

Charity Number
Company Number

1069357
03485699

**CROSS RHYTHMS
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 DECEMBER 2020**

Howsons (Audit & Assurance) Limited
PO Box 165
Winton House
Stoke Road
Stoke on Trent
ST4 2RW

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2020

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CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2020

CHARITY INFORMATION

Governance

The organisation is a charitable company limited by guarantee, incorporated and registered as a charity on 24 December 1997.

The company was established under a Memorandum of Association.

The serving trustees elect the trustees.

Trustees and Directors

Mr M A Barker

Mr J Bowles

Mr R Andrews

Mr C Cole

Mr A Boyd

Chief Executive Officer

Mr J Bellamy

Company secretary

Mr J Bowles

Registered office

Conway House

Cheapside

Hanley

Stoke on Trent

ST1 1HE

Principal office

Conway House

Cheapside

Hanley

Stoke on Trent

ST1 1HE

Independent Examiner

Howsons (Audit & Assurance) Limited

PO Box 165

Winton House

Stoke Road

Stoke on Trent

ST4 2RW

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TRUSTEES' ANNUAL REPORT (INCORPORATING DIRECTORS' ANNUAL REPORT)

The Board of Directors and Trustees present their annual report, together with the financial statements for the period ended 31 December 2020.

Principal activity for the public benefit:

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives, and in planning future objectives.

Cross Rhythms continued its activities to promote the values of the Christian faith for the benefit of the public, particularly young people, through broadcast media and related initiatives of radio, internet, new media and training courses.

Radio Station:

The radio station continued broadcasting on 101.8FM across Stoke-on-Trent and Newcastle-under-Lyme. The station is streamed worldwide on our website. Programmes are also syndicated to secular and Christian radio stations worldwide. We operate with the benefit of the OFCOM (government agency for licensing of all communications granted) license. In addition we support current and explore future partnerships with groups in other cities keen to reproduce our FM Community Radio model. We continued developing our new online media platform aimed at UK teenagers called XRhythms.

Internet and New Media:

Our website continues to strongly present the ministry and interact with a global audience. The site has editorial content that is both music and non-music focussed. We also run a variety of social media sites for the different aspects, using Facebook, Twitter, YouTube and Instagram.

TV programmes:

We produce online video content for our social media pages. Also for our new XRhythms vision we produce Vlogs (video bloggers/contributors) and other video content for our Visual Radio programming.

Media Training Centre:

We launched our accredited Media Training Centre in 2012. In 2020 we continued to offer training in media and office skills for local students, or unemployed or retired volunteers, and local disadvantaged young people not in employment, education or training. In addition this centre also offers a pathway for aspiring young Christians from across the UK to follow a direction in Christian media. However these offers were drastically reduced due to Coronavirus restrictions.

Cross Rhythms is a member of the Community Media Association and also works with others with similar aims and objectives, including the Christian Broadcasting Council, other Christian broadcasters, local and national churches and ministries, and community leaders. We are still developing, where the opportunity arises, other associations and partnerships.

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Organisation:

The Board of Directors meets regularly, most months, and is responsible for the ultimate strategic decisions, having regard to advice from the Chief Executive and senior management. All meetings are held by Skype Tele conference call, except two physical meetings in June and November held at the CR HQ in Stoke-on-Trent (although physical meetings were not possible this year).

In addition the CEO holds regular discussions for information and guidance and updates with the Chairman of the board and relevant information is distributed to the members as appropriate by electronic means on at least a monthly basis. A formatted monthly reporting structure has been used to keep all trustees updated monthly.

Review of the year's activities

Radio Station:

2020 was shaped by the impact and restrictions of Coronavirus. Most employees worked from home or were furloughed; no radio interviewees visited the station and the building ran at a much slower pace. Despite this, the local FM station continued to build links with the local churches (supporting them with new live church services on air) and the wider community being able to engage with police, health, education, business, MPs, councillors, theatres etc. The local Sentinel Newspaper supplied us local news each hour. We halted our outside broadcasts, including the Civic Prayer Breakfast and live broadcasts from venues in the six towns. We continued to offer the station online and on Smartphone through Radio Player. Most radio content focussed on COVID 19.

We were awarded the opportunity to double our FM transmitter power, and to add a second transmitter (both of which we will do in 2021).

Our FM station in Stoke targets a 25-55 audience, in recognition that less teenagers use FM radio. Our dedicated Facebook and Twitter pages for the station continue. However, again reduced in content as, for both our FM and social media output we only had a handful of volunteers and student interns working in our production department. We did launch a new Rock show with a new presenter.

The collaboration with other groups in other cities continues to deliver Cross Rhythms in Plymouth. We also continue to help develop and support an online community radio station in the Middle East.

Our syndication of 10 unique weekly shows continues to about 50 stations worldwide.

xRhythms:

Having launched in Oct 2019, our new XRhythms media platform, aimed at UK teenagers, continued to develop online, on social media and on YouTube this year. A main focus was building a team of young contributors – bloggers, vloggers and video producers. We have about 20.

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Internet:	Our website activity has continued throughout the year at around 250,000 unique users. Although, again, due to Coronavirus a reduced amount of content was published. The radio station is streamed online along with our Listen Again facilities. Additionally, we have continued to develop our Facebook and Twitter social networking options and to keep delivering our weekly Life Files to around 1,000 people. Off the back of establishing the new XRhythms vision we are planning a wider repositioning of the main CR website in 2021/22.
Media Training Centre:	We continue to offer training and work experience placements for unemployed youth, as well as university and college student interns. Our primary focus however is on developing the army of young contributors to our xRhythms vision. We have been recruiting and training new bloggers and vloggers for the new platform. This new vision offers many opportunities to a whole new swathe of young people to be trained in video production/presenting, editing, interviewing, journalism and social media skills. The number of volunteers working with the charity this year dropped to about 100 from a normal 160+.
Conway House:	Rental income for use of our premises is a key support to the charity. We saw a reduction in tenant income from the previous year however, as our restaurant lease came to an end just before Coronavirus and we were unable to replace them. Similarly, our new Business Community Co-Working Hub called Wheelhouse did not meet income projections, due to the stop/start nature of the year through lockdowns and work from home. Long term expectations however, still predict this as a significant income stream for the charity. We continued to make reparations and decorations within the building as required. The rental income is included in the Statement of Financial Activities under Income from non-charitable trading activities.
Marketing:	Much of our marketing is through partnerships, being at events, contra deals and through our own media platforms eg the monthly Email Communicator, social media etc. Our Artists Partnerships department builds with UK and foreign music artists who then promote us to their sphere of influence. We occasionally attend music festivals to profile the work in the exhibition areas, although not in 2020.
General:	We continued to campaign for more monthly partners (Friends), but we put on hold our 3 physical mailings to our donor base due to Coronavirus.
Board membership:	The Board continues to function well with trustees who have expertise in key areas and carry that as a specific area of responsibility in addition to their collective responsibility. In addition, we have a group of supportive consultants who support the organisation as unpaid volunteers.
Trustee Recruitment and Training:	Cross Rhythms selects known potential trustees to fulfil a specific role within the board to provide levels of expertise necessary for the oversight and guidance to comply with our role and responsibilities on behalf of the

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donors.

To ensure that the potential trustee fully understands the role a pack of information is provided that directs them towards the Charity Commissions guidance for a well-run charity and guidance for a well-managed company. A probationary period is required to allow a time of becoming aware of the role and responsibilities and after a review the appointment is then considered.

Financial review

The results for the year and the charity's financial position at the end of the year are shown in the attached accounts.

The performance of the charity over the year is a result of the actions taken as described in this report. The plans for the future include further consolidation of the position and eventual accumulation of reserves in accordance with the reserves policy as established by the trustees.

This year showed incoming resources of £241,824 (2019- £255,824). As with last year, we again turned in a surplus, of £32,492 (2019- £15,025).

Future developments

After 38 years Cross Rhythms has developed a strong basis of operation. We are recognised at a local, national and international level for the quality and uniqueness of what we do. We continue to attract new donors, supporters, partners and Trust support. We have two primary foci for further growth:

1) First, aimed particularly at UK Youth through our new online media strategy XRhythms, along with social media, YouTube and Media Training aspects.

2) Second, we are engaging more significantly in the business marketplace in Stoke-on-Trent in order to promote our new co-working hub, The Wheelhouse.

We expect to develop and extend our collaborations with existing and new partnerships. The board have identified that earned income will grow to supplement gifted income.

We continue to carry a commitment to additional Cross Rhythms radio stations in UK cities and ongoing discussions with interested parties continue.

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Volunteer involvement

During the year Cross Rhythms has supplemented 8 salaried staff with over 60 volunteers at any one time. This year we saw about 100 volunteers and work experience students including about 25 reviewers and writers for the website. We also have a local FM radio board of reference made up of 6 local church leaders, and an XRhythms Board of Reference.

Employee involvement

Cross Rhythms relies on the well-trained experienced commitment and hard work of 9 full or part time staff. We have retained a core team who are very motivated and increasingly mature to the vision of Cross Rhythms. Although most would identify a key area of expertise, all are responsible to serve the growing ministry when and where required. Particularly as Cross Rhythms is such a developing under-resourced ministry, each person has to 'multi-task' to cover it. Weekly prayer meetings and monthly gatherings are held to build relationships, support and communication between the departments. These meetings also help nurture the 'community' of a team with a vision of many components.

Risk policy

The trustees are considering the risks to which the charity is subject and continue to develop ways to mitigate the risks.

The major risk areas identified by the Trustees are as follows:

- Financial Risk. This is mitigated by the scope of regular supporters to the charity.
- Loss of broadcasting licence. The licence is renewed every five years. Cross Rhythms have been broadcasting since 2002 and have a good reputation with Ofcom. We do not foresee an issue with the licence renewal.

Reserves policy

It is the intention of the trustees to maintain reserves sufficient to cover 3 months of expenses. The trustees have continued to reduce costs and constantly seek ways of increasing income.

The trustees

The trustees who served the charity during the period were as follows:

- Mr R Andrews
- Mr M A Barker
- Mr J Bowles
- Mr C Cole
- Mr A Boyd

Responsibilities of the trustees/directors

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity at the end of the year and of the incoming

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resources and application of resources, including income and expenditure, of the charity for that year. In preparing those financial statements the trustees have:

- selected suitable accounting policies and then applied them consistently;
- observed the methods and principles in the charities SORP;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable UK accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- prepared the financial statements on the going concern basis unless it is inappropriate to presume the charity will continue in operation.

The trustees have overall responsibility for ensuring that the charity has appropriate systems of controls, financial and otherwise. They are also 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 financial statements will comply with The Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Trustees have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to guidance published by the Charity Commission. The Directors are also responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

In so far as the trustees are aware there is no relevant information of which the charity's Independent Examiner is unaware and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the Independent Examiner is aware of that information.

The report is prepared in accordance with the small company regime (section 419(2) of the Companies Act 2006).

Auditor

The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

Registered office:
Conway House
Cheapside
Hanley
Stoke-on-Trent
ST1 1HE

Signed by order of the trustees



Mr M A Barker
Director

Approved by the trustees on

12 July 2021

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

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**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES/ MEMBERS OF CROSS
RHYTHMS COMPANY LIMITED BY GUARANTEE**

Independent examiner's report to the trustees of Cross Rhythms.

I report on the accounts of the company for the year ended 31 December 2020, which are set out on pages 11 to 24.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

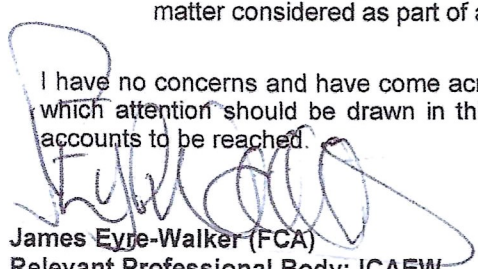
I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



James Eyre-Walker (FCA)
Relevant Professional Body: ICAEW
Winton House
Stoke Road
Stoke-on-Trent
ST4 2RW

Date

12 July 2021

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted £	Restricted £	Total Funds 2020 £	Total Funds 2019 £
Incoming resources from generated funds					
Voluntary income	2	129,303	60,050	189,353	186,948
Activities for generating funds					
Income from non-charitable trading activities	3	46,379	0	46,379	65,501
Income from charitable trading activities	4	6,092	0	6,092	3,375
		<u>52,471</u>	<u>0</u>	<u>52,471</u>	<u>68,876</u>
Total incoming resources		181,774	60,050	241,824	255,824
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	5	5,457	0	5,457	9,305
Charitable activities					
Costs in furtherance of charitable objects	6	121,369	67,345	188,714	215,720
Governance costs	7	5,437	0	5,437	5,311
Other resources expended					
Loan interest payable	8	<u>9,724</u>	<u>0</u>	<u>9,724</u>	<u>10,463</u>
Total resources expended	8	141,987	67,345	209,332	240,799
Net income/ (expenditure) for the year					
	9	39,787	(7,295)	32,492	15,025
Net gain on investments		0		0	81,000
Transfers between funds		2,928	(2,928)	0	0
Other recognised gains and losses		<u>0</u>	<u>0</u>	<u>0</u>	<u>79,000</u>
Net movement in funds relating to the year		42,715	(10,223)	32,492	175,025
Balances brought forward		<u>295,574</u>	<u>86,258</u>	<u>381,832</u>	<u>206,807</u>
Balances carried forward		338,289	76,035	414,324	381,832

All of the activities of the charity are classed as continuing.

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YEAR ENDED 31 DECEMBER 2020

BALANCE SHEET

	Note	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
Fixed assets					
Intangible assets	10	3,968	18,800	22,768	25,396
Tangible assets	11	360,814	1,588	362,402	365,775
Investments	12	336,000	0	336,000	336,000
		700,782	20,388	721,170	727,171
Current assets					
Stock		0	0	0	0
Debtors	13	7,974	15,810	23,784	27,388
Cash at bank		0	39,837	39,837	44,150
		7,974	55,647	63,621	71,538
Creditors: Amounts falling due within one year	14	(117,219)	0	(117,219)	(157,475)
Net current liabilities		(109,245)	55,647	(53,598)	(85,937)
Total assets less current liabilities		591,537	76,035	667,572	641,234
Creditors: Amounts falling due after more than one year	15	(253,248)	0	(253,248)	(259,402)
Net assets		338,289	76,035	414,324	381,832
Funds					
Restricted	16	0	76,035	76,035	86,258
Unrestricted		28,069	0	28,069	(14,646)
Revaluation reserve		310,220	0	310,220	310,220
Total funds		338,289	76,035	414,324	381,832

- The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies.
- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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BALANCE SHEET

- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with the Charities SORP (FRS102).

These accounts were approved by the members of the committee on 12 July 2021, and are signed on their behalf by:

Mr M A Barker
Director



Company Number 03485699

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2020

NOTES TO THE ACCOUNTS

1 Accounting Policies

The charity is a public benefit entity.

Basis of accounting

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP FRS102), the Charities Act 2011 and the Companies Act 2006. The accounts have also been prepared in accordance with the Financial Reporting Standard 102.

The charity's functional and presentational currency is the pound sterling. Therefore these financial statements are presented in pounds sterling.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard 102 from including a cash flow statement in the accounts on the grounds that the charity is small.

Fixed Assets

Fixed assets are recorded at cost or, in cases where fixed assets have been donated to Cross Rhythms, at estimated market value at the time of acquisition. The Charity's policy is only to capitalise items with an individual or collective value (where it is a group of assets) exceeding £250.

Depreciation

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

Equipment	- 15% Reducing balance
Improvements to property	- 5% Straight line
Website (Intangible asset)	- 10% Straight line

Freehold property is not depreciated as any charge made would be offset by the effect of a revaluation. This is a departure from the Companies Act 2006 and the SORP (FRS102) which require depreciation to be applied to all assets (other than investment properties and heritage assets) which require the cost or valuation of an asset less residual value to be depreciated over the useful economic life. In the opinion of the trustees, this departure is necessary in order for the financial statements to give a true and fair view. Freehold property is not depreciated as the estimated residual value of the asset is not materially different from the carrying amount of the asset. An impairment review is undertaken annually.

The property was professionally revalued on 11 May 2020 and the valuation considered appropriate and adopted for these accounts. This property value has also been split between investment property and in use property. Had depreciation been applied to the property at, say, 2% (as is commonly applied to freehold property), a depreciation charge in the current year would have been £6,480 (2019 - £6,480). The effect on net assets would have been a reduction of £6,480 (2019 £nil due to the revaluation).

Investment Property

Investment Property is included at Market Value. An impairment review is undertaken annually and a professional valuation was conducted on 11 May 2020.

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Website

A new xRhythms website is included under intangible assets. The costs have been capitalised as the new website is a key requirement for the future direction of the charity and a significant investment. The website is stated at cost less accumulated amortisation and accumulated impairment losses. The costs are amortised over 10 years on a straight line basis from when the new website is brought into use being 28 September 2019. The amortisation period is based on the expected useful life of the website and has taken into account continued use and maintenance of the website.

Where factors, such as technological advancement indicate that the useful life has changed, the useful life or amortisation rate are amended prospectively to reflect the new circumstances. The assets are reviewed for impairment if the factors indicate that the carrying amount may be impaired.

Stock

Stock is shown at the lower of cost and net realisable value.

Financial Instruments

Financial instruments classification

Basic financial assets, including trade and other debtors, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

Basic financial liabilities, including trade and other trade creditors, bank and other loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial Instruments recognition and measurement

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

Impairment of financial assets

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised in the Statement of Financial Activities.

Financial assets are derecognised when a) the contractual rights to the cash flows from the asset expire or are settled, or b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Income

Income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable assurance of receipt.

Grants are recognised once the resource is receivable by the charity and can be measured with reasonable reliability. Gifts in kind, such as assets given for use by the charity are recognised as income when received and are recorded at their estimated market value. Assets given for distribution by the charity are recognised as income when distributed. Voluntary help is not recognised in the Statement of Financial Activities.

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NOTES TO THE ACCOUNTS

Expenditure

Expenditure incurred directly in the fulfilment of the charity's objectives is included in direct charitable expenditure.

Fund accounting

Unrestricted fund incoming resources have been received or generated for expenditure in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds which have been designated for specific purposes by the trustees.

Restricted funds are to be used for specific purposes laid down by the donors.

Allocation of costs between activities

Staff costs have been allocated based on job roles and time spent between activities.

2 Voluntary income

	Total Funds 2020 £	Total Funds 2019 £
Gifts and donations	102,282	122,325
Gift aid	14,016	16,549
Grants	38,250	48,074
Government Covid support and job retention grants	34,805	0
	189,353	186,948

3 Income from non-charitable trading

	Total Funds 2020 £	Total Funds 2019 £
Rents from Cross Rhythms' premises	46,379	65,501

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NOTES TO THE ACCOUNTS

4 Income from charitable trading activities

	Total Funds 2020 £	Total Funds 2019 £
Trading: Radio and website advertising	4,625	3,375
Other charitable trading	1,467	0
	6,092	3,375

5 Activities for generating funds

Costs of generating voluntary income

	Total Funds 2020 £	Total Funds 2019 £
Marketing and fundraising costs	5	3,453
Staff costs	5,452	5,852
	5,457	9,305

6 Costs in furtherance of charitable objectives

Provision of charitable services

	Total Funds 2020 £	Total Funds 2019 £
Radio	55,076	58,731
Other charitable trading	(97)	(106)
XRhythms	45,506	32,787
Media training	1,738	2,035
Cross Rhythms Worldwide	14,130	14,334
Other charitable support	72,361	107,939
	188,714	215,720

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NOTES TO THE ACCOUNTS

Analysis of provision of charitable services

				Total Funds	Total Funds
	Staff costs	Depreciation/ Amortisation	Other costs	2020	2019
	£	£	£	£	£
Radio	33,195	6,094	15,787	55,076	58,731
Other charitable trading	0	0	(97)	(97)	(106)
XRhythms	40,437	493	4,576	45,506	32,787
Media training	1,738	0	0	1,738	2,035
Cross Rhythms Worldwide	3,556	0	10,574	14,130	14,334
Other charitable support	46,107	0	26,254	72,361	107,939
	125,033	6,587	57,094	188,714	215,720

7 Governance

	Total Funds	Total Funds
	2020	2019
	£	£
Salaries	3,580	4,170
Accountancy fees	0	0
Independent examination fees	1,205	1,087
Legal fees	50	54
Professional fees	602	0
	5,437	5,311

8 Total resources expended

	Staff costs	Depreciation	Other costs	Total Funds	Total Funds
	£	£	£	2020	2019
	£	£	£	£	£
Direct charitable expenditure	125,033	6,587	57,094	188,714	215,720
Activities for generating funds	5,452	0	5	5,457	9,305
Governance costs	3,580	0	1,857	5,437	5,311
Other resources expended	0	0	9,724	9,724	10,463
	134,065	6,587	68,680	209,332	240,799

The aggregate payroll costs were:

	2020	2019
	£	£
Wages and salaries	128,335	142,233
Social security costs	5,730	6,757
	134,065	148,990

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YEAR ENDED 31 DECEMBER 2020

NOTES TO THE ACCOUNTS

8 Total resources expended (continued)

As Charity Trustees, the Board of directors, who are not employees, are not included above. They receive no remuneration for their services. Expenses were reimbursed or paid directly to third parties for Travel and Accommodation on behalf of two Trustees to enable them to attend Trustee meetings. The total paid in the year was £0 (2019 £343).

No employee received emoluments in excess of £60,000 during the period.

Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to:

	2020	2019
	No	No
Number of fundraising staff	1	1
Number of administrative staff	2	2
Number of management staff	1	1
Other direct charitable staff	4	5
	<u>8</u>	<u>9</u>

Other costs:

	2020	2019
	£	£
Legal and Professional	1,857	1,141
Other	66,823	85,309
	<u>68,680</u>	<u>86,450</u>

9 Net outgoing resources

	2020	2019
	£	£
Net outgoing resources after charging/(crediting)		
Depreciation and amortisation	6,587	5,359
(Profit)/loss on disposal of fixed assets	0	(198)
Independent Examiner's remuneration - the independent examination of the charity's accounts	1,205	1,087
	<u></u>	<u></u>

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2020

NOTES TO THE ACCOUNTS

10 Intangible Fixed Assets

	Website £
Cost or valuation	
At 1 January 2020	26,272
Additions	0
Disposals	0
	<hr/>
At 31 December 2020	26,272
	<hr/>
Amortisation	
At 1 January 2020	876
Charge for the year	2,628
	<hr/>
At 31 December 2020	3,504
	<hr/>
Net book value	
	<hr/>
At 31 December 2020	22,768
	<hr/>
At 31 December 2019	25,396
	<hr/>

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2020

NOTES TO THE ACCOUNTS

11 Tangible Fixed Assets

	Freehold Property	Improvements to Property	Equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2020	324,000	3,995	131,146	459,141
Additions	0	0	586	586
Disposals	0	0	0	0
Transfer to investment property	0	0	0	0
Revaluation	0	0	0	0
At 31 December 2020	324,000	3,995	131,732	459,727
Depreciation				
At 1 January 2020	0	270	93,096	93,366
Charge for the year	0	270	3,689	3,959
Eliminated on disposal	0	0	0	0
At 31 December 2020	0	540	96,785	97,325
Net book value				
At 31 December 2020	324,000	3,455	34,947	362,402
At 31 December 2019	324,000	3,725	38,050	365,775

The trustees completed the purchase of a freehold building previously occupied by BBC Radio Stoke on 31 May 2002 at a purchase price including equipment and transaction costs of £306,010. The property was professionally valued by Rory Mack Limited who are members of RICS professional body and external to the charity, on 11 May 2020, on a market value basis, and their valuation has been adopted in the accounts. As the property is mixed use, it has been split between Investment Property at £336,000 (note 12) and Freehold Property in use at £324,000 (note 11). (The previous external valuation to this was on 22 September 2014).

12 Investment Property

Cost or valuation	£
At 1 January 2020	336,000
Transfer from Tangible fixed assets	0
Revaluation	0
At 31 December 2020	336,000

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2020

NOTES TO THE ACCOUNTS

13 Debtors

	2020	2019
	£	£
Trade debtors	2,346	3,021
Income tax recoverable	228	499
Other debtors	17,218	20,563
Prepayments	3,992	3,305
	<u>23,784</u>	<u>27,388</u>

14 Creditors: Amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	6,061	2,905
Trade creditors	7,945	13,490
Taxation and social security	10,073	4,934
Other creditors	35,215	40,900
Gross wages and employers national insurance accrual	25,833	40,369
Accruals and deferred income	32,092	54,877
	<u>117,219</u>	<u>157,475</u>

Within accruals and deferred income above, £10,764 (2019 - £11,353) comprises rental income charged in advance.

15 Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Bank and other loans	253,248	259,402
	<u>253,248</u>	<u>259,402</u>

Of the above loan amounts the following amount is due in instalments after 5 years:

	2020	2019
	£	£
Bank and other loans	212,878	220,601

Included in loans due after more than one year is a loan from Triodos Bank for £253,248 that has been secured by a legal charge over the company's freehold premises and other assets with interest at 3% above the Bank of England base rate per annum. The loan has been measured at the principal amount payable. There is also a balance of £6,061 (2019 - £2,905) on this loan which is due in less than one year. This is included within Bank loans and overdrafts in note 14.

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2020

NOTES TO THE ACCOUNTS

16 Restricted funds

	Brought Forward	Incoming resources	Outgoing resources	Transfers	Balance carried forward
	£	£	£	£	£
Media Training fund	8,342	0	0	0	8,342
Churches Media Trust	7,657	0	0	0	7,657
UK Youth	47,066	48,561	(54,996)	(2,727)	37,904
Broadcasting Infrastructure	20,000	0	0	0	20,000
Other Restricted gifts funds	3,193	11,489	(12,349)	(201)	2,132
	86,258	60,050	(67,345)	(2,928)	76,035

Sufficient resources are considered to be held in an appropriate format to enable each fund to be applied.

Fund purposes:

The Churches Media Trust:

The Churches Media Trust grant has been provided for making bursaries available for students and to contribute towards the work for the Media Training Community Courses.

Media Training fund:

Launched in September 2012, the Cross Rhythms Media Training Centre is a base to train, equip and disciple the next generation of 'media missionaries'. Young people from across the UK explore a 'call' to serve God in media, gaining training in a variety of media courses, as well as invaluable work experience in a live FM radio setting. In addition, training in media, journalism, reception, administration and business skills are offered to local disadvantaged youth in partnership with groups such as Job Centre Plus. The fund balances above incorporate restricted giving towards various aspects of this work.

UK Youth: Reaching a youth generation through XRhythms.

61% of young people feel that adults are out of touch with their relationships; 46% believe that sexting is part of everyday teenage life; 43% experience bullying at least once a week; 20% self-harm on a regular basis and 41% believe religion is more often the cause of evil in the world. XRhythms will change the diet of what a youth generation is consuming through media! To offer them a Christian response to the issues affecting their lives. xRhythms was launched on 28 September and is a brand new online Visual Radio station complete with its own dedicated website, YouTube channel, and specialist use of social media platforms like Instagram, Snapchat and Facebook, aimed at the 13's-20's.

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2020

NOTES TO THE ACCOUNTS

(£22,086 (2018 - £25,078) of the fund balance is spent but still shown as a restricted fund balance as it is represented by restricted intangible and tangible fixed assets.)

Broadcasting Infrastructure:

Cross Rhythms were awarded a grant towards capital expenditure enabling improvement of broadcasting infrastructure.

17 Related Parties

Spirit of Plymouth (Radio) Limited is a radio station that uses the Cross Rhythms template and has a common trustee in Christopher Cole. During the year Cross Rhythms received income for support services totalling £3,585 (2019 - £3,107) of which £680 (2019 - £250) was outstanding at the year end.

Gilead Foundations has a common trustee in Christopher Cole. Included in the accruals figure is an amount owing to Gilead Foundations of £nil (2019 - £4,808).

Undrawn net wages jointly by Jonathan Bellamy and his wife, Heather Bellamy, a member of Executive Management at the year end totalled £16,969 (2019 - £15,636). There are also gross wages that Jonathan Bellamy and Heather Bellamy are contractually entitled to. They have decided to defer payment until the charity is in a good position to clear this. The amounts have been accrued for in the accounts and total £22,700 (2019 - £35,474).

All outstanding amounts stated above will be settled in cash.

Aggregate gifts in the year from related parties was £5,585 (2019- £6,460).

18 Going concern

The charity has net current liabilities of £53,598 and its income is substantially dependent upon gifts and donations which, by their very nature, are uncertain and would impact on the charity's loan covenants and its ability to continue as a going concern. The charity has reviewed the effects of COVID on its income and forecasts and projections continue to show that the charity will be able to operate as a going concern for the foreseeable future. Accordingly, the trustees continue to adopt the going concern basis in preparing the annual report and financial statements.

19 Company limited by guarantee

Cross Rhythms is incorporated as a company limited by guarantee and is registered in England and Wales. The members are each liable to contribute up to £10 in the event of the company being wound up.

There were 5 directors at the year end and 5 at the beginning of the year. No directors were appointed during the year.