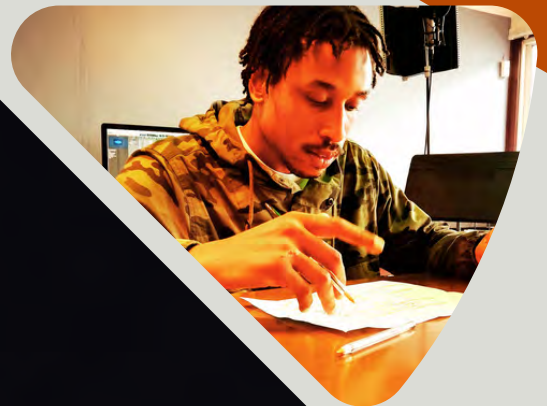




Key Changes

Positive Mental Health
Through Music

2023 ANNUAL REPORT





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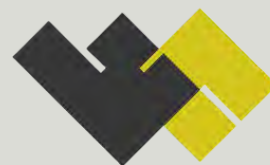
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Trustees' Report



The Trustees present their annual report and financial statements for the year ended 2023.

The charity's objects as set out in our governing document are to preserve and protect mental health and assist in the rehabilitation of people with mental health problems through music.

Our programmes support young people and adults struggling with depression, anxiety, PTSD, bipolar disorder, schizophrenia, & other mental health & neurodiverse conditions.

Using a unique music industry informed, evidence-based therapeutic approach, our work is delivered by specially trained professional producers, artists, managers, industry experts, & creatives.

The activities promote wellbeing and recovery through developing creative, technical and vocational skills - opening pathways to mainstream opportunities in volunteering, training, work experience and employment.

Our work supports groups that are disproportionately represented in the mental health system.

We aim to address health inequalities, social exclusion, and stigma and discrimination around mental health issues. Our services are accessible for musicians and music lovers with all levels of ability and experience.

The annual report and accounts have been prepared in accordance with the SORP issued in October 2019; Financial Reporting Standard 102; the Charities Act 2011; the Companies Act 2006 (including provisions in Part 15 applicable to companies subject to the small companies regime) and UK Generally Accepted Accounting Practice.

Trustees' Report





The organisation is a charitable company limited by guarantee, incorporated on 20th January 2003 and registered as a charity on 17th May 2004.

The company was established under a Memorandum of Association which established the objects and powers of the organisation. Key Changes is governed under its Articles of Association which were most recently updated in October 2020. In the event of the charitable company being wound up members are required to contribute an amount not exceeding £1.

Governance is overseen by a Board of Trustees (the Board) which sets strategic direction, agrees budgets and operational policies and monitors performance. Trustees are recruited to provide the skills and insights the Board judges to be necessary for the effective management of the organisation. These currently include organisational strategy, financial management, fundraising, arts administration, mental health experience and music industry expertise. Trustees are also appointed to provide service user and staff representation. We are currently in the process of recruiting a new treasurer. The Chief Executive Officer attends the Board in his role as Company Secretary but has no voting rights.

Trustees give their time voluntarily and receive no benefits from the charity, except for the staff trustees who receive payment for work undertaken towards the normal operation of business as governed by contracts of service.

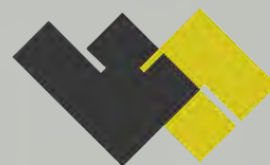
Trustee expenses reclaimed from the organisation are shown as governance costs in the accounts.

Trustees are required to disclose all relevant interests and to withdraw from any decisions where a conflict of interest arises.

Governance

Day-to-day management of the organisation is delegated to the Chief Executive Officer, who is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Chief Executive Officer provides individual supervision of the staff team and ensures that the team continuously develop their skills and knowledge in line with good practice.

Requirements for new trustees are identified by the Board, and selective advertising and networking is used to identify candidates with the skills and insights required. Potential candidates are interviewed by the Chief Executive Officer and invited to observe a Board meeting prior to appointment being formalised by the remaining Board member.



New trustees are provided with induction materials covering the organisation's strategy, operating procedures and the expectations and responsibilities of trustees. As a minimum, this includes supported one-to-one review of Safeguarding and other policies, and further safeguarding training facilitated by Key Changes' organisational safeguarding lead. Where appropriate to their role, trustees may be required to undertake further safeguarding training such as Level 1 Safeguarding Children training, and training on mental health awareness provided by our in-house experts.

The trustees (who are also directors of Key Changes for the purposes of company law) are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom accounting standards. Company law requires the management committee to prepare financial statements for each financial year which give a true and fair view of the affairs of the charitable company as at the balance sheet date; and its incoming resources and application of resources including income and expenditure for the financial year.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company, and to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report and accounts have been prepared in accordance with the SORP issued in October 2019; Financial Reporting Standard (FRS) 102; the Charities Act 2011; the Companies Act 2006 (including provisions in Part 15 applicable to companies subject to the small companies' regime) and UK Generally Accepted Accounting Practice (UK GAAP).

Charity No: 1103774
Company No: 4641867

Registered Office:
Green Fish Resource Centre
46 - 50 Oldham Street
Manchester M4 1LE

Trustees who served during period of report:
Adam Thomas, Chair
Annette Alcock, Vice-Chair
Paul Bonham
Johnny Brown
Tanya Das
Elliott Jack
Kelly McMinn
Sukie Smith
Mark Vincent

Management:
Peter Leigh, CEO
Ed West, Operations Manager
Johan Ohlstrom, Service Manager
Ishani Jasmin, Volunteer Manager
Gemma Senior, Finance Manager

Accountants:
Jackson Nicholas Assie Ltd

Bank:
The Co-Operative Bank



Hospital Service Locations 2023

Coborn Centre for Adolescent Mental Health, London
The Beacon Centre CAMHS, Edgware, London
Simmons House Adolescent Unit, London
Park Royal Centre for Mental Health, London
St Bernard's Hospital, Southall, London
St Charles Centre for Mental Health, London
The Maudsley Hospital, London
Nightingale Hospital, London
Highgate Mental Health Centre, Archway, London
St Pancras Hospital, London
Chase Farm Hospital, Enfield, London
John Howard Centre, Hackney, London
Cygnets Hospital Harrow, London
The Ladywell Unit, University Hospital Lewisham
Lambeth Hospital, London
Mill View Hospital, Hove
The Oleaster, Birmingham
Mary Seacole House, Winson Green, Birmingham
Moorside Unit, Trafford General Hospital, Manchester
Meadowbrook Unit, Salford Royal Hospital
Gardener Unit, Prestwich, Manchester
Edenfield, Prestwich, Manchester
Park House, North Manchester General Hospital
Laureate House, Wythenshawe Hospital, Manchester

Community Service Locations 2023

Feel Good Club, Manchester
Boxyard Studio, Cheetham Hill, Manchester
Positive Vibration Studio, Moss Side, Manchester
Zonal Studio, Ardwick, Manchester
Green Fish Resource Centre, Manchester
The Peer Hat, Manchester
0121 Studio, Digbeth, Birmingham
Friction Arts, Digbeth, Birmingham
Progress Music Academy, Birmingham
Pop Brixton, Lambeth, London
BRXTN Village Studios, Lambeth, London
South London Theatre, Lambeth, London
The Loft, Hounslow, London
The Arts Centre, Hounslow, London
St Mungos, Hounslow, London
London Irish Centre, Camden, London
The Hive, Camden, London
The Vineyard Church, Enfield, London
Cafe on the Hill, Ealing, London
The Qube West, Brent, London
The Yaa Centre, Westminster, London
The Cally Festival, Islington, London
Islington Assembly Hall, London
Elizabeth House Community Centre, Islington, London
St Lukes Community Centre, Islington, London
Vibast Community Centre, Islington, London
Islington MIND, London
Whitecross Street Party, Islington, London
Stargazing Festival, Islington, London
St Pancras International Railway Station, London
The Qube East, Tower Hamlets, London
Brighton Electric Studio, Brighton
South Lanes Studio, Brighton



Chair's Introduction

In 2023 our services supported people struggling with mental health challenges in Manchester, Birmingham, London, and Brighton. Over 5,000 people directly benefitted from our programmes in hospitals and communities.

Countless others engaged with the charity's work at concerts and open mics, and through conferences, networks, streaming, and social media.

Our dedicated team worked in partnership with health and social care providers, local authorities, voluntary sector, and the music industry, to develop and deliver creative interventions in response to the support needs of local communities.

Service user involvement is at the core of what we do. Our artists and volunteers represented the charity in Prague as part of an international conference exploring the voice as an instrument of social change.

This year we launched our Musicians Wellbeing Network and new peer mentor progression pathway. Our charity received coverage on national radio and TV and a short film about Key Changes produced by The Media Trust was nominated for the Smiley Charity Film Awards 2024. Our social media channels and label releases streamed on Spotify, Apple, Amazon, You Tube, Bandcamp and Soundcloud, engage with audiences globally.

Mental illness is associated with trauma and distress, health inequality, economic disadvantage, and social injustice. It can reduce peoples' lives – negatively impacting relationships, employment, finances, and housing. Music is often one of the few things left behind.

Through ongoing innovation of our therapeutic approach, and more streamlined operations and resources, our unique offer now benefits more young people and adults than ever.

We are very grateful to our partners, funders and supporters, acknowledged at the end of this report, without whom our vital services would not be possible.

Adam Thomas
Chair



SERVICES

Hospitals

Community

Concerts & Events

**Volunteering
& Progression**



Pop-up recording studio sessions for young people & adults on inpatient acute, intensive care, rehabilitation, and other psychiatric wards

Hospitals

Using a pop-up recording studio format our specially trained musicians and producers encourage patient engagement in song writing, lyricism, beat making, production and recording. The sessions offer an accessible, inclusive and energising mix of genres.

Patients are supported and encouraged to step up to the mic, have a go writing lyrics and music, make beats, produce and record tracks or simply enjoy the sounds.

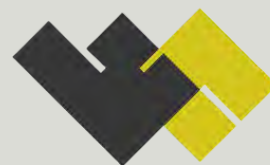
The objectives are based around social inclusion and recovery and include:

- Develop social, communication, creative, technical and vocational skills
- Rekindle ability to express feelings, make choices, take turns and respect the views and tastes of others
- Opportunity to re-engage in leisure interest and spend time with others who have a common interest in music
- Bringing patients and staff together in a positive activity
- Space to foster hope and aspirations for the future
- Signpost progression to music services in the community post-discharge

We work closely with ward staff to tailor session format and content to suit ward specialisms and patient interests. An audit after each session reviews clinical feedback, patient engagement and comments and can be included in patient satisfaction surveys.

Our approach is effective in engaging patients who might not be motivated to participate in other ward activities.

It's a useful way of signposting patients to our community programme, and visits to our studio can be arranged with ward staff or care team which can help to contribute to care planning post-discharge from hospital.



Hospitals

"The positive work that was done with one of our young people was noted throughout the team and we all feel we have a better understanding of their strengths and skills"

Occupational therapist, CAMHS ward



Brixton

Community

Mood-boosting recovery-focused mentoring programmes, tailored to individual interests & aspirations, delivered in professionally equipped studios and online





Our programmes offer a new way of knowing yourself and chance to redefine who you are.

Write and record with a professional producer, develop an identity as an artist.

Boost your mental health through creative collaboration, artist development, expert advice and peer support.

The feelgood factor from finished mixes of your musical ideas, and encouragement and feedback from mentors, peers and wider audiences, will lift your spirits and improve your wellbeing.

On completion you'll be freer from the limitations of mental illness and more aware of your true potential.

Community

- Pair up with a professional producer trained to support mental wellbeing
- Write & record in 1-1 studio sessions
- Develop an artist identity
- Learn about the industry
- Create a digital release
- Regular open mics
- Wellbeing network
- Progression to volunteering, peer mentoring, work experience
- Become part of a musical community



Performance at open mic's,
& concerts boosts artists'
confidence & self-esteem
and challenges stigma &
discrimination around
mental health issues

Concerts & Events

Completion of our programme opens a pathway to volunteering opportunities, peer mentor training, and supported work placements

Volunteering & Progression





IMPACT

"Susan's family wanted to say a huge thank you for the music sessions you do at Wythenshawe each week. Susan absolutely loves them and they make such a difference! Susan is very poorly at the moment and this is one of the only things she looks forward to. Thank you so much."

Family Member
(patient name changed)
Wythenshawe Hospital

**Music
and
Mental Health**

Case Studies

Data





Music can play a valuable role in recovery from mental illness.

- Stimulate emotional & aesthetic responses
- Develop creative, technical, social & vocational skills
- Improve expression, communication, confidence & self-esteem
- Facilitate positive changes in behaviour & wellbeing

Our innovative approach draws on clinical therapeutic techniques and music industry practice using creative collaboration and culturally appropriate activities and genres.

We aim to have a positive impact on health and wellbeing through reducing symptoms, relapse, and hospital admissions, and opening pathways to mainstream opportunities.

Music and Mental Health





What is your name and artist name?

My name is Rosie and artist name is Rosie Harbourne.

How would you describe your music?

It's sort of pop house style.

When did you find out about Key Changes and what was your first impression?

I found out about it in hospital. I was literally like 'wow I've won the lottery'. I really felt understood and respected by the staff, like we're on the same wavelength.

What is your proudest achievement as a Key Changes Artist?

Recording my song, open mics, and overcoming stage fright. Also, connecting with people around you in a crowd especially.

What have you enjoyed about being a Key Changes Volunteer?

I'd say meeting lots of people from different walks of life. The project helped me get transferable skills. I felt more considered for normal jobs.

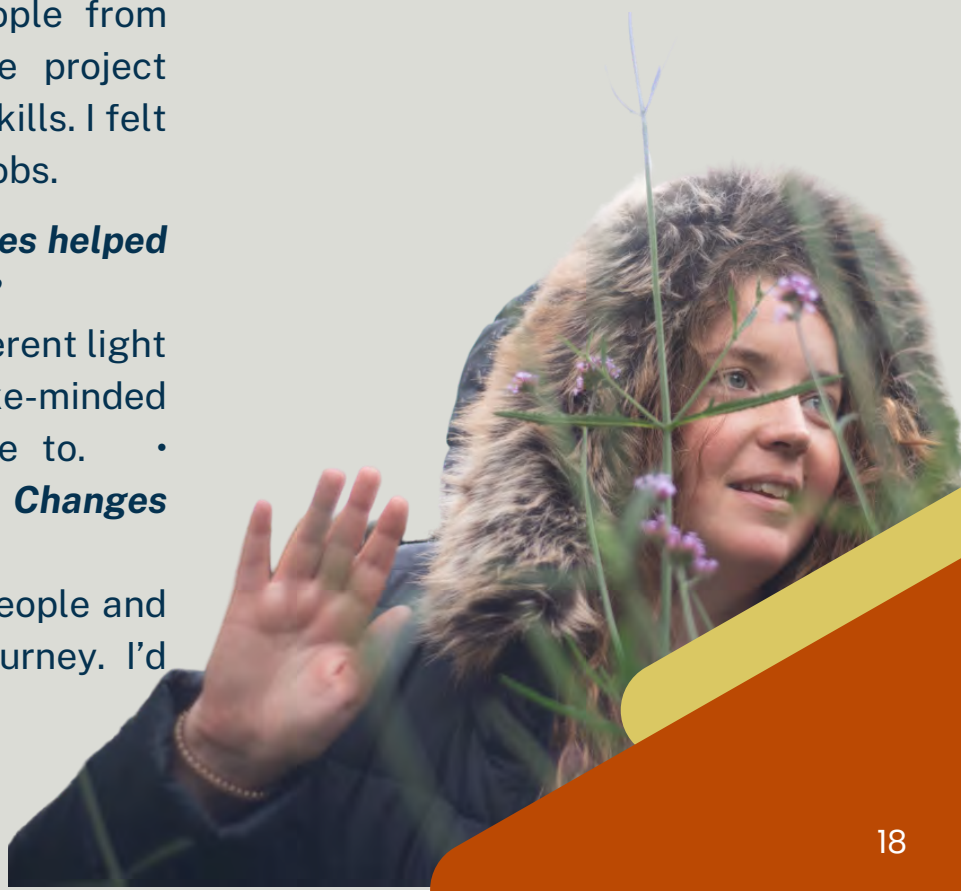
How has being at Key Changes helped your mental health recovery?

I'd say seeing things in a different light and as a creative, finding like-minded individuals who I can relate to.

Would you recommend Key Changes to someone else?

Yes! Music really connects people and can help anyone in their journey. I'd definitely recommend.

Case Study





What is your name and artist name?

My name is Darren, artist name D Dazzler

How would you describe your music?

Truthful, spiritual, hip-hop, hard beats but versatile.

What is your proudest achievement as a Key Changes Artist?

Performing music.

How has being a Key Changes Artist empowered you?

Being a part of a community that understands me, we understand each other and have been through different things... In life, people don't always understand.

How has being a Key Changes Artist helped your mental health recovery?

So much. Having something to focus on, instead of thinking about doctors and appointments - its different. Almost like I can escape for a bit. It's something I enjoy, and has helped me have a purpose.

Would you recommend Key Changes to someone else?

Definitely, a few friends have really enjoyed it. It's brilliant and can help express yourself and work on your mental health.

Case Study





What is your name and artist name?

My name is Helen and artist name is Bonnie Hel.

How would you describe your music?

Pop and r&b with a colourful twist.

What were your first impressions of Key Changes?

I was looking for somewhere combining music and mental health where I can release emotions, and help with my anxiety. My first impressions were brilliant. Everyone was really friendly, and it just felt relaxed, open and chilled.

What have you enjoyed about being a Key Changes Artist Volunteer?

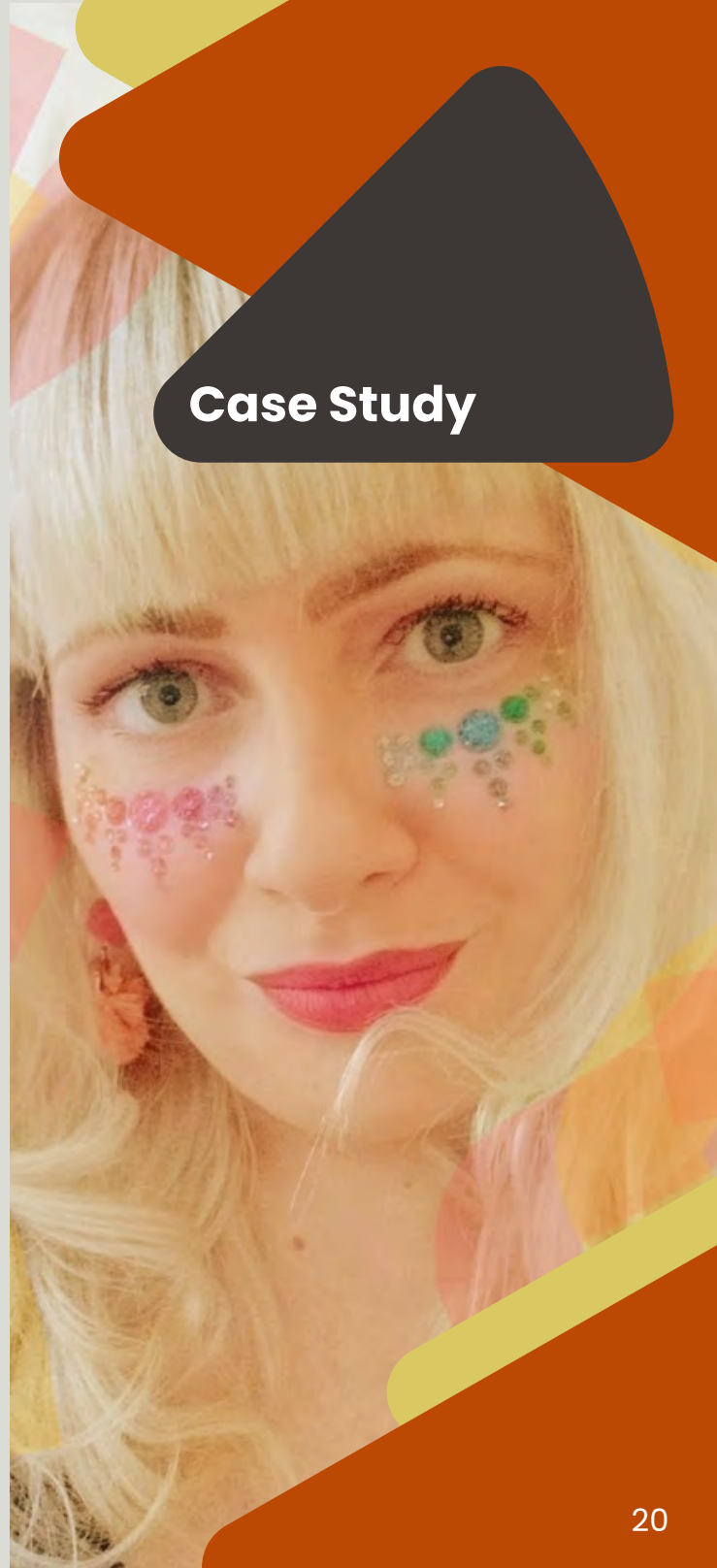
Being part of a volunteer family and community, I love the zoom calls and using what I've learnt in programmes and studio.

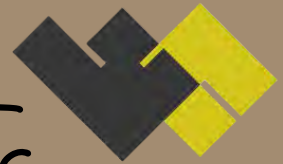
Inspiring others, Been through quite a journey, and music has really helped me. One day I thought.. I want to use my story to inspire other people.

How has being a Key Changes Artist Volunteer empowered you?

It's helped me have a focus and channel emotions and mental health into something.

Case Study





serving communities in 2023

Data

5070

Projects

Total individual beneficiaries

Details

Sessions:
3,765 in hospital
3,030 in community
340 online

Outcome

17% year-on-year increase

100%

Participants experiencing moderate to severe mental health conditions

92% unemployed/low income
76% Black/minority ethnic
60% age under 30
55% homeless/insecurely housed

83% of participants indicate improvement in mood and/or other mental health presentation

3430

Hours of service user volunteering

144 group volunteering sessions, 103 concerts and open mic events

77 service users progress to training, education or employment

1940

Hours of care team contact

7,130 session reports shared with mental health professionals

240% increase in community referrals

Geographic analysis of services

35%


Manchester and North West

10%

Birmingham and West Midlands

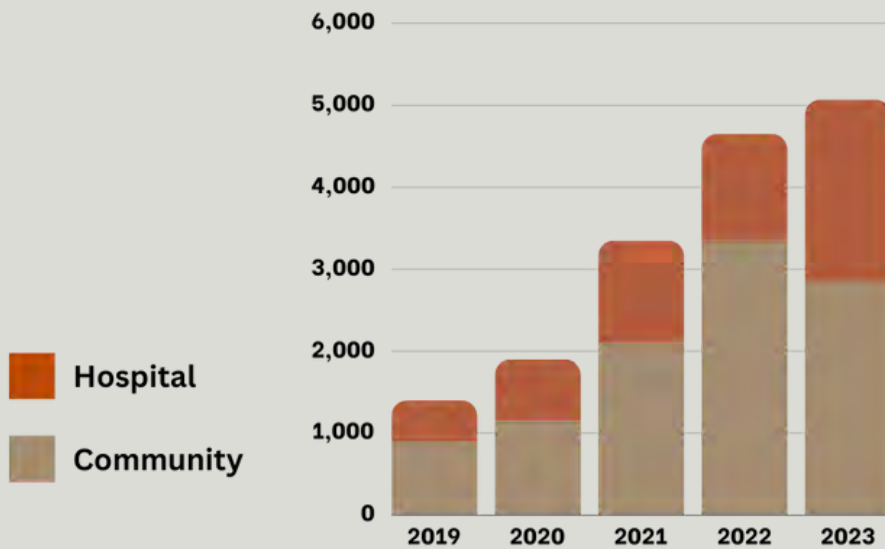
55%

London and South

 Source: Lamplight

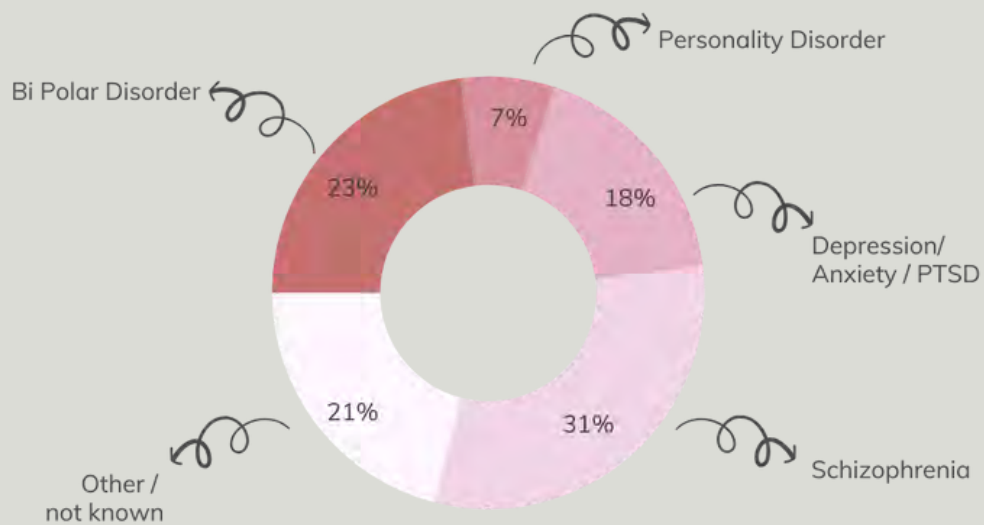


Beneficiaries



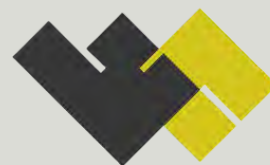
Data

Conditions



* SERVICE USERS MAY BE DIAGNOSED WITH MORE THAN ONE CONDITION
72% ON CARE PROGRAMME APPROACH (CPA)





FINANCIAL REPORT

Financial Review

Key Changes generated total income of £332,146 in 2022/23, of which £209,789 was unrestricted or earned income. Grant income decreased approximately 30% which reflects the reduction in previous year's Covid-19 emergency funding grants. Expenditure of £550,820 was mitigated by an opening balance of unrestricted funds brought forward. General donations were £1,661. At the end of the reporting period the total reserves of the charity were £35,777 of which £2,082 were restricted and £33,695 were unrestricted.

Reserves Policy

The trustees seek to maintain a financial reserve in order to protect the organisation and its services from financial disruption and provide working capital for innovation and service development. In order to maximise funding of service delivery and minimize unnecessary retention of income, the trustees have determined that the organisation needs free reserves to cover three months of core costs, and one month of project delivery costs. At budgeted activity levels this equates to £39,000. At the end of the reporting period the charity held reserves of £35,777 of which £2,082 were in relation to the restricted reserves.

**Key Changes: Positive Mental Health Through Music
Limited**

**Company Limited by Guarantee
Unaudited Financial Statements**

31 March 2023

**Jackson & Jackson
A trading name of Jackson Nicholas Assie Limited
Chartered Certified Accountants & Statutory Auditors
Suite 7, Meridian House
62 Station Road, Chingford
London E4 7BA**

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2023

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Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 25 January 2024 and signed on behalf of the board of trustees by:



Adam Thomas
Trustee (Chair)

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Key Changes: Positive Mental Health Through Music Limited

Year ended 31 March 2023

I report to the trustees on my examination of the financial statements of Key Changes: Positive Mental Health Through Music Limited ('the charity') for the year ended 31 March 2023.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Key Changes: Positive Mental Health Through Music Limited *(continued)*

Year ended 31 March 2023

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

John Assie FCCA
Independent Examiner
Jackson Nicholas Assie Limited
Chartered Certified Accountants
Suite 7, Meridian House
62 Station Road
Chingford
London E4 7BA

26 January 2024

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2023

		Unrestricted funds	2023 Restricted funds	Total funds	2022 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	1,661	–	1,661	7,630
Charitable activities	6	207,637	122,357	329,994	482,044
Other income	7	491	–	491	93
Total income		<u>209,789</u>	<u>122,357</u>	<u>332,146</u>	<u>489,767</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	266	–	266	5,626
Expenditure on charitable activities	9,10	250,834	299,720	550,554	417,702
Total expenditure		<u>251,100</u>	<u>299,720</u>	<u>550,820</u>	<u>423,328</u>
Transfer between funds		41,780	(41,780)	–	–
Net movement in funds		<u>469</u>	<u>(219,143)</u>	<u>(218,674)</u>	<u>66,439</u>
Reconciliation of funds					
Total funds brought forward		<u>33,226</u>	<u>221,225</u>	<u>254,451</u>	<u>188,012</u>
Total funds carried forward		<u>33,695</u>	<u>2,082</u>	<u>35,777</u>	<u>254,451</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 17 to 31 form part of these financial statements.

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	17	3,768	4,754
Current assets			
Debtors	18	66,477	92,387
Cash at bank and in hand		64,501	246,531
		<u>130,978</u>	<u>338,918</u>
Creditors: amounts falling due within one year	19	(58,150)	(35,888)
Net current assets		<u>72,828</u>	<u>303,030</u>
Total assets less current liabilities		<u>76,596</u>	<u>307,784</u>
Creditors: amounts falling due after more than one year	20	(40,819)	(53,333)
Net assets		<u>35,777</u>	<u>254,451</u>
Funds of the charity			
Restricted funds		2,082	221,225
Unrestricted funds		33,695	33,226
Total charity funds	22	<u>35,777</u>	<u>254,451</u>

For the year ending 31 March 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Statement of Financial Position *(continued)*

31 March 2023

These financial statements were approved by the board of trustees and authorised for issue on 25 January 2024, and are signed on behalf of the board by:



Adam Thomas
Trustee



Mark Vincent
Trustee

The notes on pages 17 to 31 form part of these financial statements.

Company Registration Number: 4641867

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
Net (expenditure)/income	(218,674)	66,439
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	4,468	3,306
Interest payable and similar charges	4,337	778
Accrued expenses/(income)	18,293	(851)
<i>Changes in:</i>		
Trade and other debtors	4,149	301
Trade and other creditors	24,656	(763)
Cash generated from operations	(162,771)	69,210
Interest paid	(4,337)	(778)
Net cash (used in)/from operating activities	(167,108)	68,432
Cash flows from investing activities		
Purchase of tangible assets	(3,482)	(4,337)
Cash flows from financing activities		
Proceeds from borrowings	(11,440)	66,666
Net (decrease)/increase in cash and cash equivalents	(182,030)	130,761
Cash and cash equivalents at beginning of year	246,531	115,770
Cash and cash equivalents at end of year	64,501	246,531

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Green Fish Resource Centre, 46-50 Oldham Street, Manchester, M4 1LE.

2. Statement of compliance

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The trustees have considered all relevant factors on the charity's activities and have concluded there is no significant impact on the Organisation.

It is therefore considered that the going concern status remains intact and there are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

There are no judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings and equipment - Straight line over 3 years

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Key Changes is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations	<u>1,661</u>	<u>1,661</u>	<u>7,630</u>	<u>7,630</u>

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Fees - Music Engagement and Recovery Services and Musical Performances	182,787	23,500	206,287
City of London		42,922	42,922
National Foundation of Youth Music	—	29,977	29,977
Tudor Trust	—	25,000	25,000
The Shears Foundation	5,000	—	5,000
Charles French Charitable Trust	5,000	—	5,000
Brook Young People	4,950	—	4,950
The D'Oyly Charitable Trust	3,000	—	3,000
Morris Charitable Trust	2,650	—	2,650
Lloyds Bank Foundation	2,250	—	2,250
Manchester Guardian	1,000	—	1,000
MBF NOI - Help Musicians	1,000	—	1,000
Baring	—	958	958
CRH Foundation	—	—	—
Old Oak Park	—	—	—
Postcode Community	—	—	—
The Henry Smith Foundation	—	—	—
The Pixel Fund	—	—	—
Richer Sound Foundation	—	—	—
Cultural Impact	—	—	—
Kick Start Income	—	—	—
Other income - event	—	—	—
The Swire Charitable Trust	—	—	—
Arts Council	—	—	—
Groundwork UK	—	—	—
LB Islington	—	—	—
Duchy of Lancaster	—	—	—
	<u>207,637</u>	<u>122,357</u>	<u>329,994</u>

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

6. Charitable activities *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fees - Music Engagement and Recovery Services and Musical Performances	119,716	–	119,716
Lloyds Bank Foundation	–	50,000	50,000
Arts Council	–	47,240	47,240
City of London	–	33,780	33,780
Cultural Impact	33,334	–	33,334
National Foundation of Youth Music	–	29,977	29,977
Tudor Trust	–	25,000	25,000
The Swire Charitable Trust	–	24,880	24,880
Baring	–	23,940	23,940
Postcode Community	–	19,710	19,710
LB Islington	19,700	–	19,700
Old Oak Park	–	17,480	17,480
Richer Sound Foundation	10,000	–	10,000
Kick Start	9,288	–	9,288
CRH Foundation	–	6,250	6,250
Brook Young People	–	4,950	4,950
The Pixel Fund	–	3,200	3,200
The Henry Smith Foundation	–	2,500	2,500
Dutchy of Lancaster	700	–	700
Groundwork UK	395	–	395
Other Income – Event	4	–	4
	<u>193,137</u>	<u>288,907</u>	<u>482,044</u>

7. Other income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Royalty	<u>491</u>	<u>491</u>	<u>93</u>	<u>93</u>

8. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Costs of raising donations and legacies - Fundraising costs	<u>266</u>	<u>266</u>	<u>5,626</u>	<u>5,626</u>

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Recovery support and artist development	190,899	276,727	467,624
Support costs	59,935	22,993	82,930
	<u>250,834</u>	<u>299,720</u>	<u>550,554</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Recovery support and artist development	208,149	129,111	337,261
Support costs	68,253	12,189	80,441
	<u>276,402</u>	<u>141,300</u>	<u>417,702</u>

10. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2023 £	Total fund 2022 £
	£	£	£	£
Recovery support and artist development	467,624	68,905	536,529	403,113
Governance costs	–	14,025	14,025	14,589
	<u>467,624</u>	<u>82,930</u>	<u>550,554</u>	<u>417,702</u>

11. Analysis of support costs (excluding governance costs)

	Recovery, Support and Artist Development £	Total 2023 £	Total 2022 £
Staff costs	1,757	1,757	3,701
Premises	3,349	3,349	1,460
Volunteer Expenses	2,563	2,563	3,701
Office and Studio Rent	42,087	42,087	40,943
Marketing, Publicity and Website	5,793	5,793	1,864
Printing, Postage and Stationery	1,002	1,002	444
Telecommunications	861	861	1,055
Computer Expenses	1,882	1,882	2,808
Equipment	1,969	1,969	2,068
Membership and Subscription	73	73	443
Insurance	1,024	1,024	838
Miscellaneous	6,545	6,545	6,527
	<u>68,905</u>	<u>68,905</u>	<u>65,852</u>

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

11a. Analysis of governance costs

	Total 2022	Total 2022
	£	£
Independent Examiners Fees	4,032	4,032
Bookkeeping-Payroll	9,613	9,719
DBS	367	0
Bank and Other Charges	0	0
AGM/Board Meeting Expenses	0	825
Legal and Professional Fees	13	13
	<u>14,025</u>	<u>14,589</u>

12. Net (expenditure)/income

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

	2023	2022
	£	£
Depreciation of tangible fixed assets	4,468	3,306
Operating lease rentals	<u>42,088</u>	<u>40,943</u>

13. Independent examination fees

	2023	2022
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<u>4,032</u>	<u>4,032</u>

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	184,796	117,261
Social security costs	11,876	4,286
Employer contributions to pension plans	3,618	927
	<u>200,290</u>	<u>122,474</u>

The average head count of employees during the year was 12 (2022: 6). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Number of staff	<u>8</u>	<u>6</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2023	2022
	No.	No.
£60,000 to £69,999	<u>1</u>	<u>—</u>

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

14. Staff costs *(continued)*

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total paid to key management personnel for services provided to the charity was £64,025 (2022: £56,607).

15. Trustee remuneration and expenses

- no remuneration or other benefits from employment with the charity or a related entity were received by the trustees; or
- no trustee expenses have been incurred (2022 Adam Thomas £264.70 and Johny Brown £21.92).

16. Transfers between funds

The transfers between funds are a reclassification of income based on the terms of the grants.

17. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2022	9,921
Additions	3,482
At 31 March 2023	13,403
Depreciation	
At 1 April 2022	5,167
Charge for the year	4,468
At 31 March 2023	9,635
Carrying amount	
At 31 March 2023	3,768
At 31 March 2022	4,754

18. Debtors

	2023 £	2022 £
Trade debtors	47,330	51,479
Prepayments and accrued income	15,619	37,380
Other debtors	3,528	3,528
	66,477	92,387

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

19. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	14,407	13,333
Trade creditors	24,671	4,773
Accruals and deferred income	11,532	15,000
Social security and other taxes	7,416	2,782
Net Wages	124	—
	<u>58,150</u>	<u>35,888</u>

There are no pension liabilities at the end of the financial year.

20. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	<u>40,819</u>	<u>53,333</u>

21. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £3,618 (2022: £927).

22. Analysis of charitable funds

Unrestricted funds

	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
	£	£	£	£	£
General funds	33,226	209,789	(251,100)	41,780	33,695
	<u>33,226</u>	<u>209,789</u>	<u>(251,100)</u>	<u>41,780</u>	<u>33,695</u>

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
General funds	114,394	200,860	(282,028)	—	33,226
	<u>114,394</u>	<u>200,860</u>	<u>(282,028)</u>	<u>—</u>	<u>33,226</u>

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

22. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Hospital Programme	—	—	—	—	—
Community Programme	—	—	—	—	—
Lloyds Bank Foundation	45,000	—	(45,000)	—	—
Tudor Trust	48,147	25,000	(72,956)	—	191
National Foundation of Youth Music	22,945	29,977	(52,864)	—	58
CRH Foundation	6,250	—	—	(6,250)	—
Old Oak Park	12,500	—	(12,500)	—	—
Postcode Community	7,878	—	(7,692)	—	186
The Smith Foundation	2,500	—	—	(2,500)	—
The Pixel Fund	3,200	—	—	(3,200)	—
Arts Council	15,165	—	(15,133)	—	32
Baring	1,192	958	(2,131)	—	19
City of London	—	42,922	(42,079)	—	843
Brook Young People	4,950	—	—	(4,950)	—
The Swire Charitable	24,880	—	—	(24,880)	—
Miscellaneous Funds	26,618	—	(26,618)	—	—
LB of Hounslow	—	23,500	(22,747)	—	753
	<u>221,225</u>	<u>122,357</u>	<u>(299,720)</u>	<u>(41,780)</u>	<u>2,082</u>

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

22. Analysis of charitable funds *(continued)*

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
Miscellaneous Funds	26,618	—	—	—	26,618
Lloyds Bank Foundation	20,000	50,000	(25,000)	—	45,000
Tudor Trust	27,000	25,000	(3,853)	—	48,147
National Foundation of Youth Music	—	29,977	(7,032)	—	22,945
CRH Foundation	—	6,250	—	—	6,250
Old Oak Park	—	17,480	(4,980)	—	12,500
Postcode Community	—	19,710	(11,832)	—	7,878
The Smith Foundation	—	2,500	—	—	2,500
The Pixel Fund	—	3,200	—	—	3,200
Arts Council	—	47,240	(32,075)	—	15,165
Baring	—	23,940	(22,748)	—	1,192
City of London	—	33,780	(33,780)	—	—
Brook Young People	—	4,950	—	—	4,950
The Swire Charitable Trust	—	24,880	—	—	24,880
Miscellaneous funds	—	—	—	—	—
London Borough of Hounslow	—	—	—	—	—
	<u>73,618</u>	<u>288,907</u>	<u>(141,300)</u>	<u>—</u>	<u>221,225</u>

Purposes of funds

Lloyds Bank Foundation - The funding was to facilitate salary costs of the young music leaders programme manager.

Tudor Trust - The funding was to facilitate salary costs for a operations manager.

Arts Council – The funding was to provide a record label.

Baring Foundation - The funding was for health equality.

City of London – The funding was for young people services by providing funding towards the salary of the Community Gateway Manager

CRH Foundation – The funding was for the generic studio discovery programme.

London Borough of Hounslow – The funding is to help create a music studio plus provide music sessions.

National Federation of Youth Music - The grant is to provide music services to young people.

Old Oak Park - The funding was provided to continue running music activities on the wards at Park Royal Centre for Mental Health.

Postcode Community - The grant was to fund the Studio Discovery programme for young people in mental health recovery.

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

The Smith Foundation - The grant was to fund the East Sussex Studio Discovery programme.

Brooke Young People – The grant was to fund the generic Studio Discovery programme.

The Swire Charitable Trust – The grant was to fund the generic Studio Discovery programme.

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	3,768	–	3,768
Current assets	128,896	2,082	130,978
Creditors less than 1 year	(58,150)	–	(58,150)
Creditors greater than 1 year	(40,819)	–	(40,819)
Net assets	33,695	2,082	35,777

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	4,754	–	4,754
Current assets	117,693	221,225	338,918
Creditors less than 1 year	(35,888)	–	(35,888)
Creditors greater than 1 year	(53,333)	–	(53,333)
Net assets	33,226	221,225	254,451

24. Analysis of changes in net debt

	At 1 Apr 2022 £	Cash flows £	At 31 Mar 2023 £
Cash at bank and in hand	246,531	(182,030)	64,501
Debt due within one year	(13,333)	(1,074)	(14,407)
Debt due after one year	(53,333)	12,514	(40,819)
	179,865	(170,590)	9,275

25. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023 £	2022 £
Not later than 1 year	18,277	40,690
Later than 1 year and not later than 5 years	7,851	11,760
	26,128	52,450

26. Post balance sheet events

There are no post balance sheet events to disclose.

Key Changes: Positive Mental Health Through Music Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

27. Related parties

During the year £78 was paid to S Smith (trustee) for mentoring and £3,562 to M Vincent for consulting costs. In the previous year there was a payment of £1,586 to M Vincent for the same services.

THANK YOU TO OUR PARTNERS, FUNDERS & SUPPORTERS

