

Company registration number: 03681562
Charity registration number: 1078995

**TWO RHYTHMS LTD
TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

Gordon Down Accountants Temple Court
13a Cathedral Road
Cardiff
CF11 9HA

Two Rhythms Ltd
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The trustees present their report and the financial statements for the year ended 31 March 2025.

Objectives and Activities

Aims and Objectives

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Public Benefit

To Provide educational and Therapeutic programmes for the benefit of people with profound physical and learning disabilities by nurturing creativity and self-confidence through participation in the creative arts and through the delivery of workshop training.

The trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

Achievements and Performance

Main Achievements

Overview of Financial Year 2024/25

This year has been one of transition, growth, and achievement for the Two Rhythms. We have navigated organisational changes, expanded our physical presence, and celebrated key milestones, all made possible by the dedication and passion of our staff, who ensure the charity operates smoothly every day. We enter the next phase with optimism for further growth and impact.

In April 2024, a new Chair, with a longstanding connection to the charity, was appointed. New trustees joined in Autumn 2024, supported by a succession plan to maintain governance continuity and bring in fresh perspectives as terms expire.

The charity formally rebranded in May 2024, changing its name from 'Touch Trust Limited' to 'Two Rhythms Ltd', registered with Companies House and the Charity Commission. In August 2024, the Touch Trust Foundation was closed, and its functions were fully integrated into Two Rhythms Ltd.

Our second site opened late in 2024, providing additional capacity, improved access for guests and carers, enhanced storage and administration space, and greater operational flexibility. The site has been well received by the community, complementing the original location and we look forward to driving its usage to capacity.

In March 2025, the charity celebrated its 25th anniversary with an event at the Senedd, attended by guests, families, carers, partners, stakeholders, and Julie Morgan MS. The event highlighted the charity's achievements and offers opportunities for greater political engagement to influence arts and health policy and further support the community we serve.

Staffing

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**Two Rhythms Ltd
Trustees' Report (continued)
For The Year Ended 31 March 2025**

Main Achievements - continued

Resourcing levels have been consistent throughout this year, with only a reduction in casual contracts. All contracted staff remain in post. In September 2024, we recruited four new, part-time Creative Facilitators. Some of whom will provide the necessary capacity for our second site. As their training spanned several months, these new colleagues worked alongside the existing team, gaining valuable experience.

In the Autumn of 2024, Our 'Programme and Projects Manager' transitioned to a newly-created role, 'Head of Programme'. This change reflects our new priorities to broaden the programme and reach new families and participants. It also builds on our work with the University of South Wales, helping to articulate a clinical basis for our work. To assist this new role, a part-time 'Programme Assistant' was appointed on a six-month temporary contract.

Membership

The charity received £12,000 in income from membership fees during the year, representing a stable position following growth in the previous year. The revised membership model has successfully retained as many members as possible; however, providers continue to face financial and operational pressures due to the ongoing impact of the cost-of-living crisis on the health and social care sectors. Membership remains a key element of the Strategic Development Plan, and the charity is actively exploring opportunities to expand and develop this area further.

Partnerships

During the year, the charity collaborated with the University of South Wales on an independent research project evaluating the work of Two Rhythms. From late 2024 to early 2025, focus groups were conducted with families, caregivers, provider members, and Two Rhythms staff. Early findings are promising, and participant feedback will help inform the charity's future growth plans. The results of the study are due to be published in Summer 2025.

In Spring 2025, the Dementia Outreach Project, funded by the McCarthy & Stone Foundation, was completed. This initiative brought Two Rhythms' sessions to a senior care provider, benefiting 35 residents as well as their families and carers. Delivered over six months, the project included the creation of a 'sensory memory kit' to allow participants to continue engaging with the objects used during the sessions. Following universally positive feedback from the care provider, the charity plans to develop further targeted work in this area.

Financial Review

Financial Position

Forward look to Financial Year 2025/26

- Development of a comprehensive strategic plan for the coming years, setting out the charity's long-term goals and milestones.
- Review of the organisation's mission and vision with input from trustees and staff, ensuring they accurately reflect our purpose and future direction.
- Publication of the academic research as a first step to engaging new partners and stakeholders to broaden our reach and impact.
- Update of the governing document to reflect the charity's new name and ensure that the description of our activities and membership matches our current work and remains clear, current and fit for purpose.

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Financial Position - continued

- Management of held funds and reserves by placing them in a high-interest account, helping them to generate better returns and support future income needs.
- Recruitment of a Business Manager to lead planned growth and take responsibility for day-to-day financial matters.
- Recruitment of additional trustees in Autumn 2025 to strengthen governance and bring in new skills and experience.

Reserves Policy

The Board of Trustees has examined the charity's reserve requirements, considering the organisation's principal risks. The charity reserves three months of essential costs, and this is reviewed periodically.

The free reserves of the charity, as of 31st March 2024, represented funds freely available to spend, amounting to £218,162.

Structure, Governance and Management

Governing Document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Risk management

The Management Committee conducted a review of the major risks to which the charity is exposed. A more comprehensive risk register is currently being established and will be updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. External financial risks will be addressed through the diversification of funding streams and a review of the types of activities offered in the future (in line with our mission and vision). Internal financial risk have been mitigated by the implementation of governance processes for all transactions. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity

Organisational structure

Two Rhythms Ltd has a Board of Trustees, who meet bi-monthly and are responsible for the strategic direction of the charity. Board members are from a cross-section of society, all with relevant experience and skills to the work of the Two Rhythms. A skills audit has commenced to allow the board to identify the skills gaps and target upcoming Trustee recruitment to reach individuals with the required skills and experience. This will also allow the board to undertake succession planning.

Trustees are recruited via open recruitment with partner organisations and via social media campaigns. The recruitment consists of an application form which is sifted by the Chair/Vice chair and at least one other trustee, followed by an interview, after which successful candidates are recommended to the Board for appointment.

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**Two Rhythms Ltd
Trustees' Report (continued)
For The Year Ended 31 March 2025**

Governing Document - continued

Day to day responsibility for operation of the charity rests with the Chief Executive Officer (CEO). The CEO is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The CEO is also responsible for leadership and development of the executive in line with good practice and statutory requirements. Remuneration of all key personnel is reviewed annually by Trustees.

Reference and Administrative Details

Trustees

Miss Victoria Jones - Director (appointed 02/09/2024)
Mr Michaelis Jan-Uwe - Director
Ms Seaward Kathryn - Director (appointed 02/09/2024)
Mrs Samar Small - Director
Mrs Fashan Joanne - Director (appointed 26/09/2025)
Mrs Alice Jones - Director (appointed 26/09/2025)

Other Personnel

Victoria Jones - Interim Chair

Charity Number

1078995

Company Number

03681562

Independent Examiner

Laurence Cohen FCA
Gordon Down Accountants Temple Court
13a Cathedral Road
Cardiff
CF11 9HA

Two Rhythms Ltd
Trustees' Report (continued)
For The Year Ended 31 March 2025

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Two Rhythms Ltd for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statement unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

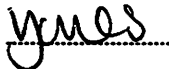
The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at anytime the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small Company Rules

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The trustees' report was approved by the board of trustees and signed on its behalf by:



Miss Victoria Jones

Trustee
Date

16/12/2025

Two Rhythms Ltd
Independent Examiner's Report to the Trustees of Two Rhythms Ltd
For The Year Ended 31 March 2025

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2025.

Responsibilities and Basis of Report

As the charity 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.

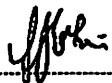
Independent Examiner's Statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

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

- 1 except for the matter of concern noted above accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 except for the matter of concern noted above the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.



Laurence Cohen FCA
Date
Gordon Down Accountants Temple Court
13a Cathedral Road
Cardiff
CF11 9HA

17/12/2025.

Two Rhythms Ltd
Statement of Financial Activities (Including Income and Expenditure Account)
For The Year Ended 31 March 2025

		Unrestricted funds	Restricted funds	2025 Total funds	2024 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	-	-	-	206,798
Charitable activities:	4				
Educational and Therapeutic Programmes for the benefit of people with profound physical and learning disabilities		-	4,892	4,892	-
Charitable Activities		158,899	50,350	209,249	189,704
Investments	5	3,482	-	3,482	982
		<u>162,381</u>	<u>55,242</u>	<u>217,623</u>	<u>397,484</u>
EXPENDITURE ON:					
Raising funds	8	(2)	(1)	(3)	-
Charitable activities:	8				
Educational and Therapeutic Programmes for the benefit of people with profound physical and learning disabilities		(81,075)	(49,149)	(130,224)	(185,221)
Support Costs		(5,651)	-	(5,651)	-
Charitable Activities		(133,313)	(105)	(133,418)	(18,971)
		<u>(220,041)</u>	<u>(49,255)</u>	<u>(269,296)</u>	<u>(204,192)</u>
NET (EXPENDITURE)/INCOME		<u>(57,660)</u>	<u>5,987</u>	<u>(51,673)</u>	<u>193,292</u>
Transfers between funds	17	(139,971)	139,971	-	-
NET MOVEMENT IN FUNDS		<u>(197,631)</u>	<u>145,958</u>	<u>(51,673)</u>	<u>193,292</u>
RECONCILIATION OF FUNDS:					
Total funds brought forward		218,162	51,180	269,342	76,050
TOTAL FUNDS CARRIED FORWARD	17	<u>20,531</u>	<u>197,138</u>	<u>217,669</u>	<u>269,342</u>

The notes on pages 11 to 17 form part of these financial statements.

Two Rhythms Ltd
Comparative Statement of Financial Activities (including Income and Expenditure Account)
For The Year Ended 31 March 2025

		Unrestricted funds	Restricted funds	2024 Total funds
	Notes	£	£	£
INCOME AND ENDOWMENTS FROM:				
Donations and legacies	3	206,798	-	206,798
Charitable activities:	4			
Charitable Activities		138,886	50,818	189,704
Investments	5	982	-	982
		<u>346,666</u>	<u>50,818</u>	<u>397,484</u>
EXPENDITURE ON:				
Charitable activities:	8			
Educational and Therapeutic Programmes for the benefit of people with profound physical and learning disabilities		(159,804)	(25,417)	(185,221)
Charitable Activities		(18,971)	-	(18,971)
		<u>(178,775)</u>	<u>(25,417)</u>	<u>(204,192)</u>
NET INCOME		<u>167,891</u>	<u>25,401</u>	<u>193,292</u>
NET MOVEMENT IN FUNDS		<u>167,891</u>	<u>25,401</u>	<u>193,292</u>
RECONCILIATION OF FUNDS:				
Total funds brought forward		50,271	25,779	76,050
TOTAL FUNDS CARRIED FORWARD	17	<u>218,162</u>	<u>51,180</u>	<u>269,342</u>

The notes on pages 11 to 17 form part of these financial statements.

Two Rhythms Ltd
Statement of Financial Position
As At 31 March 2025

		Unrestricted funds	Restricted funds	2025 Total funds	2024 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
CURRENT ASSETS					
Debtors	13	4,094	-	4,094	6,611
Cash at bank and in hand		44,150	197,138	241,288	281,382
		48,244	197,138	245,382	287,993
Creditors: Amounts Falling Due Within One Year	14	(27,713)	-	(27,713)	(18,651)
NET CURRENT ASSETS (LIABILITIES)		20,531	197,138	217,669	269,342
TOTAL ASSETS LESS CURRENT LIABILITIES		20,531	197,138	217,669	269,342
NET ASSETS		20,531	197,138	217,669	269,342
FUNDS OF THE CHARITY					
Restricted Funds				197,138	51,180
Unrestricted Funds				20,531	218,162
TOTAL FUNDS	17			217,669	269,342

Two Rhythms Ltd
Statement of Financial Position (continued)
As At 31 March 2025

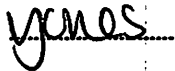
For the year ending 31 March 2025 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

On behalf of the board



Miss Victoria Jones

Trustee

Date

16/12/2025

The notes on pages 11 to 17 form part of these financial statements.

Two Rhythms Ltd
Notes to the Financial Statements
For The Year Ended 31 March 2025

1. General Information

Two Rhythms Ltd is a company limited by guarantee, incorporated in England & Wales, registered number 03681562 and registered charity number 1078995. The registered office is .

2. Accounting Policies

2.1. Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

The charitable company is a Public Benefit Entity as defined by FRS 102.

2.2. Resources Expended

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31 March 2025

2.3. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold	20%
Plant & Machinery	33%
Fixtures & Fittings	20%

2.4. Cash and Cash Equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks, other short-term highly liquid investments that mature in no more than three months from the date of acquisition and are readily convertible to a known amount of cash with insignificant risk of change in value, and bank overdrafts.

3. Income from Donations and Legacies

	2025	2024
	Unrestricted funds	Unrestricted funds
	£	£
Donations and gifts:		
Donations and gifts	-	6,798
Donations from individuals	-	200,000
	<u>-</u>	<u>206,798</u>

4. Income from Charitable Activities

Two Rhythms Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

	Unrestricted funds	Restricted funds	2025
	£	£	Total funds
			£
Educational and Therapeutic Programmes for the benefit of people with profound physical and learning disabilities	-	4,892	4,892
Charitable Activities	158,899	50,350	209,249
	<u>158,899</u>	<u>55,242</u>	<u>214,141</u>
			2024
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Educational and Therapeutic Programmes for the benefit of people with profound physical and learning disabilities	-	-	-
Charitable Activities	138,886	50,818	189,704
	<u>138,886</u>	<u>50,818</u>	<u>189,704</u>

Grants, included above, are as follows:

	2025	2024
	Restricted funds	Restricted funds
	£	£
GVS	-	19,346
C3SC	-	1,000
Community Foundation Wales	-	19,588
YMCA	-	4,000
Blakemore	-	100
McCarthy Stone Foundation	-	6,784
NL Ty Halfan	6,886	-
	<u>6,886</u>	<u>50,818</u>

5. Investment Income

	2025	2024
	Unrestricted funds	Unrestricted funds
	£	£
Bank interest receivable	3,482	982

6. Other Income

Two Rhythms Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

7. Net Income/(Expenditure)

The net (expenditure)/income is stated after charging/(crediting):

2025	2024
£	£

8. Analysis of Expenditure

	2025		
	Activities undertaken directly	Support costs	Total
	£	£	£
Raising funds	-	3	3
Educational and Therapeutic Programmes for the benefit of people with profound physical and learning disabilities	119,511	10,713	130,224
Support Costs	-	5,651	5,651
Charitable Activities	2,692	130,726	133,418
	122,203	147,093	269,296

	2024		
	Activities undertaken directly	Support costs	Total
	£	£	£
Educational and Therapeutic Programmes for the benefit of people with profound physical and learning disabilities	185,221	-	185,221
Charitable Activities	-	18,971	18,971
	185,221	18,971	204,192

9. Independent Examiner's Remuneration

	2025	2024
	£	£
Independent examination of the financial statements	3,000	3,270

Two Rhythms Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

10. Staff Costs

Staff costs were as follows:

Key management personnel

The key management personnel of the charity received benefits (including gross salary, employers national insurance contributions and employers pension contributions) totalling £90,257 (2023: £87,742).

	2025	2024
	£	£
Wages and salaries	154,477	130,954
Social security costs	2,215	4,028
Other pension costs	2,981	2,503
	<u>159,673</u>	<u>137,485</u>

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000.

11. Average Number of Employees

Average number of employees during the year was: 8 (2024: 8)

12. Tangible Assets

	Land & Property			
	Leasehold	Plant & Machinery	Fixtures & Fittings	Total
	£	£	£	£
Cost				
As at 1 April 2024	90,657	21,119	40,163	151,939
As at 31 March 2025	<u>90,657</u>	<u>21,119</u>	<u>40,163</u>	<u>151,939</u>
Depreciation				
As at 1 April 2024	90,657	21,119	40,163	151,939
As at 31 March 2025	<u>90,657</u>	<u>21,119</u>	<u>40,163</u>	<u>151,939</u>
Net Book Value				
As at 31 March 2025	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
As at 1 April 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

13. Debtors

	2025	2024
	£	£
Due within one year		
Trade debtors	<u>4,094</u>	<u>6,611</u>

Two Rhythms Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

14. Creditors: Amounts Falling Due Within One Year

	2025	2024
	£	£
Trade creditors	11,447	8,318
Other creditors	797	-
Taxation and social security	6,177	2,572
Accruals and deferred income	9,292	7,761
	<u>27,713</u>	<u>18,651</u>

15. Deferred Income

Deferred income movements in the year were as follows:

	2025	2024
	£	£
Balance at the start of the period	1,980	1,988
Income deferred in the current period	-	1,980
Amounts released in income from previous periods	(1,980)	(1,988)
Balance at the end of the period	<u>-</u>	<u>1,980</u>

16. Pension Commitments

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

During the year the charge to the statement of financial activities in respect of defined contribution schemes was £2,981 (2024: £2,503).

At the statement of financial position date contributions of £NIL were due to the fund and are included in creditors.

17. Movement in Funds

	As at 1 April 2024	Income	Expenditure	Transfers	As at 31 March 2025
	£	£	£	£	£
Unrestricted funds					
General:					
General unrestricted fund	218,162	147,568	(220,041)	(125,158)	20,531
Education and Therapy	-	14,813	-	(14,813)	-
Total unrestricted funds	<u>218,162</u>	<u>162,381</u>	<u>(220,041)</u>	<u>(139,971)</u>	<u>20,531</u>
Restricted funds					
Restricted Funds	362	-	1	(363)	-

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Two Rhythms Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

GVS	19,347	16,944	(18,607)	(17,678)	6
POBL Trust Founding	1,000	-	-	(1,000)	-
Community Foundation Wales	19,587	19,687	(12,337)	(26,937)	-
YMCA	4,000	155	(155)	(4,000)	-
Blackemore	100	-	-	(100)	-
McCarthy Stone Foundation	6,784	6,677	(1,551)	(6,784)	5,126
NL Ty Hafan	-	6,887	(2,895)	-	3,992
CFW University Research	-	-	-	7,350	7,350
Cardiff Educational Endowment Fund	-	-	(8,828)	14,813	5,985
Location 2 CPC	-	3,902	(4,883)	981	-
WCVA Resilience	-	990	-	(990)	-
Business Investment	-	-	-	85,190	85,190
Revenue Support	-	-	-	84,000	84,000
Contingency	-	-	-	5,489	5,489
Total restricted funds	51,180	55,242	(49,255)	139,971	197,138
Total funds	269,342	217,623	(269,296)	-	217,669

	As at 1 April 2023	Income	Expenditure	As at 31 March 2024
	£	£	£	£
Unrestricted funds				
General:				
General unrestricted fund	50,271	346,666	(178,775)	218,162
Restricted funds				
Restricted Funds	25,779	-	(25,417)	362
GVS	-	19,347	-	19,347
POBL Trust Founding	-	1,000	-	1,000
Community Foundation Wales	-	19,587	-	19,587
YMCA	-	4,000	-	4,000
Blackemore	-	100	-	100
McCarthy Stone Foundation	-	6,784	-	6,784
Total restricted funds	25,779	50,818	(25,417)	51,180
Total funds	76,050	397,484	(204,192)	269,342

18. Transactions with Trustees

During the year the expenses reimbursed to the trustees or paid directly to third parties were as follows:

2025	2024
£	£

19. Related Party Disclosures

20. Controlling Parties

The charitable company's ultimate controlling party is TouchTrust Foundation Limited.

As the income of the group falls below the relevant thresholds consolidated accounts have not been prepared.

Details of the charity's subsidiaries at 31 March 2024 are as follows:

Name of undertaking

Registered office

Nature of business Class of % Held
 shares held Direct Indirect

Touch Trust Foundation Limited

Wales Trading Arm Ordinary 100.00
 Shares

Touch Trust Foundation Limited was dissolved on 12 November 2024.

Touch Trust Foundation's funds were donated to Two Rhythms Ltd in the current year.

21. Company limited by guarantee

The company is limited by guarantee and has no share capital.

Every member of the company undertakes to contribute to the assets of the company, in the event of a winding up, such an amount as may be required not exceeding £1.

Two Rhythms Ltd
Detailed Statement of Financial Activities (Including Income and Expenditure Account)
For The Year Ended 31 March 2025

	2025	2024
	Total	Total
	funds	funds
	£	£
INCOME AND ENDOWMENTS FROM:		
Donations and legacies		
Donations and gifts	-	6,75
Donations from individuals	-	200,00
	-	206,75
Charitable Activities:		
Educational and Therapeutic Programmes for the benefit of people with profound physical and learning disabilities		
Grants	4,892	
	4,892	
Charitable Activities		
Income from charitable activities	132,991	
Education	11,095	126,13
Grants	65,163	50,81
Income from charitable activities type A	-	12,74
	209,249	189,70
Investments		
Bank interest receivable	3,482	98
	3,482	98
	217,623	397,48
EXPENDITURE ON:		
Raising funds		
Sundry expenses	(3)	
	(3)	
Charitable Activities:		
Educational and Therapeutic Programmes for the benefit of people with profound physical and learning disabilities		
Project costs	(3,405)	(17,86)
Wages and salaries	(71,507)	(120,11)
Employers NI	-	(4,02)
Employers pensions - defined contribution schemes	(650)	(2,50)
Other staff costs	-	(57)
Consultancy fees	-	(2,97)
Premises costs	-	(21,98)
Repairs, renewals and maintenance	-	(62)
Insurance	-	(2,05)
Data and telecommunications costs	-	(7,70)
	...	CONTINUED

Two Rhythms Ltd
Detailed Statement of Financial Activities (Including Income and Expenditure Account) (continued)
For The Year Ended 31 March 2025

Consumable items	(43,949)	-
Royalties and licence fees payable	-	(4,791)
Employers NI	(82)	-
Recruitment costs	(19)	-
Staff expenses	(2,439)	-
Travel and subsistence expenses	(35)	-
Rent	(4,116)	-
Repairs, renewals and maintenance	(1,129)	-
Insurance	(1,891)	-
Printing, postage and stationery	(19)	-
Photocopying	(786)	-
Postage	(197)	-
	<u>(130,224)</u>	<u>(185,221)</u>
Support Costs		
Employers NI	(2,133)	-
Computer and IT consumables	(518)	-
Independent examiner's fees	(3,000)	-
	<u>(5,651)</u>	<u>-</u>
Charitable Activities		
Royalties and licence fees payable	(2,692)	-
Wages and salaries	(82,970)	(10,269)
Employers pensions - defined contributions scheme	(2,331)	-
Recruitment costs	(3,205)	-
Travel and subsistence expenses	(1,271)	-
Travel expenses	(500)	-
Rent	(3,217)	-
Rates	(782)	-
Property management and service charges	(2,785)	-
Light and heat	(2,306)	-
Cleaning	(188)	-
Premises insurance	(953)	-
Other premises costs	(8,961)	-
Printing, postage and stationery	(6,053)	(542)
Postage	(893)	-
Advertising and marketing costs	(4,715)	-
Telecommunications	(3,409)	-
Professional fees	(750)	-
Consultancy fees	(628)	(2,986)
Subscriptions	(687)	(220)

...CONTINUED

Two Rhythms Ltd
Detailed Statement of Financial Activities (including Income and Expenditure Account) (continued)
For The Year Ended 31 March 2025

Bank charges	(435)	(404)
Independent examiner's fees	-	(3,270)
Accountancy fees	(3,687)	(1,280)
	<u>(133,418)</u>	<u>(18,971)</u>
	<u>(269,296)</u>	<u>(204,192)</u>
NET (EXPENDITURE)/INCOME	<u>(51,673)</u>	<u>193,292</u>

Financial Position - continued

- Management of held funds and reserves by placing them in a high-interest account, helping them to generate better returns and support future income needs.
- Recruitment of a Business Manager to lead planned growth and take responsibility for day-to-day financial matters.
- Recruitment of additional trustees in Autumn 2025 to strengthen governance and bring in new skills and experience.

Reserves Policy

The Board of Trustees has examined the charity's reserve requirements, considering the organisation's principal risks. The charity reserves three months of essential costs, and this is reviewed periodically.

The free reserves of the charity, as of 31st March 2024, represented funds freely available to spend, amounting to £218,162.

Structure, Governance and Management

Governing Document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Risk management

The Management Committee conducted a review of the major risks to which the charity is exposed. A more comprehensive risk register is currently being established and will be updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. External financial risks will be addressed through the diversification of funding streams and a review of the types of activities offered in the future (in line with our mission and vision). Internal financial risk have been mitigated by the implementation of governance processes for all transactions. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity

Organisational structure

Two Rhythms Ltd has a Board of Trustees, who meet bi-monthly and are responsible for the strategic direction of the charity. Board members are from a cross-section of society, all with relevant experience and skills to the work of the Two Rhythms. A skills audit has commenced to allow the board to identify the skills gaps and target upcoming Trustee recruitment to reach individuals with the required skills and experience. This will also allow the board to undertake succession planning.

Trustees are recruited via open recruitment with partner organisations and via social media campaigns. The recruitment consists of an application form which is sifted by the Chair/Vice chair and at least one other trustee, followed by an interview, after which successful candidates are recommended to the Board for appointment.

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**Two Rhythms Ltd
Trustees' Report (continued)
For The Year Ended 31 March 2025**

Governing Document - continued

Day to day responsibility for operation of the charity rests with the Chief Executive Officer (CEO). The CEO is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The CEO is also responsible for leadership and development of the executive in line with good practice and statutory requirements. Remuneration of all key personnel is reviewed annually by Trustees.

Reference and Administrative Details

Trustees

Miss Victoria Jones - Director (appointed 02/09/2024)
Mr Michaelis Jan-Uwe - Director
Ms Seaward Kathryn - Director (appointed 02/09/2024)
Mrs Samar Small - Director
Mrs Fashan Joanne - Director (appointed 26/09/2025)
Mrs Alice Jones - Director (appointed 26/09/2025)

Other Personnel

Victoria Jones - Interim Chair

Charity Number

1078995

Company Number

03681562

Independent Examiner

Laurence Cohen FCA
Gordon Down Accountants Temple Court
13a Cathedral Road
Cardiff
CF11 9HA