

TRUSTEES' ANNUAL REPORT & ACCOUNTS

for the period ending

31 MARCH 2019

Charity Registration Number 1151872

www.finding-rhythms.co.uk | **info@finding-rhythms.co.uk**

Finding Rhythms,
Scratch Hub,
Battersea Arts Centre
Lavender Hill,
London, SW11 5TN



Contents

INDEX	PAGE
Reference & Administrative Details	4
Trustees' Report:	5-11
Structure, Governance & Risk	5
Objectives & Activities	5
Achievements & Performance	6
Impact	7
Statement of Public Benefit	8
The Finding Rhythms Team	9
Plans for 2018-19	10
Financial Statement & Reserves Policy	11
Supporters	11
Statement of Trustees' Responsibilities	11
Independent Examiner's Report	12
Statement of Financial Activities	13
Balance Sheet	14
Notes to the Accounts	15-20

Legal Name:	Finding Rhythms CIO	
Charity Registration No:	1151872	
Principal address:	Scratch Hub, Battersea Arts Centre Lavender Hill, London, SW11 5TN	
Governing Document:	Constitution dated 2 May 2013	
Trustees who served:	Mr Herb Nahapiet, OBE, Chair Mr Gerard Elias, CBE QC, Chair Mr David Jenkins, Treasurer Mr Kieron Tilley Mr John Reiss Mr Mykaell Riley	 (Until Jul '18) (From May '18) (From Jul '18) (From Jul '18)
Patrons:	Mr Robin Millar, CBE Mr Max Reinhardt Mr Mark Thompson His Honour Judge Nicholas Hilliard QC Baroness Floella Benjamin, OBE	
Principal staff:	Robin Harris, Creative/Operations Director Clare Annamalai, Business Director	
Bankers:	CAF Bank (Charities Aid Foundation) 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4TA	
Insurers:	CaSE Insurance Services Limited Manor House 19 Church Street Leatherhead, KT22 8DN	
Independent Examiner:	Debbie Mace 23 Forgebank Walk, Halton, LA2 6FD	
Website:	finding-rhythms.co.uk	

Trustees' Report

The Trustees are pleased to present their annual report together with the financial statements for Finding Rhythms CIO for the year ending 31 March 2019.

The financial statements comply with 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) (effective 1 January 2015).

Structure, Governance and Management

Finding Rhythms was founded as a Charitable Incorporated Organisation with a Constitution dated 2 May 2013.

During the financial year ending March 2019 six Trustees served on the Board of Finding Rhythms and they are referred to throughout this report as the Trustees or the Board. To date Trustees have been recruited through referrals only. The Trustees represent a broad range of skills and experience, spanning business, governance, music and the criminal justice sector. They do not receive any remuneration.

Mr Gerard Elias, CBE QC, stood down from the Chair and the Board in July 2018, having served as a Trustee since November 2014. He was replaced in the Chair by Mr Herb Nahapiet OBE, who has been a Trustee since November 2016.

During the year three new Trustees were appointed. Mr Kieron Tilley, Mr John Reiss and Mr Mykaell Riley, between them bring additional experience to the Board in the areas of public relations, marketing, fundraising, criminal justice and music production. We may recruit further Trustees in 2019-20, to fill identified gaps in our Board experience, and to diversify our management.

Day-to-day management of the charity is the responsibility of the Business Director, with the support of the Creative/Operations Director, and with regular advice from the Trustees.

During 2018-19 the Board met formally four times and held a number of less formal meetings with the Directors to guide operations and ensure that the charity continued to meet its charitable objectives.

Risk Management

The Trustees have reviewed the major risks and are confident that there are systems in place to manage them.

Objectives and activities

The objectives of Finding Rhythms are laid out in its Constitution are as follows:

a) promoting social inclusion by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society;
b) the advancement of education in the arts and music;
c) the advancement of the arts and music;
d) the relief of those in need by reason of disadvantage;
e) the promotion of physical and mental health,

by means (not exclusively) of the teaching and encouragement of music in prisons and in other institutions established for the care or education of people.

Objectives and activities (cont.)

Finding Rhythms' mission is *to change people and society through music making*. We run education projects in prisons and in the community, during which learners are challenged to write, compose and record their own original music. These intensive projects are led by career musicians and result in a professionally produced album, authored and performed by participants.

We demonstrate that the skills used in the context of writing and producing an album of music on time and to a professional standard are transferable to many areas of work and life. Participants on our projects have the chance to earn the Edexcel accredited BTEC in '*Supporting Employability and Personal Effectiveness'* (SEPE), as evidence of the soft skills they have developed.

As at 31 March 2019 we had worked with a total of 423 learners in 21 prisons, and 26 learners in probation and community settings, completing 36 albums of music and helping 252 prisoners to achieve a BTEC qualification.

Achievements and Performance

In 2018-19 we…

- Engaged 150 learners in a total of 510 hours of music-based training. This comprised 12 full length courses in prisons throughout England and Wales, as well as two full length courses for young people in London.
- Produced seven albums of music, authored by learners and comprising 83 diverse tracks. These were printed to CD and made available to stream online.
- Ran courses in two prisons new to Finding Rhythms, including working for the first time in North West England.
- Ran five full length courses at HMYOI Feltham, as part of their innovative multi-arts programme.
- Ran our first full length courses in partnership with School Ground Sounds and Only Connect.
- Helped 60 prisoners to achieve a BTEC in Supporting Employability and Personal Effectiveness.
- Held a successful recruitment drive to increase and diversify our roster of practitioners, and ran two training sessions for 17 regular and new practitioners.
- Registered for the Ministry of Justice Dynamic Procurement System and started bidding for work.
- Employed 24 musicians and music engineers from across the UK.
- Increased the proportion of our income that is commercially generated.
- Ran a half-day music making session for 35 boys at a London secondary school.
- Won 13 Koestler Awards for art made in prison.
- Were the subject of two new academic publications on the effect of music-making with prisoners.
- Presented, with Youth Music Foundation, at the National Criminal Justice Arts Alliance conference on young people in the criminal justice system.

Impact

We know that our courses help participants to develop in three specific areas which support desistance from crime. Working in prisons during 2018-19 we saw the following results in these areas:

Relationships

100% said that the course helped them learn to work with other people

97% said the course helped them to express themselves

I think it's helped me with tolerance, to tolerate certain things I don't like agree with.

We're all from different wings, all from different backgrounds, all from different experiences, all got different taste in music, and I think just the entire, just the actual collaboration of all of us, just hearing other people, what they've written, getting feedback from them and giving your ideas to them, and just coming up with something collectively, that's been the highlight.

It gave me a chance to jump on other people's things, observe, try out different types of music, but what I probably enjoyed was really coming out and showing you what I like to listen to, doing my thing and putting it down.

It's not often I get much of a chance to hear what other people can do and work with them...I find the times when I've worked with other people it's stretched me and it's forced me to learn some new.

Everybody gives positive feedback, you're not having that criticism, not having that negative vibes off people, it makes you want to do more, it makes you want to practise it more and do better.

I didn't realise how other people could bring up my morale, like when I walk into a room and everyone's happy and we're cheery and we're there for each other.

I gave M the lyrics for the song because I love her accent and energy. I gave her feedback about how I wanted it to be. She watched my face to see if I was happy with it.

Employment

94% said they learnt more about working in a professional environment

40% of learners were entered for the BTEC, achieving a 100% pass rate

91% felt they had developed skills they could use outside the project

We don't tend to work much as a team in prison, tend to be pretty much looking after yourself, so it's something you don't really do here, unless someone gives you the opportunity to do it.

Listening to other people, like when N gave me some feedback, and at that time I was thinking in my head like 'oh god, something wrong with this', but I took it on, and it was good feedback...So I think that's the experience I'd bring to a job - just like being a good team player, taking on constructive criticism and being positive and encouraging to others, that's what I'm going to take away.

I was pleasantly surprised at how I enjoyed working with in a group as I'm used to, especially in music, used to working as a soloist.

I think it encouraged me that collaborating is not always a bad thing.

I enjoyed helping others through this process as well, and being able to be an encouraging person for them when they weren't feeling as confident in what they were doing, and I know that is definitely something I enjoy.

I think it's good because it's good team building, shows how to work in a team, do stuff in groups and stuff, bounce off each other, how to be a team player you've got to learn to listen and communicate.

Identity & self belief	**88%** said Finding Rhythms helped them think differently about themselves **92%** said they felt more positive about what they could achieve in future **95%** said they felt proud of what they had achieved

You've treated us all as individuals, you've believed in us, been patient, and obviously you've given us the opportunity to do something that you don't get to do. And we've learnt a lot.

Thanks for helping me bring my confidence out in myself. At the beginning I probably wouldn't have done none of this, but now I'm happy to do it - perform in front of other people. Found my rhythm in myself.

It was really positive for me to get feedback, whether negative or positive in relation to my writing, which is something that I'm comfortable doing in private, but I'm kind of only just getting out there and being a bit public with it.

I didn't think that I would ever stand up on a mic....I'm not the greatest of singers, but just even so much as someone saying 'you sound fine', I don't normally have that, so that's really raised my confidence.

I also learnt a way to express my own voice, it was like finding my own voice, which often gets lost in the noise of others.

In addition, it's clear that we had a positive effect on the wellbeing of our learners:

Wellbeing	

I've been smashing ideas all day, rhyming, beatboxing, production ideas. Feeling on cloud 9.

Even with my anger, where it would rise before, now I've put it on a track, you know where I'm at, do you know what I mean? And that will make me feel better within myself. It's a really good form of closure.

I was up and down when we started but as we progressed I started to feel better.

When I'm chillin and jammin and that, I don't want to hurt anybody, I just want to chill and jam. [So it calms you down?] Oh yeah, it's very good.

I wrote three pages of lyrics and was brave enough to say it into the mic. It made me feel much less stressed.

I wrote some lyrics in my room. We got loads done today.

It takes you out of the jail setting and gives you the chance to be yourself.

Statement of Public Benefit

Despite encouraging signs from the Ministry of Justice during 2018-19, there was little apparent change in the state of our prisons. Prisoners continued to suffer from overcrowding and a lack of purposeful activity. No surprise then that self-harm, assault and suicide continued to be a feature of prison life, with self-harm and assault at the highest level ever recorded[1]. Prisoners, many of whom have a history of mental ill health, addiction or troubled relationships, are put in an environment where forced cohabitation and confinement can *'concentrate and magnify forms of emotional contagion'*[2] but which simultaneously creates or exacerbates social disconnection.

[1] Bromley Briefings, Summer 2019

[2] *Fronting, masking and emotion release: An exploration of prisoners' emotional management strategies* - Ben Laws

Yet there is a significant body of evidence showing the positive consequences for health that arise from social interaction and engagement - both generally and in prisons specifically. The association between perceived social support and better physical and psychological health is particularly strong.

Arabella Kyprianides and Matthew Easterbrook of Sussex University research the 'social cure' - the effect of group-based activity on group members' wellbeing. Finding Rhythms formed part of their research for two years, and in 2018 they concluded[3] that: "*Finding Rhythms (FR) group activities and the development of a shared FR identity lead to positive wellbeing outcomes; and that FR involvement dissolves rivalries between prisoners and provides them with a sense of purpose, that transcends into prison life and beyond."*
They found that:
"Participation in FR made members feel good and also helped to resolve negative emotional states and problems associated with being imprisoned."
The "FR group foster[ed] social support."
"The shared FR identity was capable of eroding intergroup hostilities within prison wings."
"The FR group developed or strengthened a musician identity amongst members ...These much needed positive identities are capable of helping this population maintain continuity, and avoid the negative effects of stigma."

These findings, which entirely reflect the effects that we see every day in our work, strongly underline the public benefit that arises from our work in prisons and our growing strand of work with disadvantaged people in the community.

The Trustees have read and understood the Charity Commission's guidance on Public Benefit.

The Finding Rhythms Team

Robin Harris | Creative/Operations Director
Robin is a Musical Director, Composer & Producer who works across a variety of fields in the music industry and currently works as Musical Director for The Ritz (London) and Soho House (London). He has led more than 25 Finding Rhythms projects after founding the organisation in 2012. He is passionate about music education and re-connecting people with their creative selves.

Clare Annamalai | Business Director
Clare spent 20 years in European commercial roles within the retail and pharmaceutical industries before moving into arts administration. She is a Trustee of Lightbox Theatre.

Herb Nahapiet, OBE | Chair
Herb is a chartered civil engineer who spent the first half of his career in construction and the second in the criminal justice field, notably as the first managing director of what is now Sodexo Justice Services. Herb has also done extensive pro bono work for government and the third sector in the UK and around the world, and is a former Vice Chairman and Treasurer of The Koestler Trust.

David Jenkins | Treasurer
David has had a career in international banking, followed by some years restructuring industrial companies in the former Soviet Union and eastern Europe. For the past 15 years he has been a director of Squint/Opera Ltd., a digital creative agency.

John Reiss | Trustee
John is a broadly experienced business and not-for-profit leader. He is Executive Chairman of Premier, the UK's largest communications agency specialising in international entertainment, arts and culture, as well as being Chair of a portfolio of entrepreneurial businesses including multiplex cinema operator Peckhamplex and big data software consultancy Traak Systems. He is a member of BAFTA, a patron of the arts and active in charitable organisations having chaired Missing People for ten years. He is currently a trustee of Mountview Academy of Theatre Arts.

[3] http://sro.sussex.ac.uk/id/eprint/81906/

Kieron Tilley | Trustee
Kieron has worked with hard to reach groups for 20 years across the commercial, public and VCSE sectors and was a founding member of the Prison Radio Association. He formerly worked for BBC People & BBC Network Radio, managing learning content and outreach activity, and sat on the BBC's Corporate Responsibility Reporting Strategy Group. He currently works for the City of London Corporation. He is a Chartered Member of the Chartered Institute of Personnel and Development.

Mykaell Riley | Trustee
Mykaell's career started as a founder member of Steel Pulse. Over the years he has performed, produced, managed and consulted on many successful artists and their projects. Mykaell is Head of Music Production at University of Westminster and has worked as external examiner for a number of other universities and colleges. In 2004, he established The Black Music Research Unit. Mykaell sits on the academic board for the Museum of London.

During this financial year Finding Rhythms employed a total of 24 musicians and music engineers. These practitioners were engaged on a freelance basis, with one lead musician and one support musician being present in every workshop alongside a music engineer. Creative & Operational Director, Robin Harris, was responsible for recruitment and allocation of practitioners for each project and ensuring that the work was delivered to the high standard that we expect.

Plans for 2019-20

Our five year plan for 2017-22 aims:

- To impact upon more offenders;
- To change public perception of offenders;
- To carry out our activities more effectively and efficiently, by building a sustainable organisation committed to the reduction of offending through music-making.

During 2019-20 these aims will be achieved with the following activities:

Music-making projects in prisons - At least 10 music-making courses, in prisons in London, the South East, Wales and the North West, engaging a total of 120 participants, making 10 albums of original music and employing ~20 professional musicians.

Developing our programme of post-release music-based mentoring - In collaboration with partners who specialise in supporting ex-offenders. We expect to run at least two music-making projects with young ex-prisoners.

Extending our work with young people in the community - Working in partnership with youth mentoring charities and statutory agencies to provide music recording and skills development opportunities for disadvantaged young people. We expect to run at least six music-making projects with this population.

Live performance and digital dissemination of music - Building our programme of live showcases and opportunities for our recorded music to be heard by an audience.

Training and professional development for practitioners - At least two practitioner training days during the period. Training days are as valuable for experienced team members as they are for new joiners, and are critical to ensuring that we continue to deliver excellent music-making courses which promote artistic excellence and personal development.

Diversifying income - Continuing to develop our fee-for-service proposition and exploring other revenue-generation opportunities to fund our charitable activity.

Measurement - Continuing to measure and assess the effectiveness of our activity, through academic studies and shared measurement with Youth Music Foundation.

Financial Statement

Over the course of the financial year 2018-19 incoming funds totalled £185,524. Outgoing funds totalled £157,560. This gave a net surplus of £27,964, with free reserves totalling £127,186 at the end of the year. Of this £36,567 was restricted and £90,619 was unrestricted. £35,000 of the unrestricted funds was designated to a contingency fund - see below. Of the unrestricted funds, around one third was earmarked for projects taking place in summer 2019, and for the recruitment of a part-time administrator.

Reserves Policy

The Trustees have agreed to designate part of the charity's unrestricted reserves to a contingency fund. The aim is that this contingency fund will be maintained at the level of approximately six months of running costs (i.e. not project costs). The contingency fund will be managed by the Board of Trustees.

At the end of this financial period, £35,000 of unrestricted funds have been identified as suitable for this purpose. This is equivalent to approximately six months' running costs. The Trustees will review this policy annually, taking into account the expansion of the charity and the associated risks.

Supporters in 2018-19

The Board wishes to thank all those individuals and companies who have donated to the Charity or made contributions in other ways to the running and administration of the organisation during the year. Without your support, the charity could not continue to exist. Significant supporters during 2018-19 include:

Andrew Lloyd Webber Foundation; Colwinston Charitable Trust; Garfield Weston Foundation;
The Goldsmiths' Company; The Grocers' Company; Youth Music Foundation.

Statement of Trustees' Responsibilities

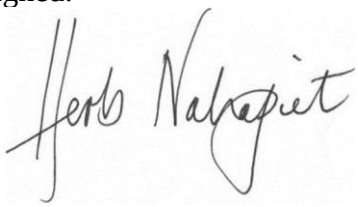
Company law requires the Trustees (who are also the directors of Finding Rhythms CIO for the purposes of company law) to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

This report has been delivered in accordance with the provisions in part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

Signed:



Herb Nahapiet OBE
Chair of Trustees, on behalf of the Board
Date: 27.9.19

Independent Examiner's Report to the Trustees of the Finding Rhythms

Report to the trustees of Finding Rhythms on the accounts for the year ended 31 March 2019 set out on pages 13 to 20.

Respective responsibilities of the trustees and examiner

The charity's 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.

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 Act),
- and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My work was conducted in accordance with the General Directions given by the Charity Commissioners. My procedures consisted of comparing the accounts with the accounting records kept by the CIO, and making such limited enquiries of the officers of the CIO as I considered necessary for the purposes of this report. 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 the course of my examination, no matter has come to my attention

1 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 Charities Act; and
to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Charities Act 206 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities.

have not been met; or

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

Debbie Mace
23 Forgebank Walk
Halton
LA2 6FD

Debbie Mace

Independent Examiner Date: 28-Sep-19

FINDING RHYTHMS

A Charitable Incorporated Organisation - Reg. no 1151872
Statement of Financial Activities
incorporating an Income and Expenditure Account
For year ended 31 March 2019

		2019 Unrestricted funds	2019 Restricted funds	2019 TOTAL FUNDS	2018 TOTAL FUNDS
Income	**NOTES**	**£**	**£**	**£**	£
Income from donations	2	80,736	76,829	157,565	143,584
Income from charitable activities	3	27,731	0	27,731	17,090
Investment income	4	228	0	228	468
Total Income		108,695	76,829	**185,524**	161,142
Expenditure					
Costs of raising funds		2,587	0	2,587	0
Expenditure on Charitable activities	5	83,419	71,554	154,973	148,151
Total expenditure		86,006	71,554	**157,560**	148,151
Net Income/(Expenditure) and net movement in funds for the year		22,689	5,275	**27,964**	12,991
RECONCILIATION OF FUNDS					
Total funds brought forward		67,930	31,292	**99,222**	86,231
Total funds carried forward		90,619	36,567	**127,186**	99,222

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 16 to 21 form part of these accounts

FINDING RHYTHMS

A Charitable Incorporated Organisation - Reg. no 1151872

Balance Sheet as at 31 March 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Current Assets					
Debtors	13	6,728		10,907	
Cash at bank		127,917		103,830	
Total current assets			**134,645**		114,737
Current Liabilities					
Creditors falling due within one year	14	7,459		15,515	
Total current liabilities			**7,459**		15,515
Net Current assets			**127,186**		99,222
Total assets less current liabilities			**127,186**		99,222
The funds of the charity:	15				
Unrestricted funds					
Designated fund – contingency fund		35,000		28,398	
General unrestricted funds		55,619		39,532	
			90,619		67,930
Restricted funds			**36,567**		31,292
			127,186		99,222

For the financial year ended 31 March 2019 the directors are satisfied that the charitable company was entitled to exemption from audit under Section 477 of the Companies Act 2006 and no notice has been deposited under Section 476. The accounts have been examined by an Independent Examiner, in accordance with section 145 of the Charities Act 2011. Her report appears on page 13.

The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Section 386 of the Companies Act 2006, and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss (surplus or deficit) for each financial year in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006.

ON BEHALF Of THE BOARD OF TRUSTEES Signed:

Approved by the Board of Trustees on: 27.9.19 Name: Mr Herb Nahapiet OBE

The notes on pages 16 to 21 form part of these accounts

FINDING RHYTHMS
Notes to the accounts

1. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with 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 Ireland (FRS 102)(effective 1 January 2015) - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Acts 2006.

Finding Rhythms meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes(s).

b) Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) have been met, it is probable that the income will be received and the amount can be measured reliably.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102) general volunteer time is not recognised but is referred to in the trustee's annual report.

e) Fund accounting

Unrestricted Funds are funds received which have no restrictions placed on their use and are available to spend on activities that further any of the purposes of the charity.

Designated funds are unrestricted funds of the charity which the trustees have decided to set aside to use for a specific purpose.

Restricted Funds are funds which are to be used for purposes as specified by the funder.

FINDING RHYTHMS
Notes to the accounts

2. INCOME FROM DONATIONS	2019 £ Unrestricted	2019 £ Restricted	2019 £ TOTAL	2018 £ TOTAL
Grants Received				
Andrew Lloyd Webber Foundation	0	10,000	**10,000**	10,000
Alchemy Foundation	1,000	0	**1,000**	1,000
Annette Duvollet CT	1,000	0	**1,000**	0
Arts Council England (Grants for the Arts)	0	564	**564**	13,500
Baron Davenport's Charity	0	600	**600**	0
C H K Charities Ltd	0	0	**0**	5,000
Chesterhill Charitable Trust	500	0	**500**	0
Cockayne Grants for the Arts	0	0	**0**	1,000
Colwinston Charitable Trust	0	8,000	**8,000**	10,000
D'Oyly Carte CT	0	4,722	**4,722**	0
The Edward & Dorothy Cadbury Charitable Trust	0	0	**0**	1,000
Eleanor Rathbone CT	0	2,500	**2,500**	0
Garfield Weston Foundation	0	0	**0**	30,000
Garrick Club Causes Dear	0	3,720	**3,720**	0
Goldcrest Charitable Trust	2,000	0	**2,000**	0
Gwendoline and Margaret Davies Charity	0	0	**0**	3,000
John R Murray Charitable Trust	0	0	**0**	15,000
Moondance Foundation	0	0	**0**	10,000
Porta Pia	2,000	0	**2,000**	0
The Albert Hunt Trust	0	0	**0**	1,000
The Angus Allnatt Charitable Foundation	0	0	**0**	2,000
The Goldsmiths' Company	0	10,000	**10,000**	0
The Grocers' Company	45,642	0	**45,642**	0
The Hobson Charity Ltd	0	0	**0**	5,000
The John R Murray Charitable Trust	15,000	0	**15,000**	0
The Leathersellers' Company Charitable Fund	0	0	**0**	1,500
The National Foundation for Youth Music	0	25,473	**25,473**	24,473
The Oakdale Trust	0	0	**0**	1,000
The Weinstock Fund	0	4,000	**4,000**	0
Santander Foundation	0	0	**0**	4,900
Sir John Cass Foundation	0	5,000	**5,000**	0
Sir James Roll Charitable Trust	0	0	**0**	1,000
Surrey Community Foundation	0	2,250	**2,250**	0
Donations	13,594	0	**13,594**	3,211
	80,736	76,829	**157,565**	143,584

3. INCOME FROM CHARITABLE ACTIVITIES	Unrestricted £	Restricted £	TOTAL £	TOTAL £
Sale of CDs and merchandise	43	0	**43**	33
Commercial Service fees	6,395	0	**6,395**	5,650
Contributions from prisons	21,293	0	**21,293**	11,407
	27,731	0	**27,731**	17,090

FINDING RHYTHMS
Notes to the accounts

	2019	2018
4. INVESTMENT INCOME	**£**	**£**
Deposit account interest	**228**	468
5. EXPENDITURE ON CHARITABLE ACTIVITIES	**£**	**£**
Musician's fees and related costs	**86,898**	80,606
Workshop equipment, instruments & materials	**2,009**	1,310
Participant BTEC/EDexcel certification	**6,119**	6,144
Creative professional fees	**0**	340
CD design and printing	**1,629**	3,145
Studio and venue hire	**240**	-190
Support costs (note 6)	**56,334**	55,696
Governance Costs (note 7)	**1,744**	1,100
	154,973	148,151
6. SUPPORT COSTS	**£**	**£**
Staff costs (note 9)	**48,872**	46,938
Staff travel and training	**1,232**	797
Office and general costs	**6,195**	5,356
Promotional materials	**35**	2,605
	56,334	55,696
7. GOVERNANCE COSTS	**£**	**£**
Accountancy fees	**744**	200
Independent examiner fees	**1,000**	900
	1,744	1,100
8. NET OUTGOING RESOURCES		
The Operating Surplus is stated after charging :-	**£**	**£**
Depreciation	**0**	0
Trustee Emoluments	**0**	0
9. ANALYSIS OF STAFF COSTS, AND TRUSTEE REMUNERATION AND EXPENSES	**£**	**£**
Salaries	**47,011**	45,664
Employer's National Insurance Contributions	**4,162**	4,049
Reduced by: Employment Allowance	**(3,000)**	(3,000)
Employers pension contribution	**699**	225
	48,872	46,938

No employees received employee benefits exceeding £60,000 (2018 nil).

Trustee remuneration and expenses

The trustees all give freely their time without any form of remuneration or other benefit in cash or in kind.

FINDING RHYTHMS
Notes to the accounts

10. STAFF PENSION

Employees of the company are entitled to join a defined contribution 'money purchase' scheme. The company contribution is restricted to the contributions disclosed in note 9. The contributions for March 2019 were outstanding at year end.

Finding Rhythms' pension scheme is operated by Smart Pension, whose Master Trust leverages the expertise of FCA regulated investment professionals who only invest pension funds in the largest of blue chip funds (such as Legal & General and HSBC (Sharia fund)), providing protection and opportunities for good, steady growth. The Master Trust is overseen by a board of experienced trustees (the majority of whom are independent), appointed to serve members and to protect their interests. Those trustees have control over scheme assets at all times, ensuring legislation is complied with and value for money criteria are adhered to. Smart Pension charge employees a 0.75% 'Assets under Management Charge' (AMC) per annum and no other fees for their standard service.

11. STAFF NUMBERS

The average monthly head count was two during the year being 1.25 full time equivalents (2018 - 1.25).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

Income	Unrestricted	Restricted	TOTAL 2018
Income from Donations	57,649	85,935	143,584
Income from charitable activities	17090	0	17,090
Investment income	468	0	468
Total Income	75,207	85,935	161,142
Expenditure			
Cost of raising funds	0	0	0
Expenditure on Charitable activities	39,343	108,808	148,151
Total expenditure	39,343	108,808	148,151
Net Income/(Expenditure)	35,864	(22,873)	12,991
RECONCILIATION OF FUNDS			
Total funds brought forward	32,066	54,165	86,231
Total funds carried forward	67,930	31,292	99,222

	2019	2018
13.DEBTORS	**£**	**£**
Other debtors	**6,068**	10,407
Prepaid expenses	**660**	500
	6,728	10,907

14. CREDITORS		
Trade Creditors and accruals	**7,216**	14,347
H M Revenue & Customs	**0**	1,061
Other creditors	**243**	107
	7,459	15,515

FINDING RHYTHMS
Notes to the accounts

15. STATEMENT OF FUNDS	Balance at 31 March 2018	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2019
Unrestricted funds	£	£	£	£	£
Designated funds	28,398	0	0	6,602	**35,000**
General funds	39,532	108,695	86,006	(6,602)	**55,619**
	67,930	108,695	86,006	0	**90,619**
Restricted funds					
Andrew Lloyd Webber Foundation for prison projects	0	10,000	10,000	0	**0**
D'Oyly Carte CT for prison projects	0	4,722	4,722	0	**0**
Colwinston CT for a project at HMP Parc	0	8,000	8,000	0	**0**
Youth Music Foundation for projects with young offenders	30,292	25,473	27,868	0	**27,897**
Arts Council for 2017 projects at HMP Rochester and HMP Swaleside	0	564	564	0	**0**
Eleanor Rathbone Trust for a project at HMP Peterborough	0	2,500	2,500	0	**0**
Garrick CT for practitioner training programme	0	3,720	50	0	**3,670**
The Goldsmiths' Company for projects at HMYOI Feltham	0	10,000	10,000	0	**0**
The Weinstock Fund for prison projects	0	4,000	4,000	0	**0**
Sir John Cass for projects in Greenwich with young offenders	0	5,000	0	0	**5,000**
Surrey Community Foundation for HMP Bronzefield	0	2,250	2,250	0	**0**
Baron Davenport's Charity for work in Birmingham or environs	0	600	600	0	**0**
The Edward and Dorothy Cadbury Trust for a project at HMYOI Swinfen Hall	1,000	0	1,000	0	**0**
	31,292	76,829	71,554	0	**36,567**
TOTAL FUNDS	**99,222**	**185,524**	**157,560**	**0**	**127,186**

Unrestricted funds are available to be spent for any of the purposes of the charity.

General funds include the balance of a grant from The John R Murray CT.

Designated funds have been set aside by the Trustees to provide for contingencies, as outlined in the reserve policy

The balance of Garrick CT funds will be spent on practitioner training in 2019.

The funds from Sir John Cass will be spent on a project with young offenders at HMP Thameside

The balance of funds from Youth Music will go towards further projects in young offender institutions during 2019

FINDING RHYTHMS
Notes to the accounts

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Cash at bank and in hand	50,134	35,000	42,783	127,917
Other net assets /(liabilities)	5,485	0	(6,216)	(731)
	55,619	35,000	36,567	127,186

17. POST BALANCE SHEET EVENTS
There were no significant post balance sheet events.

18. CONTINGENT LIABILITIES
The charitable company had no material contingent liabilities at 31 March 2019 (2018 none).

19. RELATED PARTIES
There were no disclosable related party transactions during the year (2018 - none).