

Charity Number
Company Number

1069357
03485699

**CROSS RHYTHMS
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 DECEMBER 2022**

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 2022

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CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2022

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
Ms D A Mitchell (appointed 24 January 2023)

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

YEAR ENDED 31 DECEMBER 2022

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 2022.

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, digital 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, in its first year on DAB across Tyneside & South Shields.

Digital Media: Our website continues to 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 an accredited Media Training Centre in 2012. In 2022, although reduced in numbers from previous years, 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. We employed one young person full time, who started with us under the government's Kickstart placement scheme.

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 Zoom, except one physical meeting in November held at the CR HQ in Stoke-on-Trent.

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.

Review of the year's activities

Radio Stations:

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 with daily local news. Outside broadcasts restarted, following COVID, with the Civic Prayer Breakfast. We continued to offer the station online and on mobile through RadioPlayer.

This year we started work on the renovation and repurposing of our live studio, purchasing new studio broadcast equipment and commissioning work for a new design and presentation including video cameras.

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 developed this year with the employment of a new production engineer and social media editor.

We saw the return of our Saturday Breakfast presenter and also the re-start of our Rock & Hard Place radio show (stopped during COVID).

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.

Having launched in October 2019, our XRhythms media platform, aimed at UK teenagers, took a step forward this year as we ran the first full year of our Small Scale DAB station in Tyneside & South Shields. This new station is a first xRhythms station and a prototype for something that might roll out on multiplexes across the country.

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xRhythms:

Internet: Our website activity has continued throughout the year at around 200,000 unique users. However, with the retirement of two core members of the music editorial team, a reduced amount of content was published. 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. There has been a trickle of these in 2022. Similarly through young contributors to our xRhythms vision - bloggers and vloggers. This platform 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 and we are rebuilding the team post COVID. 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. This year all usable space has been rented out to tenants or used as meeting room space for our Wheelhouse coworking facility. 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. We occasionally attend events to profile the work.

General: We continued to campaign for more monthly partners (Friends) and donors, as well as numerous trust applications. We secured funding to employ a first employee for the station in Bethlehem.

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 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

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appointment is then considered.

We added a new trustee this year, Ms Deborah Mitchell.

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 £224,795 (2021- £271,028). As with last year, we again turned in a surplus, of £24,723 (2021- £13,091).

Future developments

After 40 years (since 1983) 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.
- 3) Third, to engage more significantly in the business marketplace in Stoke-on-Trent through our 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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TRUSTEES' ANNUAL REPORT (INCORPORATING DIRECTORS' ANNUAL REPORT)

Volunteer involvement

During the year Cross Rhythms has supplemented 6 salaried staff with 84 volunteers and work experience students including reviewers and writers for the website. We also have a local FM radio board of reference made up of local church leaders, and an XRhythms Board of Reference.

Employee involvement

Cross Rhythms relies on the well-trained experienced commitment and hard work of 6 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. As a pioneering, but under-resourced ministry, Cross Rhythms relies on the support and commitment of quality volunteers. Weekly/Daily prayer/team meetings are held to build relationships, support and communicate 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
- Ms Deborah Mitchell

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

16 September 2023

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2022

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 to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2022, which are set out on pages 11 to 24.

Responsibilities and basis of report

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

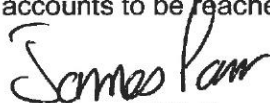
Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act').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

Independent examiner's statement

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

4 September 2023

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 2022 £	Total Funds 2021 £
Incoming resources from generated funds					
Voluntary income	2	105,890	42,556	148,446	214,429
Activities for generating funds					
Income from non-charitable trading activities	3	59,806	0	59,806	48,180
Income from charitable trading activities	4	16,543	0	16,543	8,419
		<u>76,349</u>	<u>0</u>	<u>76,349</u>	<u>56,599</u>
Total incoming resources		182,239	42,556	224,795	271,028
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	5	4,571	0	4,571	7,245
Charitable activities					
Costs in furtherance of charitable objects	6	125,855	51,803	177,658	233,413
Governance costs	7	5,471	0	5,471	7,265
Other resources expended					
Loan interest payable	8	12,372	0	12,372	10,014
Total resources expended	8	148,269	51,803	200,072	257,937
Net income/ (expenditure) for the year	9	33,970	(9,247)	24,723	13,091
Net gain on investments		0		0	0
Transfers between funds		2,973	(2,973)	0	0
Other recognised gains and losses		0	0	0	0
Net movement in funds relating to the year		36,943	(12,220)	24,723	13,091
Balances brought forward		<u>375,733</u>	<u>51,682</u>	<u>427,415</u>	<u>414,324</u>
Balances carried forward		412,676	39,462	452,138	427,415

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

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BALANCE SHEET

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Fixed assets					
Intangible assets	10	1,340	16,172	17,512	20,140
Tangible assets	11	359,330	1,324	360,654	364,014
Investments	12	336,000	0	336,000	336,000
		696,670	17,496	714,166	720,154
Current assets					
Stock		0	0	0	0
Debtors	13	12,442	1,963	14,405	17,469
Cash at bank		0	20,003	20,003	24,354
		12,442	21,966	34,408	41,823
Creditors: Amounts falling due within one year	14	(53,149)	0	(53,149)	(85,986)
Net current liabilities		(40,707)	21,966	(18,741)	(44,163)
Total assets less current liabilities		655,963	39,462	695,425	675,991
Creditors: Amounts falling due after more than one year	15	(243,287)	0	(243,287)	(248,576)
Net assets		412,676	39,462	452,138	427,415
Funds					
Restricted	16	0	39,462	39,462	51,682
Unrestricted		102,456	0	102,456	65,513
Revaluation reserve		310,220	0	310,220	310,220
Total funds		412,676	39,462	452,138	427,415

- 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 4 September 2023, 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 2022

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 (2021 - £6,480). The effect on net assets would have been a reduction of £19,440 (2021 £12,960 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 2022 £	Total Funds 2021 £
Gifts and donations	115,828	103,441
Gift aid	14,415	13,959
Grants	5,635	40,500
Government Kickstarter Scheme grants	12,568	56,406
Government Covid support and job retention grants	0	123
	<u>148,446</u>	<u>214,429</u>

3 Income from non-charitable trading

	Total Funds 2022 £	Total Funds 2021 £
Rents from Cross Rhythms' premises	59,806	48,180
	<u>59,806</u>	<u>48,180</u>

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

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NOTES TO THE ACCOUNTS

4 Income from charitable trading activities

	Total Funds 2022 £	Total Funds 2021 £
Trading: Radio and website advertising	5,839	5,341
Other charitable trading	10,704	3,078
	16,543	8,419

5 Activities for generating funds

Costs of generating voluntary income

	Total Funds 2022 £	Total Funds 2021 £
Marketing and fundraising costs	153	1,852
Staff costs	4,418	5,393
	4,571	7,245

6 Costs in furtherance of charitable objectives

Provision of charitable services

	Total Funds 2022 £	Total Funds 2021 £
Radio	95,666	94,483
Other charitable trading	0	(374)
XRhythms	21,352	75,977
Media training	801	1,328
Cross Rhythms Worldwide	11,378	11,579
Other charitable support	48,461	50,420
	177,658	233,413

Analysis of provision of charitable services

	Staff costs	Depreciation/ Amortisation	Other costs	Total Funds 2022 £	Total Funds 2021 £
	£	£	£	£	£
Radio	60,921	5,945	28,800	95,666	94,483
Other charitable trading	0	0	0	0	(374)
XRhythms	15,575	493	5,284	21,352	75,977
Media training	801	0	0	801	1,328
Cross Rhythms Worldwide	3,115	0	8,263	11,378	11,579
Other charitable support	16,740	0	31,721	48,461	50,420
	97,152	6,438	74,068	177,658	233,413

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NOTES TO THE ACCOUNTS

7 Governance

	Total Funds 2022 £	Total Funds 2021 £
Salaries	3,666	3,784
Accountancy fees	0	0
Independent examination fees	1,307	1,181
Legal fees	0	0
Professional fees	498	2,300
	5,471	7,265

8 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total Funds 2022 £	Total Funds 2021 £
Direct charitable expenditure	97,152	6,438	74,068	177,658	233,413
Activities for generating funds	4,418	0	153	4,571	7,245
Governance costs	3,666	0	1,805	5,471	7,265
Other resources expended	0	0	12,372	12,372	10,014
	105,236	6,438	88,398	200,072	257,937

The aggregate payroll costs were:

	2022 £	2021 £
Wages and salaries	101,800	154,579
Social security costs	3,436	6,110
	105,236	160,689

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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 to enable Trustees to attend Trustee meetings. The total paid in the year was £635 (2021 £316).

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:

	2022	2021
	No	No
Number of fundraising staff	0	0
Number of administrative staff	2	2
Number of management staff	1	1
Other direct charitable staff	2	7
	<u>5</u>	<u>10</u>

Other costs:

	2022	2021
	£	£
Legal and Professional	1,805	3,481
Other	86,593	74,389
	<u>88,398</u>	<u>77,870</u>

9 Net outgoing resources

	2022	2021
	£	£
Net outgoing resources after charging/(crediting)		
Depreciation and amortisation	6,438	19,378
(Profit)/loss on disposal of fixed assets	0	(2,377)
Independent Examiner's remuneration - the independent examination of the charity's accounts	1,307	1,181
	<u></u>	<u></u>

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

YEAR ENDED 31 DECEMBER 2022

NOTES TO THE ACCOUNTS

11 Tangible Fixed Assets

	Freehold Property	Improvements to Property	Equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2022	324,000	3,995	150,094	478,089
Additions	0	450	0	450
Disposals	0	0	0	0
Transfer to investment property	0	0	0	0
Revaluation	0	0	0	0
At 31 December 2022	324,000	4,445	150,094	478,539
Depreciation				
At 1 January 2022	0	810	113,265	114,075
Charge for the year	0	168	3,642	3,810
Eliminated on disposal	0	0	0	0
At 31 December 2022	0	978	116,907	117,885
Net book value				
At 31 December 2022	324,000	3,467	33,187	360,654
At 31 December 2021	324,000	3,185	36,829	364,014

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 2022	336,000
Transfer from Tangible fixed assets	0
Revaluation	0
At 31 December 2022	336,000

CROSS RHYTHMS COMPANY LIMITED BY GUARANTEE

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NOTES TO THE ACCOUNTS

13 Debtors

	2022	2021
	£	£
Trade debtors	6,908	1,460
Income tax recoverable	485	225
Other debtors	3,128	11,838
Prepayments	3,884	3,946
	<u>14,405</u>	<u>17,469</u>

14 Creditors: Amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	6,837	9,227
Trade creditors	6,903	7,394
Taxation and social security	1,033	6,511
Other creditors	14,939	24,715
Gross wages and employers national insurance accrual	0	13,348
Accruals and deferred income	23,437	24,791
	<u>53,149</u>	<u>85,986</u>

15 Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Bank and other loans	<u>243,287</u>	<u>248,576</u>
	<u>243,287</u>	<u>248,576</u>

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

	2022	2021
	£	£
Bank and other loans	<u>211,182</u>	<u>208,268</u>

Included in loans due after more than one year is a loan from Triodos Bank for £243,287 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 £6,837 (2021 - £9,227) 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 2022

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	24,605	18,465	(41,183)	(2,699)	(812)
Broadcasting Infrastructure	7,686	0	0	0	7,686
Other Restricted gifts funds	3,392	24,091	(10,620)	(274)	16,589
	51,682	42,556	(51,803)	(2,973)	39,462

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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NOTES TO THE ACCOUNTS

(£13,948 (2021 - £16,647) 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 £6,214 (2021 - £4,391) of which £676 (2021 - £NIL) 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 £11,589 (2021 - £12,377). 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 £NIL (2021 - £11,729).

All outstanding amounts stated above will be settled in cash.

Aggregate gifts in the year from related parties was £25,701 (2021- £3,882).

18 Going concern

The charity has net current liabilities of £21,131 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's 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.