

Charity Number
Company Number

1069357
03485699

**CROSS RHYTHMS
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 DECEMBER 2021**

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 2021

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CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2021

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

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

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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 2021.

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.

Radio Stations:

The Cross Rhythms City Radio station continued broadcasting on 101.8FM across Stoke-on-Trent and Newcastle-under-Lyme. The station is streamed on our website. Programmes are also syndicated to secular and Christian radio stations worldwide. We operate under 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 UK teenage focussed platform XRhythms, this year launching a new DAB station across Tyneside & South Shields.

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.

Video content:

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 2021 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. These offers were drastically reduced due to Coronavirus restrictions. However we also employed nine young people under the government's Kickstart placement scheme, training them in various media skills.

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 only one physical meetings was possible this year due to Covid restrictions).

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 adopted to keep all trustees updated monthly.

Review of the year's activities

Radio Station:

2021 was shaped by the impact and restrictions of Coronavirus. Most employees returned from work from home or furlough; but we limited volunteers and radio interviewees visiting the station and as such the building ran at a much slower pace. Despite this, the local FM station continued to serve the local churches and Christian ministries through on air programming, and the wider community through engaging with police, health, education, business, charities, MPs, councillors, theatres etc. The local Sentinel Newspaper supplied us local news each hour. Once again 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 mobile through RadioPlayer.

This year we set up a second transmitter site in the south of the city, providing better coverage to the south and to Newcastle-under-Lyme with a second frequency. We also doubled our FM transmitter power across the whole city.

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 employed nine new placements under the government's Kickstart scheme, four of which into our Radio station team – a Radio Production engineer, a new presenter (for our Saturday and Sunday afternoon shows), and two for our social media output.

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.

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- xRhythms:** Having launched in October 2019, our XRhythms media platform, aimed at UK teenagers, took a big step forward this year online, on social media and on YouTube this year. As well as a small team of young contributors – bloggers, vloggers and video producers, five of our new Kickstart placements joined the XR team – a Music journalist, a video editor, a Life blogger, a Life Vlogger and a Social Media editor.
- A huge step was taken end of the year when we launched the first of potentially numerous Small Scale DAB radio stations, covering Tyneside and South Shields. This new station is a first xRhythms station.
- Internet:** Our website activity has continued throughout the year at around 250,000 unique users. Although, again, due to Coronavirus, and the retirement of two core members of the music editorial team, a reduced amount of content was published. Similarly with our social media output. The radio station is streamed online along with our Listen Again facilities. Our plan is a full repositioning of the main CR website when funds allow.
- 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 in 2021 however was on our Kickstart placements and our 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 pre-covid level of 160+.
- Conway House:** Rental income for use of our premises is a key support to the charity. Having lost our restaurant tenant just before Coronavirus hit, in 2021 we were able to replace them with new tenants. Similarly, although our new business community co-working hub, Wheelhouse, did not meet income projections, due to Covid impact, we did secure a major client whose demand of our space has seen the addition of a major building income to the charity. Long term expectations for Wheelhouse still predict this as a significant income stream for the charity. For the first time since acquiring the building every area of usable space has been rented out to tenants. We continued to make reparations and decorations within the building as required, including stage one of major project to make outdoor concrete reparations. 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 2021.

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TRUSTEES' ANNUAL REPORT (INCORPORATING DIRECTORS' ANNUAL REPORT)

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:	<p>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 donors.</p> <p>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.</p>

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 £271,028 (2020- £241,824). As with last year, we again turned in a surplus, of £13,091 (2020- £32,492).

Future developments

After 39 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 three 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; now with the additional vision of multiple DAB radio stations.
- 2) Second, to maximise on the improvements to our FM station coverage in Stoke, with improved content and programming.

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3) Third, to engage 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 16 (including Kickstart) 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 8 full or part time staff. Over many years we have retained a core team who are very motivated and increasingly mature to the vision of Cross Rhythms. Most would identify a key area of expertise, but all are responsible to serve the growing ministry when and where required. Through the two Covid years however three of those core members have retired, with two becoming volunteers. With Cross Rhythms a developing but under-resourced ministry, the quality of this support and commitment is exemplary. We are however now at the beginning of a new season of seeing a new team of employees being added who can take the vision/ministry forward. 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).

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

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TRUSTEES' ANNUAL REPORT (INCORPORATING DIRECTORS' ANNUAL REPORT)

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 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

21 June 2022

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2021

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 2021, which are set out on pages 12 to 25.

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").

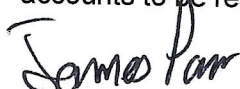
I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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 Parr (FCCA)

Relevant Professional Body: ACCA

Winton House

Stoke Road

Stoke-on-Trent

ST4 2RW

Date

21 June 2022

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2021

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

	Note	Unrestricted £	Restricted £	Total Funds 2021 £	Total Funds 2020 £
Incoming resources from generated funds					
Voluntary income	2	154,439	59,990	214,429	189,353
Activities for generating funds					
Income from non-charitable trading activities	3	48,180	0	48,180	46,379
Income from charitable trading activities	4	8,419	0	8,419	6,092
		56,599	0	56,599	52,471
Total incoming resources		211,038	59,990	271,028	241,824
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	5	7,245	0	7,245	5,457
Charitable activities					
Costs in furtherance of charitable objects	6	151,962	81,451	233,413	188,714
Governance costs	7	7,265	0	7,265	5,437
Other resources expended					
Loan interest payable	8	10,014	0	10,014	9,724
Total resources expended	8	176,486	81,451	257,937	209,332
Net income/ (expenditure) for the year	9	34,552	(21,461)	13,091	32,492
Net gain on investments		0		0	0
Transfers between funds		2,892	(2,892)	0	0
Other recognised gains and losses		0	0	0	0
Net movement in funds relating to the year		37,444	(24,353)	13,091	32,492
Balances brought forward		338,289	76,035	414,324	381,832
Balances carried forward		375,733	51,682	427,415	414,324

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

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

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BALANCE SHEET

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Fixed assets					
Intangible assets	10	3,968	16,172	20,140	22,768
Tangible assets	11	362,690	1,324	364,014	362,402
Investments	12	336,000	0	336,000	336,000
		702,658	17,496	720,154	721,170
Current assets					
Stock		0	0	0	0
Debtors	13	7,637	9,832	17,469	23,784
Cash at bank		0	24,354	24,354	39,837
		7,637	34,186	41,823	63,621
Creditors: Amounts falling due within one year	14	(85,986)	0	(85,986)	(117,219)
Net current liabilities		(78,349)	34,186	(44,163)	(53,598)
Total assets less current liabilities		624,309	51,682	675,991	667,572
Creditors: Amounts falling due after more than one year	15	(248,576)	0	(248,576)	(253,248)
Net assets		375,733	51,682	427,415	414,324
Funds					
Restricted	16	0	51,682	51,682	76,035
Unrestricted		65,513	0	65,513	28,069
Revaluation reserve		310,220	0	310,220	310,220
Total funds		375,733	51,682	427,415	414,324

- 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.

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

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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 21 June 2022, 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 2021

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 (2020 - £6,480). The effect on net assets would have been a reduction of £12,960 (2020 £6,480 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.

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

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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 2021 £	Total Funds 2020 £
Gifts and donations	103,441	102,282
Gift aid	13,959	14,016
Grants	40,500	38,250
Government Kickstarter Scheme grants	56,406	0
Government Covid support and job retention grants	123	34,805
	214,429	189,353

3 Income from non-charitable trading

	Total Funds 2021 £	Total Funds 2020 £
Rents from Cross Rhythms' premises	48,180	46,379

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4 Income from charitable trading activities

	Total Funds 2021 £	Total Funds 2020 £
Trading: Radio and website advertising	5,341	4,625
Other charitable trading	3,078	1,467
	8,419	6,092

5 Activities for generating funds

Costs of generating voluntary income

	Total Funds 2021 £	Total Funds 2020 £
Marketing and fundraising costs	1,852	5
Staff costs	5,393	5,452
	7,245	5,457

6 Costs in furtherance of charitable objectives

Provision of charitable services

	Total Funds 2021 £	Total Funds 2020 £
Radio	94,483	55,076
Other charitable trading	(374)	(97)
XRhythms	75,977	45,506
Media training	1,328	1,738
Cross Rhythms Worldwide	11,579	14,130
Other charitable support	50,420	72,361
	233,413	188,714

Analysis of provision of charitable services

	Staff costs	Depreciation/ Amortisation	Other costs	Total Funds 2021 £	Total Funds 2020 £
	£	£	£	£	£
Radio	55,586	18,885	20,012	94,483	55,076
Other charitable trading	0	0	(374)	(374)	(97)
XRhythms	67,965	493	7,519	75,977	45,506
Media training	1,328	0	0	1,328	1,738
Cross Rhythms Worldwide	3,648	0	7,931	11,579	14,130
Other charitable support	22,985	0	27,435	50,420	72,361
	151,512	19,378	62,523	233,413	188,714

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NOTES TO THE ACCOUNTS

7 Governance

	Total Funds 2021 £	Total Funds 2020 £
Salaries	3,784	3,580
Accountancy fees	0	0
Independent examination fees	1,181	1,205
Legal fees	0	50
Professional fees	2,300	602
	7,265	5,437

8 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total Funds 2021 £	Total Funds 2020 £
Direct charitable expenditure	151,512	19,378	62,523	233,413	188,714
Activities for generating funds	5,393	0	1,852	7,245	5,457
Governance costs	3,784	0	3,481	7,265	5,437
Other resources expended	0	0	10,014	10,014	9,724
	160,689	19,378	77,870	257,937	209,332

The aggregate payroll costs were:

	2021 £	2020 £
Wages and salaries	154,579	128,335
Social security costs	6,110	5,730
	160,689	134,065

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2021

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 £316 (2020 £0).

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:

	2021	2020
	No	No
Number of fundraising staff	0	1
Number of administrative staff	2	2
Number of management staff	1	1
Other direct charitable staff	7	4
	<u>10</u>	<u>8</u>

Other costs:

	2021	2020
	£	£
Legal and Professional	3,481	1,857
Other	74,389	66,823
	<u>77,870</u>	<u>68,680</u>

9 Net outgoing resources

	2021	2020
	£	£
Net outgoing resources after charging/(crediting)		
Depreciation and amortisation	19,378	6,587
(Profit)/loss on disposal of fixed assets	(2,377)	0
Independent Examiner's remuneration - the independent examination of the charity's accounts	1,181	1,205
	<u></u>	<u></u>

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

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NOTES TO THE ACCOUNTS

10 Intangible Fixed Assets

	Website £
Cost or valuation	
At 1 January 2021	26,272
Additions	0
Disposals	0
At 31 December 2021	26,272
Amortisation	
At 1 January 2021	3,504
Charge for the year	2,628
At 31 December 2021	6,132
Net book value	
At 31 December 2021	20,140
At 31 December 2020	22,768

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NOTES TO THE ACCOUNTS

11 Tangible Fixed Assets

	Freehold Property	Improvements to Property	Equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2021	324,000	3,995	131,732	459,727
Additions	0	0	18,362	18,362
Disposals	0	0	0	0
Transfer to investment property	0	0	0	0
Revaluation	0	0	0	0
At 31 December 2021	324,000	3,995	150,094	478,089
Depreciation				
At 1 January 2021	0	540	96,785	97,325
Charge for the year	0	270	16,480	16,750
Eliminated on disposal	0	0	0	0
At 31 December 2021	0	810	113,265	114,075
Net book value				
At 31 December 2021	324,000	3,185	36,829	364,014
At 31 December 2020	324,000	3,455	34,947	362,402

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 2021	336,000
Transfer from Tangible fixed assets	0
Revaluation	0
At 31 December 2021	336,000

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NOTES TO THE ACCOUNTS

13 Debtors

	2021	2020
	£	£
Trade debtors	1,460	2,346
Income tax recoverable	225	228
Other debtors	11,838	17,218
Prepayments	3,946	3,992
	<u>17,469</u>	<u>23,784</u>

14 Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	9,227	6,061
Trade creditors	7,394	7,945
Taxation and social security	6,511	10,073
Other creditors	24,715	35,215
Gross wages and employers national insurance accrual	13,348	25,833
Accruals and deferred income	24,791	32,092
	<u>85,986</u>	<u>117,219</u>

15 Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Bank and other loans	248,576	253,248
	<u>248,576</u>	<u>253,248</u>

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

	2021	2020
	£	£
Bank and other loans	208,268	212,878

Included in loans due after more than one year is a loan from Triodos Bank for £248,576 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 £9,227 (2020 - £6,061) on this loan which is due in less than one year. This is included within Bank loans and overdrafts in note 14.

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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	37,904	45,739	(56,326)	(2,712)	24,605
Broadcasting Infrastructure	20,000	0	(12,314)	0	7,686
Other Restricted gifts funds	2,132	14,251	(12,811)	(180)	3,392
	76,035	59,990	(81,451)	(2,892)	51,682

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 2019 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

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(£16,647 (2020 - £19,359) 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 £4,391 (2020 - £3,585) of which £NIL (2020 - £680) was outstanding at the year end.

Undrawn net wages jointly by Jonathan Bellamy and his wife, Heather Bellamy, a member of Executive Management at the year end totalled £12,377 (2020 - £16,969). 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 £11,729 (2020 - £22,700).

All outstanding amounts stated above will be settled in cash.

Aggregate gifts in the year from related parties was £3,882 (2020- £5,585).

18 Going concern

The charity has net current liabilities of £44,163 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 lingering 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.