

MUSICAL KEYS

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

MUSICAL KEYS

CONTENTS

	Page
Reference and administrative details of the charity, its Trustees and advisers	1
Trustees' report	2 - 10
Independent examiner's report	11 - 12
Statement of financial activities	13
Balance sheet	14
Notes to the financial statements	15 - 30

MUSICAL KEYS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Trustees

Mr Edward Graham Jones
Ms Lucy Child
Mr Christopher Alexander Towndrow
Mr Stephen Shaw
Ms Kathryn Wright
Ms Alison Ridley
Ms Amanda Reynolds

Charity registered number

1151915

Principal office

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

Chief executive officer

Gervase Newrick

Accountants

Larking Gowen LLP, 1st Floor, Prospect House, Rouen Road, Norwich, NR1 1RE

MUSICAL KEYS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the financial statements of the charity for the year 1 April 2022 to 31 March 2023.

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 2022/23, 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 programmes are delivered across the county of Norfolk and use 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; and
- 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 2023

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 33 years. Over the year 2022/23 our new digital programmes continued to expand to include a new referral programme specifically for young people who may be experiencing problems with their mental health or wellbeing. We continue to explore further potential uses of digital technology for service delivery as we have found that it enhances our ability to reach people who may otherwise be unable to access our groups or services. Our face-to-face services have also expanded over the last year to bring our total number of services to over 40. This year, Musical Keys has provided around 6,000 places, making over 1,000 hours of music with over 700 people throughout Norfolk.

Our groups aim to make a positive sustainable impact throughout Norfolk. At the beginning of 2022 we were seeking funding partners to expand our operations into areas we had not previously been able to reach. The collaboration we began with MIND in early 2022 has gone from strength to strength and we now provide two sessions per week at the REST hub in Norwich – one for adults and another for young people. The project with Norwich Prison was also successfully implemented and continues to evolve to enhance the wellbeing of prisoners and attempt to reduce rates of re-offending.

We continue to recognise that the breaks in between the music making are sometimes just as important as the sessions themselves as the breaks provide the opportunity for participants, families and carers to network and build resilient, positive relationships that encourage mutual support thereby reducing feelings of social isolation. Our dedicated and wonderful volunteers play a large part in the support we provide throughout our group sessions and we have sadly lost three of our hard working volunteers this year. Two volunteers had to leave us as their new jobs clashed with volunteering schedules and another left us after 25 years of voluntary service to Musical Keys due to changing travel commitments. We have successfully recruited new volunteers and continue to look for more as we are aware another volunteer is moving away to university later this year. All of our volunteers continue to be recruited and trained to provide individual support to participants during sessions and break times. The 'added value' our volunteers bring to our sessions allows time for our families and carers to share resources, knowledge, skills and experience and feel welcomed into a positive, non-judgemental environment which we know is incredibly important to many of our participants, their families or carers.

Our activities in 2022/23 included:

- Our UNITE programme, delivering sessions to babies and small children, and their families, remains at the core of the charity. We continued to deliver two weekly sessions at the NANSA Family Centre in Norwich. We were again commissioned by Action for Children to deliver Early Years sessions in South Norfolk and Costessey, and continued to be commissioned by Vision Norfolk to work with a small group of sight impaired children. We continued working with Acorns preschool on a commissioned basis, although their funding came to end in autumn 2022 so we explored ways of continuing the work through our own fundraising.
- Alongside our Early Years provision, our EXPRESS programme continues to thrive at the heart of the charity. We continue to receive new referrals for our popular and bustling Saturday Group, now firmly established at Norwich Arts Centre. We are proud to have over thirty families access this unique group, representing a very diverse group of people.
- We obtained funding to sustain work at Barrington Farm, providing a weekly group session for up to 20 adults with Learning Disabilities. We were delighted to be able to expand the reach of the group by inviting individuals within the community to access the group. The weekly session at Norwich Millennium Library also continues to thrive, with participation from a large range of young people and adults with a broad range of needs. The group was accessed by several members of Cascade Care and other day service users from around the county prompting us to look at the viability of instigating a second group to meet demand,

MUSICAL KEYS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

something that we are currently still exploring.

- Our engagement with Cascade Care and Westward Healthcare came to an end in 2022 with both settings having to stop sessions due to budgetary constraints. We were commissioned to provide regular sessions for Autism Anglia which came to an abrupt end with the setting being closed down. We remain on good terms with each organisation, with the intention of collaboration in the future if the opportunity arises.
- We continued talking to stakeholders in west Norfolk to understand what need should be met, to ensure what we delivered responded meaningfully to the needs and interests of those we were looking to work with. Although the funding is still not used, we have established a plan to recommence work in west Norfolk to work with a broader range of disabled young people and not to work exclusively with those with Autistic Spectrum Condition.
- Due to the success of the 2021 pilot project in partnership with the Sue Lambert Trust, we delivered a second follow up project with a similar focus. The project was a supportive and safe place for women that had suffered abuse, to come and take part in a range of creative activities. The work culminated in the production of a set of 'wellbeing cards'; business card sized cards that each feature an image created within the group, with a corresponding message or wellbeing thought on the reverse. These will join the previously made zine, and the collection of participant made tote bags, in our online shop.
- Our INNOVATE programme saw a number of exciting and ambitious projects and one-offs to test new ideas and to build new relationships. Our work with HMP Norwich developed significantly in 2022, from testing new approaches and working with new service users (vulnerable prisoners) to now delivering a weekly two-hour session that forms part of the prisoners core rehabilitation provisions.
- Established in February 2022, the Striking A Chord project (a large-scale research and development project funded by the Borletti Buitoni Foundation) has become one of our flagship projects. Its success has seen huge outcomes delivered for the many participants that access the group, and the session length being increased by 100%. Due to its popularity we developed a 'sister' session delivered in the same space but specifically for young people. We are very proud to have established this cherished provision that is supporting meaningful improvement in the mental health of those that access it.
- Also started in early 2022, the Referral Portal continues to receive a good number of participants. This service provides immediate access to an online intervention of four structured music sessions, delivered by trained music therapists. The project is not without its challenges, mainly in engaging with the young person once they have been referred by a carer or professional, but several have 'graduated' from the intervention and found the confidence to access the aforementioned young person's mental health group, which is a fantastic outcome for us. The number and severity of referrals received also provided a stark portrait of poor mental health among young people, with a real lack of provision, galvanising our intention to continue focusing on supporting improved mental health.
- In 2023 our EVOLVE programme expanded more than any other area of our work. Predominantly commissioned activity, we deliver weekly sessions in Cobholm Academy, Great Yarmouth Primary Academy, Parkside School, Heartsease Primary Academy, Valley Primary Academy, Henderson Green Primary Academy, Norwich Primary Academy and Lingwood Primary Academy. On average this equates to working with over 60 SEND pupils per week, with a total of 28 hours of activity delivered weekly.
- Our bespoke programme of 1:1 activity, In My Own Time continues to thrive with many new clients accessing regular music activity specifically tailored to their needs, interests and outcomes. We have recognised a pattern in the majority of these sessions are commissioned through individual's Short Breaks budgets and Direct Payments. The digital equivalent, In My Own Time Online remains in demand, even with the pandemic firmly in the past there continues to be an appetite for many individuals to access our service online.
- As more and more research is presented demonstrating the impact interactive music making has with those living with dementia, we continue to receive enquiries from care homes across the region. Under the CONNECT program we currently provide regular sessions at Ipswich Road Community Hub, Halvergate House, Melton House, Leaf Park, Corton House, Corner Oaks and Heathcoat House. We ran a very

MUSICAL KEYS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

successful project in partnership with Norwich Theatre called 'A Life In Music'; Developed in theory before the pandemic, we were delighted to run the only community-based music project in Norfolk for those with early onset dementia.

- Our Children's Health and Wellbeing programme continues from strength to strength, working closely with East Anglian Children's Hospices (EACH) and with other healthcare settings on a one-off basis. Alongside regular face to face sessions with EACH, in 2022 we started delivering online group sessions for patients at EACH's settings in Suffolk and Cambridgeshire. We continue to pursue the possibility of returning to Queen Elizabeth Hospital, Kings Lynn, which has remained difficult since the pandemic.

Administration

The Programme Manager was promoted to Programme Director early in 2022 which was a much-deserved recognition of his hard work, dedication and loyalty to the charity stretching back over many years! Both the Programme Director and the Chief Executive continue to work on a part time basis for the charity representing the entirety of the administrative personnel.

Our two Government Kickstart scheme placements successfully completed their 6 months work experience with Musical Keys in June 2022 and both have now gained paid employment in other sectors. We are very grateful for all their hard work during their tenure with Musical Keys and very proud that we may have played a small role in helping them to achieve full time paid employment.

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. We have support for applications above £5k in value, and 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 Director and Chief Executive. The fundraising strategy is kept under regular review at Finance Committee / Trustee Meetings and through regular monitoring with the Treasurer.

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
- Zac Fulcher
- Mary Wood (Legacy donation).
- Chris Towndrow
- Nick Osborne (in memory of his mother Joyce).
- Mrs Pauline Colbridge (in memory of Dennis).
- R Purdy
- Ms Rose Baulcombe

MUSICAL KEYS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

Trusts and Foundations:

- Sir Norman Lamb Mental Health and Wellbeing Fund
- National Lottery Awards for All
- The Edward Gostling Foundation
- The Educational Foundation of Alderman John Norman
- Baily Thomas Charitable Fund
- Bishop Herbert Masonic Lodge
- The Laura Elizabeth Stuart Memorial Trust
- The D.C. Moncrieff Charitable Trust
- Taverham & District Lions Club
- John Risebrow's Charity
- The Lord Belstead Charitable Trust
- The Steven Bloch Image of Disability Charitable Trust
- The Antelope Trust
- The Grey Court Trust
- Cranfield Charitable Trust
- Douglas Heath Eves Charitable Trust
- The Timothy Colman Charitable Trust

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

Community Groups and Businesses:

- Eaton Golf Club
- The Phoenix Male Voice Choir
- Wayland Masonic Lodge
- Tango AdHoc
- Mile Cross Methodist Church
- The Revels Committee
- Nomadic Lion

Achievements and performance

a. Key performance indicators

Strategically Musical Keys has been successful over the past year in moving towards a more self-sustaining model by increasing our commissioned work considerably, especially in schools but also within some care home settings. This has reduced our level of risk associated with a potential downturn in charitable giving from trusts and funds and allows us to continue to achieve our charitable aims and objectives by prioritising funds to groups and individuals most in need. The regular finance meetings and closer oversight from the Finance Committee introduced in 2021 continue to guide the financial decision making within the charity and this has proven highly effective in delivering good financial outcomes over the past year. This proactive approach is being used to protect the charity's assets, ensuring risks associated with banking collapse are minimised by opening accounts with alternative ethical banks so that all financial assets are covered under the Financial Services Compensation Scheme.

The annual budget setting this year has focussed once again on sustainability. The provisions within the charity's Reserves Policy have been met and exceeded and specific targets for income growth and fundraising have been set for the year ahead. Finance monitoring has been further refined to include indications of 'run rates' for each project and closer monitoring of commissioned income.

MUSICAL KEYS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

b. Investment policy and performance

Investment income represents bank interest received in the period.

Financial review

a. Going concern

During the 2022/23 financial year, Musical Keys has continued to increase the number of activities it undertakes in addition to maintaining the quality and quantity of its 'core' activities. There has again been an increased demand for commissioned work which now provides regular monthly income and, as a result, a more sustainable funding stream than can be achieved through grants and donations alone.

During the financial year, the charity received unrestricted grants and donations totalling £120,044 (2021/22: £65,699) including Gift Aid scheme income of £406 (2021/22: £727).

The charity has unrestricted reserves of £133,739 at the year end which is a considerable increase on the previous year (£54,723). This is at least in part due to a legacy donation of £43,408 received during the year, but also reflects the focus that Musical Keys has maintained on applying for unrestricted funds which allows us to cater to the needs of more diverse groups in achieving our charitable aims and objectives. At the Trustees meeting on the 22 March 2023 the Trustees made the decision to designate the entirety of the legacy donation (£43,408) as reserved for the purposes of starting a fund for Musical Keys to eventually obtain its own premises.

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.

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 2023 this equates to £30,511 (2022: £18,593) of unrestricted costs. The increase in operating costs for 2022/2023 reflects the additional costs incurred due to the increase in commissioned work over the past year.

During 2022-23, the charity again successfully increased its unrestricted reserves, providing even greater resilience against future financial risks. As at 31 March 2023 the charity had unrestricted reserves of £133,739 (2022: £54,723) and restricted funds of £53,566 (2022: £107,199).

MUSICAL KEYS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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 amended again in January 2023 and has the aim of benefiting individuals who may experience disadvantage or disabilities and their families through music, movement and arts activities.

b. Methods of appointment or election of Trustees

The Board of Trustees (2022/23) 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 ("the Board") 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 (CEO) 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 session 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 2023

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

Trustee meetings occur around every six weeks. There are separate Finance and Policy Sub-Committees, each chaired by a Trustee and including additional Trustees when required plus any relevant staff members, that also meet regularly and report back to the Board. There is also a safeguarding lead Trustee who reports back at each Trustee Meeting on any safeguarding issues.

The CEO attends all full Trustee meetings to report and receive direction and support. The Programme Director is also invited to meetings as appropriate and produces their own report for the Trustees for each meeting.

During 2022/23 the staffing structure consisted of the CEO, who reports to Trustees and manages the Programme Director who oversees the charity's programme of activities, manages projects and music staff and volunteers, and is also the deputy Child Protection Officer. Workshop Facilitators deliver Musical Keys' sessions, often with support from volunteers. During 2022/23 there was one Facilitator directly employed (2021/22: One) and a pool of around 20 freelance Facilitators delivering the Musical Keys sessions (2021/22: 20). This enables the charity to benefit from an expansive skills mix, with flexibility to respond to demand.

The role of Musical Keys volunteers continues to be crucial in supporting families and carers as well as service users attending our groups. Volunteers are retained through a programme of induction and training, practical supervision via the Programme Director and satisfaction from the activity itself. During the year 2022/2023 we have again benefited from having six volunteers providing us with around 250 hours of time to a variety of groups and sessions.

d. Risk management

The organisation continued to perform risk assessments on all activities and proposals throughout 2022/23, and in collaboration with 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. Demand for our services continues to be strong, and recruitment and retention of facilitators has been reassuringly steady over the past year, however with only two part time staff running operations, the charity's operational capacity may become a limiting factor in achieving future growth.

Whilst we have succeeded in significantly increasing the number and range of projects we provide over the past year, we are looking to the coming year to enable us to build on these foundations and develop our new services into more permanent positions within our communities to establish them as high quality, long term, dependable resources where participants can feel confident in exploring the benefits that music making can bring to their social, emotional and physical wellbeing. To achieve this, we aim to continue to work collaboratively with other organisations to capitalise on their knowledge, skills and experience to ensure that we can provide the best services possible.

MUSICAL KEYS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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: 8 July 2023



.....
Stephen Shaw

Trustee

MUSICAL KEYS

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

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 2023.

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.

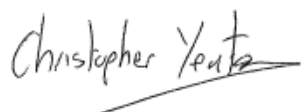
I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

MUSICAL KEYS

INDEPENDENT EXAMINER'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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:



Dated: 10 July 2023

Christopher Yeates

FCA DChA

Larking Gowen LLP
Chartered Accountants
Norwich

MUSICAL KEYS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	120,044	22,804	142,848	102,316
Charitable activities	4	48,858	4,680	53,538	15,698
Other trading activities	5	4,933	-	4,933	866
Total income		173,835	27,484	201,319	118,880
Expenditure on:					
Raising funds	6	11,198	-	11,198	10,161
Charitable activities	7	83,256	81,047	164,303	92,354
Other expenditure		435	-	435	-
Total expenditure		94,889	81,047	175,936	102,515
Net income/(expenditure)		78,946	(53,563)	25,383	16,365
Transfers between funds	14	70	(70)	-	-
Net movement in funds		79,016	(53,633)	25,383	16,365
Reconciliation of funds:					
Total funds brought forward		54,723	107,199	161,922	145,557
Net movement in funds		79,016	(53,633)	25,383	16,365
Total funds carried forward		133,739	53,566	187,305	161,922

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


The notes on pages 15 to 30 form part of these financial statements.

MUSICAL KEYS


BALANCE SHEET AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Tangible assets	11	467	2,365
		<u>467</u>	<u>2,365</u>
Current assets			
Debtors	12	8,435	5,131
Bank deposit accounts		35,000	-
Cash at bank and in hand		159,205	163,989
		<u>202,640</u>	<u>169,120</u>
Creditors: amounts falling due within one year	13	(15,802)	(9,563)
Net current assets		<u>186,838</u>	<u>159,557</u>
Total net assets		<u><u>187,305</u></u>	<u><u>161,922</u></u>
Charity funds			
Restricted funds	14	53,566	107,199
Unrestricted funds	14	133,739	54,723
Total funds		<u><u>187,305</u></u>	<u><u>161,922</u></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: 8 July 2023



Mr Stephen Shaw
 (Trustee)

The notes on pages 15 to 30 form part of these financial statements.

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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 2022/23 financial year, Musical Keys has continued to increase the number of activities it undertakes in addition to maintaining the quality and quantity of its 'core' activities. There has again been an increased demand for commissioned work which now provides regular monthly income and, as a result, a more sustainable funding stream than can be achieved through grants and donations alone.

During the financial year, the charity received unrestricted grants and donations totalling £120,044 (2021/22 £65,699) including Gift Aid scheme income of £406 (2021/22: £727).

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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 2023

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.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

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 2023

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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 2023

3. Income from donations and grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Legacies	43,408	-	43,408
Donations and grants	76,230	22,804	99,034
Gift Aid	406	-	406
	<u>120,044</u>	<u>22,804</u>	<u>142,848</u>

During the year the Charity received £NIL (2022: £2,967) 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.

	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>

4. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Fees and session fees	48,858	4,680	53,538

	Unrestricted funds 2022 £	Total funds 2022 £
Fees and session fees	15,698	15,698

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £
Other fundraising income	4,933	4,933

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Other fundraising income	866	866

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £
Fundraising costs	11,198	11,198

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Fundraising costs	10,161	10,161

MUSICAL KEYS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Music, movement and arts based activities	90,734	73,569	164,303

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

Analysis of direct costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	77,093	28,348
Room hire	1,680	500
Insurance	1,634	1,704
Equipment	3,178	1,634
Travel	3,627	2,479
Project partners and care workers	3,522	348
	90,734	35,013

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	51,339	43,481
Depreciation	2,446	2,264
Stationery	3,118	84
Office hire	3,001	2,258
Staff training	2,258	2,515
Refreshments and cleaning	355	47
Training and expenses	1,863	542
Sundry	121	35
Professional fees	1,150	-
Accountancy fees	7,872	5,945
Trustees expenses	-	35
Bad debts	-	118
Bank charges	46	17
	73,569	57,341

8. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,735 (2022: £1,575).

9. Staff costs

	2023 £	<i>2022 £</i>
Wages and salaries	128,432	71,829
	128,432	71,829

Wages and salaries include freelance facilitator costs.

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

9. Staff costs (continued)

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

	2023 No.	2022 No.
Administration and support of groups	2	3
Group facilitators	1	1
	<u>3</u>	<u>4</u>

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 £24,911 (2022 - £15,858).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, expenses totalling £NIL were reimbursed or paid directly to Trustees (2022 - £35 to 1 Trustees).

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

11. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 April 2022	6,790
Additions	548
At 31 March 2023	<u>7,338</u>
Depreciation	
At 1 April 2022	4,425
Charge for the year	2,446
At 31 March 2023	<u>6,871</u>
Net book value	
At 31 March 2023	<u><u>467</u></u>
At 31 March 2022	<u><u>2,365</u></u>

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

12. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	7,794	3,491
Prepayments and accrued income	641	1,640
	<u>8,435</u>	<u>5,131</u>

13. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	11,353	5,303
Accruals and deferred income	4,449	4,260
	<u>15,802</u>	<u>9,563</u>

14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
Designated funds					
Premises fund	-	-	-	43,408	43,408
General funds					
General Funds	50,333	152,804	(77,974)	(40,030)	85,133
Innovation fund	2,100	-	(466)	-	1,634
In My Own Time	1,100	15,762	(13,314)	16	3,564
Kickstarter	1,190	5,269	(3,135)	(3,324)	-
	<u>54,723</u>	<u>173,835</u>	<u>(94,889)</u>	<u>(43,338)</u>	<u>90,331</u>
Total Unrestricted funds	<u>54,723</u>	<u>173,835</u>	<u>(94,889)</u>	<u>70</u>	<u>133,739</u>

MUSICAL KEYS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Statement of funds (continued)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Restricted funds					
Clothworkers IT Fund	3,091	-	(2,680)	-	411
IT Equipment Fund	-	1,000	(183)	-	817
Bursary Fund	4,140	-	(171)	(70)	3,899
Children's Health & Wellbeing	4,383	1,000	(1,568)	-	3,815
Green Space, Dark Skies	-	4,680	(4,680)	-	-
Express	72,801	9,704	(56,611)	-	25,894
Connect	17,731	3,000	(8,302)	-	12,429
Unite	1,503	3,100	(3,350)	-	1,253
Evolve	-	5,000	(2,042)	-	2,958
Innovate	3,550	-	(1,460)	-	2,090
	<u>107,199</u>	<u>27,484</u>	<u>(81,047)</u>	<u>(70)</u>	<u>53,566</u>
Total of funds	<u>161,922</u>	<u>201,319</u>	<u>(175,936)</u>	<u>-</u>	<u>187,305</u>

MUSICAL KEYS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2022 £</i>
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
	<hr/> 46,428 <hr/>	<hr/> 82,263 <hr/>	<hr/> (74,373) <hr/>	<hr/> 405 <hr/>	<hr/> 54,723 <hr/>

MUSICAL KEYS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Statement of funds (continued)

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2022 £</i>
Restricted funds					
Clothworkers IT Fund	6,265	-	(3,174)	-	3,091
IT Equipment fund	415	-	(415)	-	-
Bursary Fund	4,347	-	(207)	-	4,140
Children's Health & Wellbeing	-	3,500	(80)	963	4,383
Green Space, Dark Skies	-	-	-	-	-
Express	70,065	24,117	(20,013)	(1,368)	72,801
Connect	16,534	5,000	(3,803)	-	17,731
Unite	1,503	-	-	-	1,503
Evolve	-	-	-	-	-
Innovate	-	4,000	(450)	-	3,550
	<hr/> 99,129	<hr/> 36,617	<hr/> (28,142)	<hr/> (405)	<hr/> 107,199
Total of funds	<hr/> <hr/> 145,557	<hr/> <hr/> 118,880	<hr/> <hr/> (102,515)	<hr/> <hr/> -	<hr/> <hr/> 161,922

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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.

Clothworkers IT fund. This is a sinking fund to cover depreciation asset costs for I.T. equipment purchased in 2020 as well as ongoing revenue costs for subscriptions to Microsoft Office 365.

The IT Equipment fund consists of £1000 kindly donated by the Preachers Charity in Norwich to enable us to buy pieces of IT equipment for service delivery and administration.

The Bursary Fund consists of a donation of £5000 from Awards for All and is used to pay for our services where there may be an urgent need, but where participants are unable to pay for all or part of the services themselves.

The Green Space Dark Skies Festival commissioned a piece of work from us, delivered by Walk The Plank as one of several large projects as part of the UK-wide Unboxed Festival. GSDS was a large scale participatory project in 12 locations across the UK. Musical Keys supported the Norfolk leg of the project at Barton Broad. Alongside recruiting diverse audiences and participation for a water based performance using over 800 interactive lights, we were commissioned to work with a group to produce 20 minutes of new music. This music was presented at the event to accompany the performance and to soundtrack a film made of the event which was the main outcome of the project. The video has received over 13000 views.

The Childrens Health and Wellbeing fund consists of £3500 from the Strangward Trust and £1000 from Laura Elizabeth Stuart Memorial Trust. It is used to pay for services that specifically cater to children's health and wellbeing such as our "Young People Striking a Chord" service which is run in collaboration with MIND the mental health charity.

Our Express fund is made up of contributions from many different Trusts and donations. Our Express services cover our outreach work, one-off and regular ongoing projects for children and adults of all ages and abilities including our Saturday Group, Library Group, Adults Striking a Chord and Barrington Farm projects.

Our Connect fund is made up of contributions from charitable grants and trusts such as the Sobell Foundation and the Charles Hayward Foundation. Connect services include music activities for older people living with age-related illness or disability in a social, group setting as well as specific programmes for using music to work with people with dementia.

The Unite fund provides regular sessions for 0-5 year olds with additional needs and disabilities, and peer support for their families. It is made up of contributions from John Hornimans Charitable Trust and Ellerdale Trust.

Our Evolve fund consists of a grant awarded through the Educational Foundation of Alderman John Norman and funds activities in schools and colleges to support and engage young people with Special Educational Needs and Disabilities and additional needs.

The Innovate fund consists of grants from the Albert Hunt Trust and RC Snelling Charitable Trust and is used to explore new and creative ways of using music to help people's wellbeing. The fund is used primarily as a resource for trying new things which may be difficult to fund through other means. Currently this is funding the charity's work with Norwich Prison Service.

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

14. Statement of funds (continued)

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.

The designated funds represents income set aside with the long term aim for the charity to acquire its own premises.

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	467	-	467
Current assets	149,074	53,566	202,640
Creditors due within one year	(15,802)	-	(15,802)
Total	133,739	53,566	187,305

MUSICAL KEYS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
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

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 2023.