lockdown. In accordance with the terms of the grant, this grant was fully used in the year ended 31 August 2020.
3. Awarded by the Berkshire Community Foundation to be used to assist individuals with funding for band experience and regular music activities with local community organisations. The use of the grant has been extended to 2021 as a result of the COVID-19 pandemic.
4. Awarded by one of the trustees to be used to assist individuals with funding for musical lessons, instruments and experiences.

## **Report of the Independent Examiner to the Trustees of The Rock Academy Foundation**

I report on the accounts of the charity for the year ended 31 August 2020, which are set out on pages 6 to 12.

### **Respective responsibilities of trustees and examiner**

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed as the charity's gross income did not exceed £250,000.

Having satisfied myself that the charity is not subject to an audit and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of the 2011 Act and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Gail Ninnim

(Address available on signed version)

Date: 24 June 2021