

MUSICAL KEYS

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

MUSICAL KEYS

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MUSICAL KEYS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees

Mr Edward Graham Jones, Chair until 28/07/2021

Ms Susan Traverso, Co-Chair from 28/07/2021 to 02/02/2022 (resigned 24 March 2022)

Ms Lucy Child, Co-Chair from 28/07/2021 to 02/02/2022

Mr Christopher Alexander Towndrow (appointed 14 April 2021)

Mr Stephen Shaw

Ms Kathryn Wright

Ms Alison Ridley

Ms Amanda Reynolds, Chair from 02/02/2022 (appointed 1 May 2021)

Charity registered number

1151915

Principal office

Martineau Memorial Hall, 21 Colegate, Norwich, Norfolk, NR3 1BN

Chief executive officer

Gervase Newrick

Accountants

Larking Gowen LLP, King Street House, 15 Upper King Street, Norwich, NR3 1RB

MUSICAL KEYS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the financial statements of the charity for the year 1 April 2021 to 31 March 2022.

The Trustees confirm that the Annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Objectives and activities

a. Policies and objectives

In planning our activities for 2021/22, the Trustees kept in mind the Charity Commission's guidance on public benefits and as such Musical Keys actively seeks engagement with people from all backgrounds but with particular regard to people who have experience of disabilities or disadvantage. Musical Keys fully complies with all relevant legislation.

Musical Keys' vision is equal access to music and creativity by providing music and arts activities with a focus on inclusivity. These activities include ongoing music groups which are managed and funded by Musical Keys in response to local need; outreach activities run for the service users of another organisation such as a voluntary organisation or school; and specific funded projects which may be limited to the duration of the grant obtained to fund them.

Musical Keys' high quality music, arts and movement activities are designed to encourage the physical, mental, educational and social development and/ or wellbeing of the participants as well as to provide support and involvement for parents, carers, guardians and siblings who might otherwise feel isolated or lacking support. Our unique programme is delivered across the county and uses a range of traditional and modern instrumentation and technology. Our work falls into five categories:

- Unite: sessions for 0-5 year olds and their families
- Express: work with all ages and abilities
- Evolve: work in schools and colleges
- Connect: activities for older people living with age-related illness or disability
- Innovate: new projects and new ideas.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

MUSICAL KEYS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

b. Activities undertaken to achieve objectives

Musical Keys groups and projects

Musical Keys has now been delivering our charitable services in Norfolk for 32 years. Over the year 2021/22 our new digital programmes continued to prove highly popular both with our established clients who had been accessing them as a matter of necessity due to the pandemic, and with new clients who were able to access our services for the first time thanks to the new technology. Their success has led us to incorporate them into our regular schedules, whilst also prompting us to investigate further potential uses of digital technology for service delivery. It has however been a huge relief to have been able to recommence all of our 'face to face' activities over the past year as they form the vast majority of our services. Despite all the challenges Musical Keys provided around 5,500 places reaching over 700 people with experience of disabilities or disadvantage.

Our groups aim to make a positive impact right across the county and funding is sought for many of these to be on-going. Whilst at the start of 2021 Musical Keys was focussed on reinstating the projects that had been put on hold during the pandemic, towards the end of 2021 we were able to begin designing new projects and a number of these have now already commenced such as the collaboration with Norwich MIND, whilst others are scheduled to begin within the second quarter of 2022 such as the project with Norwich Prison Service.

For many (especially some of our parents and carers) the breaks in between the music making are just as important as the sessions themselves as relationships grow and flourish between peers and families. We have again relied heavily on the six fantastic volunteers who have worked with us this year, providing around 220 hours of volunteering (despite our reduced capacity due to covid restrictions). Our volunteers are recruited and trained to provide individual support to participants during sessions and break times. This allows time for our families and carers to share resources, knowledge, skills and experience and provide mutual support. The 'added value' this brings to our sessions enables families and carers who often report feeling socially isolated to feel welcomed into a positive, non-judgemental environment which they feed back is hugely valuable to them.

Our activities in 2021/22 included:

- We continue to deliver Early Years sessions at the core of our work under the UNITE programme. Alongside weekly sessions run from NANSA's Family Centre we delivered a programme for Action for Children in a range of settings in South Norfolk. We were also commissioned by Acorns preschool in North Norfolk to provide a programme of music activity for a large group of 0-5 year olds and by Vision (formerly the Norfolk and Norwich Association for the Blind) to work with a brand new Early Years group of sight impaired children.
- Our EXPRESS programme continues to grow, as does its reach. Following its suspension during the COVID pandemic, we were delighted to be able to reinstate our popular Saturday Group from the recently refurbished Norwich Arts Centre, now one of the most accessible venues in the region. We were also able to reinstate work with Barrington Farm in North Norfolk, and sessions at the Millennium Library, Norwich for young learning-disabled adults as well as delivering new commissioned work for Cascade Care and Westward Healthcare.
- Our partnership with West Norfolk NAS continues to strengthen as our partnership project in King's Lynn, Equaliser, develops in response to the changing needs of the autistic children and young people that access it. We look forward to working with the newly formed West Norfolk Autism Group in 2022 as an extension of this project.

MUSICAL KEYS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

- Summer 2021 saw the culmination of a fantastic partnership with the Sue Lambert Trust. Working with women that have experienced abuse we created a safe and supportive space where participants could express themselves through a variety of creative activities. The group produced a beautiful 20 page 'zine which has been distributed across the region.
- In 2022 the Children's Health and Wellbeing programme was formalised as our work with the East Anglian Children's Hospice (EACH) evolved. Having adapted to provide sessions online during the pandemic, we were able to reach out to many more participants in EACH's hospices in Cambridge, Essex and Suffolk.
- Summer 2021 saw the completion of a partnership project with The Nancy Oldfield Trust. This amazing project combined the musical creativity of Musical Keys with the tranquillity and joy of boating on the Broads. This project was so successful that it is being repeated in 2022-23.
- Our online Zoom sessions, developed in response to the Covid pandemic continue to be popular and have now been incorporated into our regular activities under the 'In my own time, online' banner - a thriving one-to-one service for a range of individuals who want to learn an instrument, or experiment with music, in their own homes.
- We have currently restarted regular activities in six care homes across Norfolk under the 'CONNECT' programme. There are still a number of settings who provide services to extremely vulnerable elderly people who have not restarted normal activities, however we have also taken on work in a couple of new care homes over the past year which has brought our activities back up to pre-pandemic levels.
- We are currently active in three schools and colleges in Norfolk, providing services to one pre-school, one primary school and one college as part of our 'EVOLVE' programme. We have also been commissioned by two complex needs schools to provide bespoke 1:1 activity to their pupils.
- In February, we were delighted to start a new research project held at the recently launched 'REST' Hub in Norwich, led by Norwich MIND. This project was set up with significant funding from the Borletti-Buitoni Trust to develop a new person-centred mental health project. The findings of this work will be developed to create a model of working that we aim to share across the sector.
- In another collaborative project working with adults with learning disabilities from Stepping Stones we delivered a series of open-ended workshops to explore the relationship between sound and movement. Led by dance artist, Rosa Kentwood and David Ross, the group devised movement that responded to sounds, and vice versa. The process was filmed and post production techniques applied to create a stunningly immersive film. "Stepping Sounds" can be found on our website.
- At the beginning of 2022 we began developing a range of new services as part of our INNOVATE programme. These include a new weekly engagement for vulnerable prisoners at Norwich prison, a brand new referral portal for partners working in the mental health sector to provide Music Therapy, and two bespoke modules working with the Virtual School for Looked After Children.

MUSICAL KEYS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

Administration

The Programme Manager returned from lockdown furlough at the end of March 2021 to begin the process of restarting all of Musical Keys projects. Following the departure of the Chief Executive in April 2021, a new Chief Executive was recruited and induction into post began in June 2021 as they worked their 3 month notice period, building up from 1 day per week to 3 days per week by September 2021.

In November / December 2021 two posts were created under the Government Kickstart scheme which aims to provide new jobs for 16-24 year olds who are on Universal Credit and at risk of long term unemployment. One post is a videography / outcomes co-ordinator and the other a marketing and communications post. Both posts provide Musical Keys with 25 hours per week each fully paid for by the Kickstart scheme for a period of 6 months. In return, Musical Keys provides support and assistance with job finding as well as providing experience for the staff to take on to their next posts. There is currently no funding available for these posts to continue beyond the 6-month funded period.

Fundraising

Musical Keys continues to rely on a blend of community fundraising, grants and donations to support its activities in addition to trading income from fees and merchandise. All grant application writing above £5k in value is written by Felton Fundraising, alongside a rolling programme of generic 'appeal' mailings to a large database of potential supporters. All grant application writing below £5k in value is written in house by the charity's Programme Manager and Chief Executive. The fundraising strategy is kept under regular review at Finance Committee / Trustee Meetings and through regular monitoring with the Finance Officer.

Donors and Grants

Musical Keys gratefully thanks all donors and grant makers who have supported our work. This year these have included:

Individuals:

- Lucy Child
- Sue Traverso

Trusts and Foundations:

- Sir Norman Lamb Mental Health and Wellbeing Fund
- National Lottery Awards for All
- The Edward Gostling Foundation
- The Hospital Saturday Fund
- The R C Snelling Charitable Trust
- The Pinching Family Trust
- The Albert Hunt Trust
- Anne French Memorial Trust
- The Squire Patton Boggs Charitable Trust
- Postcode Places Trust
- The Geoffrey Watling Charity
- The Strangward Trust
- The Sobell Foundation
- The Lady Hind Trust
- The Douglas Arter Foundation

MUSICAL KEYS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

- The Charles & Caroline Barratt Charitable Trust.

(Please note that some donors have been removed from list at their request to maintain confidentiality).

Community Groups and Businesses:

- Bacton Terminal
- Tango AdHoc
- One Lottery

Achievements and performance

a. Key performance indicators

Strategically Musical Keys continues to move towards a more self-sustaining model to become less reliant on charitable donations and Trusts whilst at the same time recognising the importance of ensuring we continue to achieve our charitable aims and objectives. The financial systems in place have sought to become more proactive in these aims through the introduction of more regular finance meetings and closer oversight from the Finance Committee in 2021/22.

The annual budget setting has included closer monitoring of unrestricted funds in comparison to restricted funds to ensure adherence to the Reserves Policy is met and to highlight specific targets for income growth and fundraising. Finance Committee reporting has been refined to include measures on specific restricted funds to enable the charity to identify potential fund shortfalls well in advance and ensure fundraising action is triggered proactively.

b. Investment policy and performance

Investment income represents bank interest received in the period.

Financial review

a. Going concern

During the 2021/22 financial year, Musical Keys has resumed the majority of the activities it was undertaking prior to the pandemic. Despite some delays in services resuming, the charity has succeeded in increasing its commissioned work significantly compared to 2020/21 when many services were temporarily closed. This provided the charity with a robust second income stream to complement the fundraising activities.

During the financial year, the charity received unrestricted grants and donations totalling £65,699 (2020/21: £68,817) including £7,973 in Kickstart funding to support two apprenticeships and Gift Aid funding of £727 (2020/21: £2,919). Unrestricted funding also includes Coronavirus Job Retention Scheme (CJRS) payments received towards the beginning of the year although the resumption of activities resulted in a significant reduction in these payments. CJRS receipts for 2021/22 were £2,240 (2020/21: £22,858).

As a result of the improving financial situation, the charity has unrestricted reserves of £54,723 at the year end.

The charity continues to review its activities and seek new approaches to diversify its income streams and increase the financial resilience of the charity going forward.

MUSICAL KEYS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The Trustees have concluded that they have a reasonable expectation that the charity will have adequate resources to continue in operational existence for the foreseeable future, and at least twelve months from the date of signing these financial statements. They therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

b. Reserves policy

Restricted funds are held for specific application in the activities to which they are intended.

The charity's Reserves Policy requires it to hold sufficient unrestricted reserves to cover a minimum of three months' operating costs. In respect of the year to 31 March 2022 this equates to £18,593 of unrestricted costs (2021: £15,343).

During 2021-22, the charity has successfully increased its unrestricted reserves, providing greater resilience against future financial risks. As at 31 March 2022 the charity had unrestricted reserves of £54,723 (2021: £46,428) and restricted funds of £107,199 (2021: £99,129).

Structure, governance and management

a. Constitution

Musical Keys was established in 1990 and converted from an unincorporated charity to a charitable incorporated organisation (CIO) in April 2014. It is governed by its constitution dated April 2013, amended July 2014 and has the aim of benefiting individuals with special and/or additional needs and disabilities and their families through music, movement and arts activities.

b. Methods of appointment or election of Trustees

The Board of Trustees (2021/22) consists of two officers (Chairperson and Treasurer), with not less than two nor more than nine elected members and up to three co-opted members. New Trustees are identified by the current Trustees and management. Musical Keys' constitution provides that its members are identical to its trustees. New trustees are elected by the Board of Trustees for a term of three years in accordance with the constitution, and appointments can be renewed at the end of the three year period. Co-opted members may join at any time on the invitation of the Board.

The Chairperson and Chief Executive Officer meet frequently between Trustee meetings. The CEO will also meet other Trustees as appropriate. Persons interested in becoming Trustees will have an interview with the Chairperson and CEO who will then seek approval from the Board for that person's co-option to the Board. They will often attend one or more Musical Keys sessions if they are unfamiliar with the work and aims of the charity. Candidates for the Board must confirm that they are eligible to stand according to Charity Commission guidelines. Two references are sought for new Trustees.

Each new Trustee is given an induction pack which includes a copy of the charity's constitution, a brief history of the charity, a copy of the most recent report and accounts, copies of minutes of recent Board meetings, dates of forthcoming meetings, contact details of other Trustees and Charity Commission instructions "The Essential Trustee: What you need to know". The relevant Trustees undergo mandatory training in Safeguarding and attend other appropriate courses as they become available.

MUSICAL KEYS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

Trustees meet six-weekly. Separate Finance and Policy Sub-Committees, each chaired by a Trustee, and including additional Trustees when required plus any relevant staff members, also meet regularly and report back to Board of Trustee meetings.

The Chief Executive attends all full Trustee meetings to report and receive direction and support. The Programme Manager is also invited to meetings as appropriate.

During 2021/22 the staffing structure consisted of the Chief Executive, who reports to Trustees and who manages the following office-based staff:

- Programme Manager: Oversees the charity's programme of activities, manages projects and music staff and volunteers, and is also the deputy Child Protection Officer.
- Videographer / Outcomes coordinator: a Kickstart employee employed as part of the government Kickstart programme as a 'videographer / outcomes coordinator'. This is a temporary, fully government funded position for 6 months. Start date: 22nd November 2021.
- Marketing / Communications Officer: a Kickstart employee employed as part of the government Kickstart programme. This is a temporary, fully government funded position for 6 months. Start date: 6th December 2021.

Workshop Facilitators: Deliver Musical Keys' sessions, often with support from volunteers. During 2021/22 there was one Facilitator directly employed (2020/21: One) and a pool of around 20 freelance Facilitators delivering the Musical Keys sessions (2020/21: 20). This enables the charity to benefit from an expansive skills mix, with flexibility to respond to demand.

The role of Musical Keys volunteers is crucial in supporting families and carers as well as service users attending our groups. Volunteers are retained through a programme of induction and training, pastoral support via the Programme Manager and satisfaction from the activity itself. During the year 2021/2022 we have benefited from having six volunteers providing us with around 220 hours of time to a variety of groups and sessions.

d. Risk management

The organisation continued to perform risk assessment on all activities and proposals throughout 2021/22, and at all venues used.

Plans for future periods

Musical Keys Trustees and staff recognise a commitment to help the charity continue to fulfil its core purpose whilst continuing to secure financial sustainability. In the coming year we are looking forward to increasing the number of projects we provide and continuing to broaden our range of activities to achieve our charitable remit to bring inclusive music making and creativity to larger numbers of people who have experienced disability or disadvantage. We will continue to work collaboratively with other organisations to capitalise on their knowledge, skills and experience and apply it to benefit the wellbeing of the people who use our services.

MUSICAL KEYS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

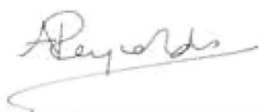
The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Memorandum of Association. 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Ms Amanda Reynolds
Chair of Trustees
Date: 22 July 2022



.....
Stephen Shaw
Trustee

MUSICAL KEYS

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2022

Independent examiner's report to the Trustees of Musical Keys ('the charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 March 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do 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.

MUSICAL KEYS

INDEPENDENT EXAMINER'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Signed:

Larking Gowen LLP

Christopher Yeates

FCA DChA

Larking Gowen LLP
Chartered Accountants
Norwich

22 July 2022

MUSICAL KEYS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	65,699	36,617	102,316	147,068
Charitable activities	4	15,698	-	15,698	5,759
Other trading activities	5	866	-	866	126
Total income		82,263	36,617	118,880	152,953
Expenditure on:					
Raising funds	6	10,161	-	10,161	9,849
Charitable activities	7	64,212	28,142	92,354	86,774
Total expenditure		74,373	28,142	102,515	96,623
Net income		7,890	8,475	16,365	56,330
Transfers between funds	14	405	(405)	-	-
Net movement in funds		8,295	8,070	16,365	56,330
Reconciliation of funds:					
Total funds brought forward		46,428	99,129	145,557	89,227
Net movement in funds		8,295	8,070	16,365	56,330
Total funds carried forward		54,723	107,199	161,922	145,557

The Statement of financial activities includes all gains and losses recognised in the year.

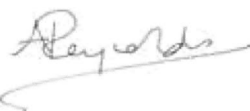
The notes on pages 14 to 29 form part of these financial statements.

MUSICAL KEYS

BALANCE SHEET AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Tangible assets	11	2,365	4,323
		<u>2,365</u>	<u>4,323</u>
Current assets			
Debtors	12	5,131	6,763
Cash at bank and in hand		163,989	143,613
		<u>169,120</u>	<u>150,376</u>
Creditors: amounts falling due within one year	13	(9,563)	(9,142)
		<u>159,557</u>	<u>141,234</u>
Net current assets			
		<u>161,922</u>	<u>145,557</u>
Total net assets			
		<u>161,922</u>	<u>145,557</u>
Charity funds			
Restricted funds	14	107,199	99,129
Unrestricted funds	14	54,723	46,428
		<u>161,922</u>	<u>145,557</u>
Total funds			
		<u>161,922</u>	<u>145,557</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Ms Amanda Reynolds
(Chair of Trustees)
Date: 22 July 2022



.....
Mr Stephen Shaw
(Trustee)

The notes on pages 14 to 29 form part of these financial statements.

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Musical Keys is a charitable incorporated organisation (CIO), charity number 1151915. The registered office is Martineau Memorial Hall, 21 Colegate, Norwich, Norfolk, NR3 1BN.

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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Musical Keys meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

During the 2021/22 financial year, Musical Keys has resumed the majority of the activities it was undertaking prior to the pandemic. Despite some delays in services resuming, the charity has succeeded in increasing its commissioned work significantly compared to 2020/21 when many services were temporarily closed. This provided the charity with a robust second income stream to complement the fundraising activities.

During the financial year, the charity received unrestricted grants and donations totalling £65,699 (2020/21: £68,817) including £7,973 in Kickstart funding to support two apprenticeships and Gift Aid funding of £727 (2020/21: £2,919). Unrestricted funding also includes Coronavirus Job Retention Scheme payments received towards the beginning of the year although the resumption of activities resulted in a significant reduction in these payments. CJRS receipts for 2021/22 were £2,240 (2020/21: £22,858).

As a result of the improving financial situation, the charity has unrestricted reserves of £54,723 at the year end.

The charity continues to review its activities and seek new approaches to diversify its income streams and increase the financial resilience of the charity going forward.

The Trustees have concluded that they have a reasonable expectation that the charity will have adequate resources to continue in operational existence for the foreseeable future, and at least twelve months from the date of signing these financial statements. They therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	33% Straight-line basis
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2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.9 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

3. Income from donations and grants

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations and grants	62,732	36,617	99,349
Government grants	2,967	-	2,967
	<u>65,699</u>	<u>36,617</u>	<u>102,316</u>

During the year the Charity received £2,967 (2021: £22,858) exceptional government funding as part of the Coronavirus Job Retention Scheme. Funding represents some of the costs of employing certain staff unable to carry out their duties as a result of the coronavirus crisis.

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations and grants	45,959	78,251	124,210
Government grants	22,858	-	22,858
	<u>68,817</u>	<u>78,251</u>	<u>147,068</u>

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Fees and session fees	<u>15,698</u>	<u>15,698</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Fees and session fees	<u>5,759</u>	<u>5,759</u>

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £
Other fundraising income	866	866

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Other fundraising income	126	126

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £
Fundraising costs	10,161	10,161

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Fundraising costs	9,849	9,849

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Music, movement and arts based activities	35,013	57,341	92,354

	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Music, movement and arts based activities	29,186	57,588	86,774

Analysis of direct costs

	Fees and session fees 2022 £	Total funds 2022 £
Wages and salaries	28,348	28,348
Room Hire	500	500
Insurance	1,704	1,704
Equipment	1,634	1,634
Travel	2,479	2,479
Project Partners & Care Workers	348	348
	35,013	35,013

MUSICAL KEYS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Fees and session fees 2021 £</i>	<i>Total funds 2021 £</i>
Wages and salaries	21,802	21,802
Room Hire	389	389
Insurance	1,492	1,492
Equipment	5,363	5,363
Travel	140	140
	<hr/> 29,186 <hr/>	<hr/> 29,186 <hr/>

Analysis of support costs

	Fees and session fees 2022 £	Total funds 2022 £
Wages and Salaries	43,481	43,481
Depreciation	2,264	2,264
Stationery	84	84
Office Hire	2,258	2,258
Staff Training	2,515	2,515
Refreshments and Cleaning	47	47
Training and Expenses	542	542
Sundry	35	35
Accountancy Fees	5,945	5,945
Trustee expenses	35	35
Bad debts	118	118
Bank charges	17	17
	<hr/> 57,341 <hr/>	<hr/> 57,341 <hr/>

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Fees and session fees 2021 £</i>	<i>Total funds 2021 £</i>
Wages and Salaries	43,611	43,611
Depreciation	2,162	2,162
Stationery	511	511
Office Hire	2,568	2,568
Staff Training	2,308	2,308
Refreshments & Cleaning	5	5
Training and Expenses	472	472
Sundry	17	17
Accountancy Fees	5,388	5,388
Bank charges	33	33
Recruitment	513	513
	<u>57,588</u>	<u>57,588</u>

8. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,575 (2021: £1,500).

9. Staff costs

	2022 £	2021 £
Wages and salaries	71,829	65,413
	<u>71,829</u>	<u>65,413</u>

Wages and salaries include freelance facilitator costs.

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

9. Staff costs (continued)

The average number of persons employed by the charity during the year was as follows:

	2022 No.	2021 No.
Administration and support of groups	3	3
Group facilitators	1	1
	<hr/>	<hr/>
	4	4
	<hr/>	<hr/>

No employee received remuneration amounting to more than £60,000 in either year.

In addition to the one group facilitator employed, Musical Keys works with a pool of freelance facilitators.

The charity considers its key management personnel to consist of the Trustees of the charity and the Chief Executive Officer. The total employment benefits including employer national insurance contributions of the key management personnel were £15,858 (2021: £22,351).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, expenses totalling £35 were reimbursed or paid directly to 1 Trustee (2021 - £NIL to 0 Trustees).

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

11. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 April 2021	6,485
Additions	305
	<hr/>
At 31 March 2022	6,790
	<hr/>
Depreciation	
At 1 April 2021	2,162
Charge for the year	2,263
	<hr/>
At 31 March 2022	4,425
	<hr/>
Net book value	
At 31 March 2022	2,365
	<hr/> <hr/>
<i>At 31 March 2021</i>	4,323
	<hr/> <hr/>

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

12. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	3,491	2,392
Prepayments and accrued income	1,640	4,371
	<u>5,131</u>	<u>6,763</u>

13. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	5,303	4,582
Accruals and deferred income	4,260	4,560
	<u>9,563</u>	<u>9,142</u>

14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
General Funds	41,884	69,339	(61,688)	798	50,333
Innovation fund	3,000	-	(900)	-	2,100
In My Own Time	1,151	4,951	(5,002)	-	1,100
Short Breaks - Creative Connections	393	-	-	(393)	-
Kickstarter	-	7,973	(6,783)	-	1,190
	<u>46,428</u>	<u>82,263</u>	<u>(74,373)</u>	<u>405</u>	<u>54,723</u>

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

14. Statement of funds (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Restricted funds					
Stay Tuned Video	2,120	-	-	-	2,120
Headphone Project	24	-	-	(24)	-
Clothworkers IT Fund	6,265	-	(3,174)	-	3,091
Striking A Cord	27,650	-	(953)	-	26,697
Bursary fund	4,347	-	(208)	-	4,139
Express Programme	5,502	-	-	(2,002)	3,500
GMSN	11,653	-	(2,217)	(1,344)	8,092
In Time, Together	16,362	5,000	(3,631)	-	17,731
Referral Portal	-	5,000	-	-	5,000
Digital Project	12,321	13,018	(7,923)	(4,498)	12,918
Pilot Projects	1,476	4,999	(1,243)	-	5,232
Unite	1,505	-	-	-	1,505
Equipment	415	-	(415)	-	-
Discovery Centre KL	1,441	-	(1,629)	1,541	1,353
Library	995	-	(1,045)	2,000	1,950
Prison Service	-	4,000	(450)	-	3,550
Norwich Equaliser (NAS)	1,841	-	(300)	(1,541)	-
Sue Lambert Trust Pilot	3,352	1,100	(3,014)	2,500	3,938
Music on the Water	1,860	-	(1,860)	2,000	2,000
Children's Health & Wellbeing	-	3,500	(80)	963	4,383
	99,129	36,617	(28,142)	(405)	107,199
Total of funds	145,557	118,880	(102,515)	-	161,922

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

14. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2021 £</i>
Unrestricted funds					
General Funds	28,348	73,117	(59,581)	-	41,884
Innovation fund	3,000	-	-	-	3,000
In My Own Time	1,488	1,455	(1,792)	-	1,151
Short Breaks - Creative Connections	263	130	-	-	393
	<u>33,099</u>	<u>74,702</u>	<u>(61,373)</u>	<u>-</u>	<u>46,428</u>

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

14. Statement of funds (continued)

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£	£
Restricted funds					
Stay Tuned Video	-	6,800	(4,680)	-	2,120
Headphone Project	-	3,049	(3,025)	-	24
Clothworkers IT Fund	-	8,700	(2,435)	-	6,265
Striking A Cord	-	27,650	-	-	27,650
Bursary fund	2,343	-	-	2,004	4,347
Express Programme	10,000	-	-	(4,498)	5,502
GMSN	7,817	7,552	(1,516)	(2,200)	11,653
In Time, Together	16,646	5,000	(5,284)	-	16,362
Referral Portal	172	-	(172)	-	-
Digital Project	-	18,500	(12,799)	6,620	12,321
Pilot Projects	1,753	-	(277)	-	1,476
Unite	1,500	1,000	(995)	-	1,505
Equipment	500	-	(85)	-	415
Discovery Centre KL	2,102	-	(661)	-	1,441
Library	1,368	-	(373)	-	995
Prison Service	1,926	-	-	(1,926)	-
Norwich Equaliser (NAS)	1,841	-	-	-	1,841
Sue Lambert Trust Pilot	5,500	-	(2,148)	-	3,352
Music on the Water	1,860	-	-	-	1,860
Children's Health & Wellbeing	800	-	(800)	-	-
	<u>56,128</u>	<u>78,251</u>	<u>(35,250)</u>	<u>-</u>	<u>99,129</u>
Total of funds	<u>89,227</u>	<u>152,953</u>	<u>(96,623)</u>	<u>-</u>	<u>145,557</u>

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

14. Statement of funds (continued)

Restricted funds

Restricted funds represent monies received from external bodies who have stipulated the use of these funds for a specific project or Musical Keys group.

Funding from **Global Media Group (GMSN)** supported seven of our regular groups for children and young people plus a contribution to overhead salary costs.

In Time Together is a project delivering therapeutic music and reminiscence activities for people with dementia and age-related mental health issues. It is funded by grants from a number of trusts.

Striking a Chord is a project to develop and deliver a programme of community-based music activities for people who need support to overcome mental health challenges.

Digital Project was devised as a direct response to the coronavirus pandemic, connecting Musical Keys to service users unable to access face to face sessions. It comprises of bespoke music activity on a 1:1 basis, delivered remotely, as well as the commissioning of a series of online interactive content.

Transfers

During the year, surplus funds have been transferred to other projects of a similar nature. The Trustees confirm that all transfers have been carried out in line with the original agreements.

Unrestricted funds

In addition to the general unrestricted fund, the following projects are accounted for as separate unrestricted funds. These funds represent various sold services which are intended to generate income for Musical Keys. At year-end, any positive balance from these projects is moved into the general unrestricted fund.

Creative Connections is made available through Norfolk County Council's Short Breaks framework, with service users paying for sessions from personal budgets and direct payments. The project enables 12-25 year olds to take part in inclusive, progressive music and arts activities ranging from the traditional (eg song-writing) to cutting edge (eg green screen film-making).

In My Own Time is a one-to-one service of bespoke music activity and tuition which Musical Keys offers for clients with additional needs and disabilities in their own homes. It was established in January 2017 to meet demand and the client base continues to increase.

The Kickstarter fund represents contributions by the Government to provide new jobs to 16-24 year olds. For Musical Keys this is a videography / outcomes co-ordinator and a marketing / communications post.

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	2,365	-	2,365
Current assets	61,921	107,199	169,120
Creditors due within one year	(9,563)	-	(9,563)
Total	54,723	107,199	161,922

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	4,323	-	4,323
Current assets	51,247	99,129	150,376
Creditors due within one year	(9,142)	-	(9,142)
Total	46,428	99,129	145,557

16. Related party transactions

The charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the charity at 31 March 2022.