

Report of the Trustees and
Financial Statements
For the period ended 31 August 2017
(Unaudited)
for
The Rock Academy Foundation
(A Charitable Incorporated Organisation)

Charity number: 1158478

Contents of the Financial Statements
For the period ended 31 August 2017 (Unaudited)

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The Rock Academy Foundation
(A charitable incorporated organisation)

Charity number: 1158478

Charity information
For the period ended 31 August 2017 (Unaudited)

Charity name: The Rock Academy Foundation

Charity registration number: 1158478

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

Trustees
Ian Stock
Joseph Da Silva
Nicholas Blake
Richard Stainthorp
Robert Hubbard
Mark Swinbank
- appointed 6th July 2017
- appointed 6th July 2017
- resigned 7th December 2016
- deceased 16th September 2017

Independent Examiner
Nortons Assurance Limited
Chartered Accountants
Highlands House
Basingstoke Road
Spencers Wood
Berkshire
RG7 1NT

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

Report of the Trustees
For the period ended 31 August 2017 (Unaudited)

The Trustees present their report with the financial statements of the charity for the period ended 31 August 2017.

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.

| | |
|--------------------|--------------------------------|
| Ian Stock | |
| Joseph Da Silva | |
| Nicholas Blake | - appointed 6th July 2017 |
| Richard Stainthorp | - appointed 6th July 2017 |
| Robert Hubbard | - resigned 7th December 2016 |
| Mark Swinbank | - deceased 16th September 2017 |

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.

Report of the Trustees - continued
For the period ended 31 August 2017 (Unaudited)

Objectives and Activities - continued

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 that 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 cost of volunteers so have not included it within these accounts.

Achievements and Performance

2016-17 was a busy time for the Rock Academy. We put on 7 events across the year giving our students experiences such as busking in Wokingham Town Centre, a Young Songwriter competition with grant funding from the Reading Year of Culture, our Rock for Life event in conjunction with Cancer Research UK that raised £500, and supported the Reading Fringe Festival with a Summer concert at The Dome temporary venue just outside Reading train station.

Providing live performance opportunities is one of our key mechanisms for providing confidence building experiences for our students whilst engaging with our community at the same time.

We continued the Rock Academy Bursary due to generous donations from some of our patrons and supporters, enabling the provision of over 30 instrument lessons free of charge to students in financial need. We launched our first Band Coach apprenticeship with one of our older students, and also started providing vocal coaching and singing lessons to local schools, broadening the music education services we offer.

After recording several of our bands over the summer in 2016, giving students first-hand experience of what it means to make a recording, we released the first Rock Academy CD at our Christmas gig, raising more awareness and money for the charity. Our second band in as many years also made their debut on BBC Berkshire Introducing, proving that what we are doing is making a real difference to young people's lives.

We continued to expand our offerings to schools, installing a brand new studio system enabling recording of songs and performances for the music department in one of our local schools, we took over a dozen students through Arts Award qualifications, and delivered over 300 hours of in-school music enrichment and instrument lessons. I am also pleased to announce that we have two more trustees that have joined the Rock Academy team this year to help continue our great work.

Once again, I'd like to conclude by thanking all our staff and volunteers who spend a large amount of their precious time making the Rock Academy a fantastic success. Your efforts are creating some amazing musicians, you should be proud.

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 2017 (Unaudited)

Financial Review

Incoming resources for the period are £35,489 (2016: £32,054) and resources expended of £33,967 (2016: £31,330), leaving an overall surplus for the period of £1,522 (2016: £724). Total reserves of £9,555 (2016: £8,033) include unrestricted reserves of £9,370 (2016: £6,249) and £185 (2016: £1,784) of restricted reserves.

Reserves Policy

As the charity is in its early stages, the trustees have agreed to maintain sufficient reserves to cover one month of fixed costs, with a target of one term (3-4 months) of fixed costs when this becomes financially possible.

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 12/06/2018 and signed on its behalf.

ON BEHALF OF THE TRUSTEES:



.....
Ian Stock - Trustee

Statement of Financial Activities (including Income and Expenditure Account)
For the period ended 31 August 2017 (Unaudited)

| | Notes | 2017 Unrestricted funds £ | 2017 Restricted funds £ | 2017 Total funds £ | 2016 Total funds £ |
|-------------------------------------------------|-------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| INCOMING RESOURCES | | | | | |
| Incoming resources from generated funds: | | | | | |
| Activities for generating funds | 2 | 26,310 | - | 26,310 | 24,176 |
| Voluntary income | 3 | 8,929 | 250 | 9,179 | 7,878 |
| Total incoming resources | | 35,239 | 250 | 35,489 | 32,054 |
| RESOURCES EXPENDED | | | | | |
| Costs of generating funds | | | | | |
| Cost of charitable activities | 4 | 31,199 | 1,193 | 32,392 | 29,755 |
| Governance costs | 5 | 1,575 | - | 1,575 | 1,575 |
| Total resources expended | | 32,774 | 1,193 | 33,967 | 31,330 |
| Net movements in funds | | 2,465 | (943) | 1,522 | 724 |
| Total funds brought forward | 15 | 6,249 | 1,784 | 8,033 | 7,309 |
| Total transfers between reserves | 15 | 656 | (656) | - | - |
| Total funds carried forward | | 9,370 | 185 | 9,555 | 8,033 |

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

Balance sheet
As at 31 August 2017 (Unaudited)

| | Notes | 2017 £ | 2016 £ |
|--------------------------------------------------|-------|---------------|--------------|
| FIXED ASSETS | | | |
| Tangible assets | 11 | 907 | 1,401 |
| CURRENT ASSETS | | | |
| Debtors | 12 | 238 | - |
| Cash at bank | | 11,600 | 8,597 |
| | | <u>11,838</u> | <u>8,597</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 13 | (3,190) | (1,965) |
| NET CURRENT ASSETS | | <u>8,648</u> | <u>6,632</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>9,555</u> | <u>8,033</u> |
| FUNDS | | | |
| Unrestricted funds | 14 | 9,370 | 6,249 |
| Restricted funds | 14 | 185 | 1,784 |
| TOTAL FUNDS | | <u>9,555</u> | <u>8,033</u> |

The financial statements were approved and authorised for issue by the Trustees on 12/6/2018 and were signed on their behalf by:


.....
Ian Stock - Trustee

1 ACCOUNTING POLICIES

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).

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

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:

- 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:

- 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 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. |
|-----------|--------------------------------------------------------|

| | Unrestricted funds £ | Restricted funds £ | Total 2017 £ | Total 2016 £ |
|-------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Lessons, fees and memberships | 26,310 | - | 26,310 | 24,176 |

Notes to the Financial Statements - continued
For the period ended 31 August 2017 (Unaudited)

3 VOLUNTARY INCOME

| | Unrestricted funds £ | Restricted funds £ | Total 2017 £ | Total 2016 £ |
|------------------|----------------------------|--------------------------|--------------------|--------------------|
| Events | 1,009 | - | 1,009 | 1,493 |
| Donations | 6,345 | 250 | 6,595 | 4,810 |
| Donated services | 1,575 | - | 1,575 | 1,575 |
| | <u>8,929</u> | <u>250</u> | <u>9,179</u> | <u>7,878</u> |

4 CHARITABLE ACTIVITIES COSTS

| | Unrestricted funds £ | Restricted funds £ | Total 2017 £ | Total 2016 £ |
|-------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Coach and tutor costs | 21,035 | 540 | 21,575 | 17,884 |
| Room hire | 3,188 | - | 3,188 | 5,360 |
| General expenses | 58 | - | 58 | 250 |
| Telephone & IT | 670 | - | 670 | 438 |
| Equipment - non capital | - | 493 | 493 | 235 |
| Bad debts | - | - | - | 89 |
| Wages and salaries | 5,501 | - | 5,501 | 4,902 |
| Depreciation | 334 | 160 | 494 | 493 |
| Bank Charges | - | - | - | 104 |
| Marketing | 413 | - | 413 | - |
| | <u>31,199</u> | <u>1,193</u> | <u>32,392</u> | <u>29,755</u> |

5 GOVERNANCE COSTS

| | 2017 £ | 2016 £ |
|---------------------------|--------------|--------------|
| Independent Examiner Fees | <u>1,575</u> | <u>1,575</u> |

6 NET INCOMING RESOURCES FOR THE YEAR

| | 2017 £ | 2016 £ |
|------------------------------------|------------|------------|
| This is stated after charging: | | |
| Independent examiners remuneration | 1,575 | 1,575 |
| Depreciation - owned assets | <u>494</u> | <u>493</u> |

7 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2017.

Trustees' Expenses

There were no trustees expenses paid for the period ended 31 August 2017.

Notes to the Financial Statements - continued
For the period ended 31 August 2017 (Unaudited)

8 STAFF COSTS

| | 2017 £ | 2016 £ |
|--------------------|--------------|--------------|
| Salaries and wages | 5,501 | 4,902 |
| Social security | - | - |
| | <u>5,501</u> | <u>4,902</u> |

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

| | | |
|----------------------|----------|----------|
| Administrative staff | <u>1</u> | <u>1</u> |
|----------------------|----------|----------|

9 TAXATION

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 2017 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.

11 TANGIBLE FIXED ASSETS

| | Equipment £ | Totals £ |
|----------------------------------------------|----------------|--------------|
| COST | | |
| As at 1 September 2016 and at 31 August 2017 | <u>2,416</u> | <u>2,416</u> |
| DEPRECIATION | | |
| As at 1 September 2016 | 1,015 | 1,015 |
| Charge for year | 494 | 494 |
| As at 31 August 2017 | <u>1,509</u> | <u>1,509</u> |
| NET BOOK VALUE | | |
| As at 31 August 2017 | <u>907</u> | <u>907</u> |
| As at 31 August 2016 | <u>1,401</u> | <u>1,401</u> |

12 Debtors

| | 2017 £ | 2016 £ |
|---------------|------------|-----------|
| Trade debtors | <u>238</u> | <u>-</u> |

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2017 £ | 2016 £ |
|------------------|--------------|--------------|
| Accrued expenses | <u>3,190</u> | <u>1,965</u> |

Notes to the Financial Statements - continued
For the period ended 31 August 2017 (Unaudited)

14 ANALYSIS OF NET ASSETS BETWEEN RESERVES

| | Unrestricted funds £ | Restricted funds £ | Total 2017 £ | Total 2016 £ |
|-----------------------|----------------------------|--------------------------|--------------------|--------------------|
| Tangible fixed assets | 267 | 640 | 907 | 1,401 |
| Current assets | 11,838 | - | 11,838 | 8,597 |
| Current liabilities | (2,735) | (455) | (3,190) | (1,965) |
| | <u>9,370</u> | <u>185</u> | <u>9,555</u> | <u>8,033</u> |

15 MOVEMENT IN FUNDS

| | As at 1 September 2016 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | As at 31 August 2017 £ |
|--------------------|-----------------------------------|----------------------------|----------------------------|----------------|------------------------------|
| Unrestricted funds | 6,249 | 35,239 | (32,774) | 656 | 9,370 |
| Restricted funds | 1,784 | 250 | (1,193) | (656) | 185 |
| Total funds | <u>8,033</u> | <u>35,489</u> | <u>(33,967)</u> | <u>-</u> | <u>9,555</u> |

16 RESTRICTED FUNDS

| | As at 1 September 2016 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | As at 31 August 2017 £ |
|----------------------|-----------------------------------|----------------------------|----------------------------|----------------|------------------------------|
| Music Equipment fund | 821 | - | (653) | - | 168 |
| Bursary/Scholarships | 963 | 250 | (540) | (656) | 17 |
| | <u>1,784</u> | <u>250</u> | <u>(1,193)</u> | <u>(656)</u> | <u>185</u> |

Restricted reserves

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

Music Equipment Fund - this was 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 Tech Rocks events and is to be used to assist individuals with funding for musical lessons, instruments and experiences.

17 First time adoption of FRS 102

This is the first year that the charity has presented its financial statements under 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). There is no transitional impact from this first year adoption and therefore no adjustments are required to the financial statements.

The Rock Academy Foundation
(A charitable incorporated organisation)

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

We report on the accounts of the charity for the year ended 31 August 2017, which are set out on pages 6 to 11.

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

Our 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.



Anthony Campbell FCA
Nortons Assurance Limited
Chartered Accountants
Highlands House
Basingstoke Road
Spencers Wood
Berkshire
RG7 1NT

Date: 20 June 2018