



**THE SOUND ROOM COMMUNITY MUSIC PROJECT CIO**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**For the year ended 31 March 2023**

**Charity Number 1157494**

# **THE SOUND ROOM COMMUNITY MUSIC PROJECT CIO**

## **TRUSTEES ANNUAL REPORT**

For the year ended 31 March 2023

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The Trustees are pleased to present the Annual Report together with the financial statements of the charity for the period ended 31 March 2023, which are also prepared to meet the requirements for a Directors Report and Accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities, preparing their accounts in accordance with the Financial Reporting Standards, applicable to the UK and Republic of Ireland (FRS 102)[effective 1st January 2015].

The Board of Trustees has referred to the Charity Commission's guidance on public benefit when reviewing the Charities objectives and planning its future activities. This Annual Report aims to demonstrate the link between our charitable activity and how this benefits our service users.

### **1. OUR HISTORY**

The Soundroom was originally set up as a recording resource for The Deckham Music Collective (DMA) in 1985, under the ethos of an affordable and accessible way to make, perform and record music for local people. The project has a unique social history as it is one of the few remaining community projects left from the 1980's. It has been housed in a few different venues over the years before settling at its current location in the year 2000; the Old Redheugh Library building, one of the first community libraries in Gateshead.

The Soundroom Community Music Project was subsequently founded as a standalone project in the year 2000, part of the millennial projects and became a non-profit Charitable Incorporated Organisation(CIO) in 2014. Responsibility of the building was transferred to the Charity in the form of a 35-year lease from the local authority in 2019.

### **2. OBJECTIVES AND ACTIVITIES**

We believe that access to music and the arts greatly improves the quality of life for people in our community.

The Charity works for the public benefit and aims to provide a high quality resource for the development of music and the related arts for the residents of Gateshead and surrounding areas, identify and meet musical needs of different age groups in our community; elderly people, disabled people, families, children, and young people, and focus the project on marginalised and/or vulnerable groups, including those from deprived socio-economic backgrounds.

### **3. OUTCOMES AND AIMS**

The outcome of the charity is to:

- Enrich the lives for people, groups and communities, through music and related arts
- Provide vibrant opportunities to participate in musical experiences and guide people through their musical journey
- Create a truly inclusive space at the heart of the community with modern facilities
- Be a resilient, focused and well managed charity

And the charity wishes to achieve these outcomes in with the following aims:

- Increase participation amongst groups, less likely to engage in culture
- Grow the program of opportunities in response to users needs and aspirations
- Invest in capacity, facilities and equipment and strengthen governance and operations

### **4. ACHIEVEMENTS AND PERFORMANCE**

We continually strive to support some of the most vulnerable members of our community through our planned programme of activities to provide social and learning activities.

Continuing our emergence from the pandemic, we were finally able to celebrate our 22nd birthday of operating from our current premises at the old Redheugh Library, with the Mayor of Gateshead as our Guest of Honour.

We are pleased to report many hirers of the centre have now returned, along with the impact of investment in cosmetic improvements to the building, have proved to be very positive, with an influx of new people and groups coming through our doors.

Although we recognise it will take the organisation time to recover fully, significant investment in improvements to our space and also IT changes to include online technology, mean the charity's future is looking much more stable. We are very pleased to report our income is now steadily exceeding pre pandemic levels.

The new online booking system for rehearsal and community space is connected to the new website and now 'live' which has given us a much needed greater and streamlined online presence. As we draw closer to our 40th year of existence we have a space to tell our story and include information about the collective history of The Soundroom Project.

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A local business owner has joined the trustee board with both a musical, marketing and advertising career background, who will be a great asset to the team. Two further Trustees have resigned due to relocation.

#### **Building**

Although building repairs and improvements are an ongoing financial challenge for the Charity, Trustees acknowledge the importance of such for future sustainability. Building improvements and capital building development completion, including our basement refurbishment, have already led to positive revenue changes. This also increases our capacity and together with the positive feedback from our community supports and helps our plans for recovery, getting us back to our long term sustainability aims.

Following on from the full green energy audit commissioned last year, quotes were obtained from various heating engineering companies to replace our broken commercial boiler with a new greener energy efficient system. We are pleased to report the installation of a brand new reliable cost effective heating system, covering 80% of the building and new LED lighting is reducing our carbon footprint by 30%. The system installation was completed in time for the winter cold spells and as we faced unprecedented fuel cost rises, due to the cost of living crisis, it has indirectly helped offset some of the increases in fuel costs. The new heating system installation was primarily funded through European Structural and Investment Funding, Rank Foundation, and re-purposed pre-covid grants.

#### **Staffing & Volunteers**

Our small dedicated part time staff duo supported by our dedicated band of volunteers have gone above and beyond to ensure the Charity's continuance following the pandemic and expansion of our programme of activities.

This means that 'whatever your sound' music is heard throughout our community building from 10am – 10pm nearly every day.

#### **Learning & Development**

Staff and keyholder volunteers have undergone Fire Warden Safety Training, Health & Safety training and safeguarding leads have undertaken Level 3 Safeguarding training.

A volunteer independently enrolled on a PAT Testing course in March 2023 to be able to support staff with regular testing of equipment.

#### **Community Music Activities**

The charity has graciously received donations throughout the year: the Card Factory to purchase a new piano and additional musical equipment, Milton Keynes College group (who donated a myriad of redundant kit which included guitars, drums and

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brass instruments) and Lady Skinners Charity, (electronic equipment for our youth music nights). All of the items have been put to regular use by our community projects.

#### Music Cafe

Our renowned twice-weekly Gateshead's Original Music Café would not be possible without the continuous effort and input of our dedicated small group of musician and café volunteers; who host and perform a live set - ensuring both client (and carers) are included in their performances. Grants from Postcode Lottery and Leeds Building Society provided additional therapeutic music sessions which allowed the purchases of additional comfortable seating and new kitchen items for the café service.



#### Music and Street Dance Group

Thank you to Youth Music East by North East (EBNE).

Gem Arts continued to partner with us for our term-time weekly music making sessions, combined with The Soundroom's street dancing and music making staff. The sessions remain really popular and are attended by a regular diverse group of 8-12 year old children from the local community. We have introduced healthy eating by way of fruit and snacks, which also supports any children affected by food insecurity.

#### Gateshead Youth Music Group

The youth group has maintained the attendance of a steady group of 13-17-year-old young people, from all areas of Gateshead, at the weekly sessions.

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With the support of our partner Gem Arts providing music practitioners through EBNE Youth Music funding, young people work with professional musicians and The Soundroom's Studio Engineer (who is also an accomplished drummer).

#### **Community Music**

Additionally, through recent grants provided by National Lottery Awards for All we recruited specialist music tutors to expand musical learning in Gateshead, by increasing opportunities through both drumming, guitar workshops and community recording studio sessions, for people living in Gateshead. These sessions have been a positive step to fulfilling our aims and objectives. In addition to the groups, we support and run from our base in Gateshead additional funding has allowed the purchase of new PA equipment for community event use. This extra service is already proving to be very popular and we look forward to seeing the impact of such a crucial project over the preceding year.

#### **Rehearsals and Recording**

Following a review of our costs there has been a slight increase in charges for renting space to help cover significant increases to our utility bills, with reduced rates for under 21's. We remain affordable for our local community groups and general public. Our recording bookings have been particularly popular with local songwriters, in addition to local primary schools, youth groups and the Jewish community.

#### **Local Community Events**

Both the Music, Song and Dance group (8-12yrs) and the Youth Group (13-17yrs) undertook performance opportunities throughout the year. Two particular performances worth highlighting, was the Just Jam International accessible breakdancing event held at Lawnmowers Arts Centre, and the festive performances event, part of EBNE wider showcase event. Our young people are now working towards a final event to be held at Sage Gateshead in July 2023.

A grant from Community Foundation Tyne and Wear brought together a busy jam-packed summer holiday programme activity weeks, for children aged 7-12 years old. The children had opportunities to write and record their own songs, play piano and drums, compile a radio show for live broadcast, including composing jingles. Learned choreographed dance routines, culminating in a showcase performance for parents, carers and friends.

As with many local charities, the main financial impact of the pandemic was a reduction to our revenue. We were overcoming this problem, only to find ourselves in the middle of a cost of living crisis, with energy and food costs rapidly increasing to unprecedented levels. We were therefore delighted to receive Cost of Living grant

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support through Connected Voice which meant we could cover a large proportion of our winter heating and food costs.

#### **Inclusion, Diversity and Equality**

The Charity continues to support inclusion, diversity and quality wherever possible. There is evidence of this within our community groups.

The Charity aims to work with all areas of our community, regardless of age, disability, gender, race, religion or beliefs, and sexual or gender preference.

We support clients with mental health issues to express themselves through spoken word, singing and recording sessions.

#### **Volunteer Contribution**

Community music would not be possible at The Soundroom without acknowledging the support received by over 30 volunteers this year. Our dedicated volunteer team have pledged over 2000 hours of their time to ensure our community building remains open from 10am – 10pm weekdays and occasional weekends. This dedicated group of volunteers, both from within our local community, user groups and further afield, continue to contribute time to ensure the Charity is supported in whichever way it is required.

One particular long serving volunteer was nominated for a Lifetime Award with Gateshead Council and received confirmation that he was successful towards the end of the Charity's financial year. He will be given his award at the Gateshead Awards 2023 later in the year.

All our work was achieved, thanks to our team, partners and supporters. We thank our volunteers, staff, the 100's of musicians who pay to use and promote our space as well as this year's corporate support volunteers from Get Carter Productions.

All volunteers were fantastic in what has been a very testing period.

We also thank our funders for the year: The Community Foundation Serving Tyne & Wear and Northumberland, Leeds Building Society, Arnold Clark, Card Factory Foundation, St Cuthberts Church Blaydon, Magic Little Grants and the Rank Foundation.

## **5. PLANS FOR THE FUTURE**

We have bold plans to continue our capital building development work in 2023/24, looking at a range of funders to support our redevelopment, this will enable us to increase our capacity to include more young people and adults with disability needs. It will also give us additional space to showcase music and arts based events, and provide a much needed dedicated social seating and refreshment zone.

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Both Trustees and staff continue to work towards providing a greater range of services for all, whilst maintaining the very popular present activities that are well attended by the local community. We continue to be a not for profit charity, additional revenue, fundraising, donations or support is put back into providing activities and services for our community. We additionally hope that by securing more funding to support our employees and to continue to grow our organisation to meet the needs of our community.

#### Plans for the Future

- Building repairs and refurbishment will continue to ensure the premises remain accessible, safe, secure and aesthetically pleasing for all users.
- Strengthening our governance, with improvements to Trustee induction and development
- Working towards greater financial sustainability
- Developing our existing charitable offer to include additional provision for much needed social and wellness projects for mental health and well-being. Tuition services, opportunities for playing a musical instrument are open to all, especially for young people.
- Continuing our popular holiday activity programme for local school children
- Expanding our refreshment offer with feasibility for refurbishing the kitchen to accommodate launching a hot food service in our community café
- Accrediting our real living wage employer status
- Securing significant grant funding to develop our capital building plans, services and community activities
- Developing a new three-year strategy

## 6. CUSTOMER AND VOLUNTEER FEEDBACK

“The soundroom is really important to me, I have long term health problems and my mental health is bad with PTSD, other community groups have not been so welcoming. I have found a home at The Soundroom, the music cafes help me socialise and make people laugh. I sing my favourite songs and have learnt skills on the drums that I share with others, a skill I didn’t even know I had. The music makes you forget other stuff going on in your life “

“As a recent participant in the music groups and now a volunteer, I can honestly say the place has really improved my health and general life. I am very proud of this community building and to be a part of what goes on inside it, its very unique and run by incredible people, somewhere where everyone comes together to share the joy of music. The place always helps improve your day, despite how bad you feel when you first get up, everything is forgotten, when the music starts”



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“I have been coming here for a long time, I learnt to play the drums here, I have met other musicians who’ve helped me to play, formed rock bands and played in community bands for fundraising gigs. I have achieved all these things, despite having a brain injury when I was young and other health conditions which impact on my daily life”

## **7. ENVIRONMENTAL IMPACT REVIEW**

As a Charity with the community at its heart we are committed to providing a better life experience for all. That is why we are prioritising becoming a greener Charity and making sure we implement Environmental and Sustainability Strategies. The Soundroom acknowledge the connection between the climate and environmental crises. We recognise our responsibility to reduce both our carbon and environmental footprint and commit to be an environmentally responsible Charity. To achieve this, we commit to the following actions:

Our Commitment:

1. The Soundroom has appointed the Centre Manager to take responsibility for enacting and reporting on its commitment to becoming an environmentally responsible organisation.
2. Staff, volunteers and contractors will be expected to help The Soundroom in carrying out its aim of being an environmentally responsible organisation, particularly in the way they carry out their day-to-day duties.
3. Induction procedures for new staff/volunteers/contractors will include information on the Charity’s environmental practices.

## **8. FINANCIAL REVIEW**

The review of the financial year to 31st March 2023 shows the project generated income of £50,871 (2022: £39,040) which comes from a range of different sources. Earned income through room rental, rehearsals and recording, and café sale, ticket sales, Donations and Public Grants.

The financial position for the year was net incoming funds of £50,871 (2022: £39,040) and total outgoing resources of £55,107 (2022: £53,391). This leaves total funds of £24,804 (2022: £29,040), of which £6,552 is restricted (2022: £7,159) and £18,252 (2022: £21,881) is unrestricted.

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#### Reserves Policy

It is the policy of the Charity to try to build up free reserves of the Charity, (unrestricted funds not invested in tangible fixed assets) to a level that equates to approximately six months of expenditure. This will provide enough funds to cover management and administration support costs and any emergencies that may arise from time to time.

At 31 March 2023 the free reserves were £24,804 (2022 £29,040) which equates to approximately four months of expenditure.

#### 9. REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS

Charity Name	The Sound Room Community Music Project CIO	
Registered Charity Number	1157494	
Registered Office and Operational address	Redheugh Studios, Cuthbert Street, Gateshead, NE8 1PH	
Trustees	Barbara Donkin Andrew Gimza Lisa Leonard	Resigned on 6 March 2023
	Bradley Rochester-Smith Justin Hancock Andrew Tinkler Christopher Carter	Resigned on 16 December 2022
Independent Examiner	Jim Dodds 33 The Glebe Morpeth	
Bankers	Lloyds Bank PLC	

## **10. STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing documents**

Charitable Incorporated Organisation - Foundation Model - whereby the only voting members are the charity Trustees. We have adopted the Charity Commissions Model Constitution to ensure we comply with the Charities Act 2011 (the 2011 Act) and the General Regulations. This helps us to ensure we:

- Reflect recommended best practice; and
- Are legally compliant

### **Appointment of Trustees**

Trustees are appointed for their individual knowledge, experience and skills that are considered essential to ensure the charity's effective administration and its continued sustainability, growth and development. Trustees are appointed by the Board of Trustees in a properly convened meeting. Trustees are also screened using a needs and skillsets assessment. This approach enables us to:

- Ensure we have the right skills mix on the Board to meet the administrative needs of the charity
- Ensure we do have a range of Trustees from diverse professional backgrounds to build knowledge and
- skills
- Mitigate any potential risks or threats to the charity, as far as possible; and
- Reduce, as far as is possible, the potential for any conflicts of interest with each Trustee and their existing
- professional occupations.

### **Organisation**

The Trustees meet each quarter and deal with the administration of the charity encompassing the strategic vision, financial accountability and risk management. The operational management of the organisation is undertaken by the paid staff team.

### **Risk Management**

The charity is managed by the board of trustees which meets quarterly and delegates the day to day running of the organisation to the Chief Officer and staff. The trustee board maintains responsibility for the strategic direction of the charity and for its funding and financial management. There is an AGM meeting each year.

The Trustees have conducted its own review of the major risks to which the charity is exposed, and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and for ensuring the consistent quality of the delivery of all operational

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aspects of the charitable company. These procedures and risk register are periodically reviewed to ensure that they still meet the needs of the charity.

#### **11. STATEMENT ON PUBLIC BENEFIT**

The Trustees have considered the guidance produced by the Charity Commission on the provision of public benefit and they confirm that the range of activities has provided the public benefit as described above.

How our Aims reflect the purpose of the Charity:

- We follow Charity Commission guidelines
- Our Charitable activities focus on providing accessible, affordable, and inspiring musical and creative opportunities; especially for those experiencing social exclusion, young people, and vulnerable people.
- Our management structure is that of a Board of Trustees who meet quarterly and who have responsibility to oversee the direction and management of grant funds and finances. They hold an Annual General Meeting open to the general public.

#### **12. STATEMENT OF TRUSTEE RESPONSIBILITIES**

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

The charity trustees are required to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of incoming resources and application of resources. In preparing financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards 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 operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity. 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.

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Approved by the Trustees on 29/11/2023 and signed on their behalf by:

NAME: Justin Hancock

POSITION: Trustee

*Justin Hancock*

SIGNATURE:

**THE SOUNDROOM COMMUNITY MUSIC PROJECT**  
**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**  
For the year ended 31 March 2023

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I report on the financial statements of The Soundroom Community Music Project for the year ended 31 March 2023, which are set out on pages 14 to 24.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

**Basis of independent examiner's statement**

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than if the requirements that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I 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.

Jim Dodds  
33 The Glebe  
Morpeth  
Northumberland  
NE61 6HW



Date: 4/12/2023

# THE SOUNDROOM COMMUNITY MUSIC PROJECT

## STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<b>Income from:</b>					
Donations and legacies	6	5,405	-	<b>5,405</b>	2,340
Charitable activities					
Grants and contracts	7	2,332	19,539	<b>21,871</b>	21,003
Other trading activities	8	23,595	-	<b>23,595</b>	15,697
<b>Total income</b>		<b>31,332</b>	<b>19,539</b>	<b>50,871</b>	<b>39,040</b>
<b>Expenditure on:</b>					
Raising funds	9	871	423	<b>1,294</b>	726
Charitable activities					
Operation of the charity	10	34,090	19,723	<b>53,813</b>	52,665
<b>Total expenditure</b>		<b>34,961</b>	<b>20,146</b>	<b>55,107</b>	<b>53,391</b>
<b>Net movement of funds</b>		<b>( 3,629 )</b>	<b>( 607 )</b>	<b>( 4,236 )</b>	<b>( 14,351 )</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		21,881	7,159	<b>29,040</b>	43,391
<b>Total funds carried forward</b>		<b>18,252</b>	<b>6,552</b>	<b>24,804</b>	<b>29,040</b>

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 16 to 24 form an integral part of these accounts.

**BALANCE SHEET**

As at 31 March 2023

	Notes	£	Total 2023 £	£	Total 2022 £
<b><u>Current assets</u></b>					
Debtors	17	111		20	
Cash at bank and in hand	18	26,654		31,009	
<b>Total current assets</b>		<b>26,765</b>		<b>31,029</b>	
<b>Creditors:</b> amounts falling due within one year	19	<b>( 1,961 )</b>		<b>( 1,989 )</b>	
<b>Net current assets</b>			<b>24,804</b>		<b>29,040</b>
<b>Total assets less current liabilities</b>			<b>24,804</b>		<b>29,040</b>
<b>Total net assets or liabilities</b>			<b>24,804</b>		<b>29,040</b>
<b><u>Funds of the charity</u></b>					
Unrestricted income funds			18,252		21,881
Restricted income funds			6,552		7,159
<b>Total funds</b>			<b>24,804</b>		<b>29,040</b>

The notes on pages 16 to 24 form an integral part of these accounts.

These financial statements were approved by the Board on: 29/11/2023

and are signed on its behalf by:

Justin Hancock  
Chair

*Justin Hancock*



# THE SOUNDROOM COMMUNITY MUSIC PROJECT

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

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### 1 Accounting Policies

The principle accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

### 2 Basis of accounting

#### 2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared 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) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Soundroom Community Music Project meets the definition of a public benefit entity under FRS 102.

#### 2.2 Preparation of the accounts on a going concern basis

The charity reported total unrestricted funds at the year end of £18,252 and has already secured a significant amount of funding for the current year. The trustees are of the view that the immediate future of the charity for the next 12 to 18 months is secure and that on this basis the charity is a going concern.

### 3 Income

#### 3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability.

#### 3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

#### 3.3 Grants and donations

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance or provision of other specified service is deferred until the criteria of income recognition are met.

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## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

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### 3.4 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

### 3.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

### 3.6 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charities' work or for specific projects being undertaken by the charity.

## 4 Expenditure and liabilities

### 4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

### 4.2 Charitable activities

Expenditure on charitable activities includes the costs of music activities and other activities undertaken to further the purposes of the charity and their associated support costs.

### 4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

### 4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

### 4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

### 4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

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## NOTES TO THE FINANCIAL STATEMENTS

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### 5 Assets

#### 5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Leasehold property improvements	Straight line over life of lease
Office and computer equipment	Straight line over four years

The charity does not currently own any tangible fixed assets.

## The Soundroom Community Music Project

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

#### Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<b>6 Donations and legacies</b>				
Donations and gifts	5,405	-	<b>5,405</b>	2,340
	<u>5,405</u>	<u>-</u>	<u><b>5,405</b></u>	<u>2,340</u>

#### 7 Charitable activities

##### Income from grants

Arnold Clark Community Fund	750	-	<b>750</b>	750
Card Factory Foundation	-	1,159	<b>1,159</b>	-
Community Foundation - Summer 2022	-	3,025	<b>3,025</b>	-
Connected Voice Cost of Living Grant	-	2,955	<b>2,955</b>	-
GMBC Capacity Building	-	-	-	2,667
Lady Skinners NAV Grant	-	-	-	500
Leeds Building Society Foundation	-	1,000	<b>1,000</b>	-
Newcastle CC - Energy Saving	-	-	-	4,736
Post Code Lottery - Local Giving	-	500	<b>500</b>	-
Sir James Knott Trust	-	-	-	2,000
Tesco - Groundwork UK	-	-	-	1,000
The National Lottery Community Fund	-	9,900	<b>9,900</b>	-
The Rank Foundation	-	850	<b>850</b>	-
The Rothley Trust	-	-	-	900
Other small grants	450	150	<b>600</b>	450

##### Other income

Other income	1,132	-	<b>1,132</b>	8,000
	<u>2,332</u>	<u>19,539</u>	<u><b>21,871</b></u>	<u>21,003</u>

#### 8 Other trading activities

Recordings and rehearsals	20,517	-	<b>20,517</b>	10,968
Refreshments	1,822	-	<b>1,822</b>	704
Room hire	595	-	<b>595</b>	692
Fundraising	181	-	<b>181</b>	-
Other trading activities	480	-	<b>480</b>	3,333
	<u>23,595</u>	<u>-</u>	<u><b>23,595</b></u>	<u>15,697</u>

Income was £50,871 (2022: £39,040) of which £31,332 was unrestricted or designated (2022: £26,037) and £19,539 was restricted (2022: £13,003).

## The Soundroom Community Music Project

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

#### Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<b>9 Raising funds</b>				
Cost of generating income	871	423	1,294	726
	<u>871</u>	<u>423</u>	<u>1,294</u>	<u>726</u>
<b>10 Charitable activities</b>				
<u>Direct costs</u>				
Project staff salaries	561	5,654	6,215	13,297
Management staff costs	20,459	3,208	23,667	2,751
Training	113	-	113	-
Project activities	316	4,016	4,332	784
Volunteer expenses	44	366	410	-
<u>Support costs</u>				
Rent and utilities	2,956	2,826	5,782	4,004
Telephone and IT	614	187	801	560
Equipment	28	3	31	933
Maintenance and repairs	987	2,486	3,473	26,157
Cleaning	387	119	506	1,272
Security	435	72	507	438
Insurance	910	56	966	729
Bank charges	123	15	138	79
Licences	84	10	94	65
Sundry expenses	-	636	636	-
Professional fees	258	69	327	1,016
Prior period error	5,315	-	5,315	-
<u>Governance costs</u>				
Independent examiner's fees for reporting on the accounts	500	-	500	580
	<u>34,090</u>	<u>19,723</u>	<u>53,813</u>	<u>52,665</u>

Expenditure on charitable activities was £55,107 (2022: £53,390) of which £34,961 was unrestricted or designated (2022: £8,777) and £20,146 was restricted (2022: £44,613).

#### 11 Fees for examination of the accounts

	2023 £	2022 £
Independent examiner's fees for reporting on the accounts	500	580
Other accountancy services paid to the examiner	-	808
	<u>500</u>	<u>1,388</u>

## The Soundroom Community Music Project

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

#### 12 Analysis of staff costs, and the cost of key management personnel

	2023 £	2022 £
Salaries and wages	22,723	15,933
Social security costs	710	84
Pension costs (defined contribution pension plan)	234	31
Sessional staff	6,215	-
	<b>29,882</b>	<b>16,048</b>

No employee received remuneration above £60,000 (2022: nil).

The key management personnel of the charity, comprise the trustees and the charity manager. The total employee benefits of the key management personnel of the charity were £0 (2022: £0).

#### 13 Staff Numbers

The average monthly head count was 2 staff (2022: 2 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2023 Number	2022 Number
The parts of the charity in which the employee's work:		
Charitable activities	1.1	1.0
	<b>1.1</b>	<b>1.0</b>

#### 14 Transactions with trustees

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

##### Trustees' expenses

No trustee expenses have been incurred in the year.

##### Transaction(s) with related parties

There has been no related party transactions in the reporting period.

#### 15 Defined contribution pension scheme

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

The employer's pension costs represent contributions payable by the charity to the fund and amount to £234 (2022: £31). There was £54 outstanding as at 31 March 2023 (2022: £36).

#### 16 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

## The Soundroom Community Music Project

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

#### 17 Debtors and prepayments (receivable within 1 year)

	2023 £	2022 £
Salary holding account	26	-
Trade debtors	85	20
	<b>111</b>	<b>20</b>

#### 18 Cash at bank and in hand

	2023 £	2022 £
Short term deposits	4,724	-
Cash at bank and in hand	21,930	31,009
	<b>26,654</b>	<b>31,009</b>

#### 19 Creditors and accruals (payable within 1 year)

	2023 £	2022 £
Trade creditors	552	399
Taxation and social security	161	458
Accruals		
Independent examination of accounts	500	1,132
Other accruals	748	-
	<b>1,961</b>	<b>1,989</b>

#### 20 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

#### 21 Analysis of charitable funds

##### Analysis of movements in unrestricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
<b>Unrestricted funds</b>					
General unrestricted fund	21,881	31,332	( 34,961 )	-	18,252
<b>Totals</b>	<b>21,881</b>	<b>31,332</b>	<b>( 34,961 )</b>	<b>-</b>	<b>18,252</b>

##### Purpose of unrestricted funds

General unrestricted fund      The 'free reserves' of the charity.

## The Soundroom Community Music Project

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

#### 21 Analysis of charitable funds continued

##### Analysis of movement in restricted funds

Restricted funds	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Big Local	3,536	-	( 3,536 )	-	-
Building Maintenance	1,305	-	( 1,305 )	-	-
Card Factory Foundation	-	1,159	( 1,159 )	-	-
Community Foundation					
Akzo Nobel International Paint	732	-	( 732 )	-	-
Performing Arts	986	-	( 986 )	-	-
Summer 2022	-	3,025	( 3,025 )	-	-
Connected Voice Cost of Living	-	2,955	( 2,955 )	-	-
Lady Skinners NAV Grant	500	-	( 500 )	-	-
Leeds Building Society Foundation	-	1,000	( 1,000 )	-	-
Post Code Lottery - Local Giving	-	500	( 500 )	-	-
The National Lottery Community Fund	-	9,900	( 3,348 )	-	<b>6,552</b>
The Rank Foundation	-	850	( 850 )	-	-
Other small grants	100	150	( 250 )	-	-
<b>Totals</b>	<b>7,159</b>	<b>19,539</b>	<b>( 20,146 )</b>	<b>-</b>	<b>6,552</b>

##### Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Big Local	To fund an after school music, dance and drama club for children aged 5-11.
Building Maintenance	To fund maintenance to the building.
Card Factory Foundation	To fund the purchase of new musical equipment including a piano, and new furniture for community music events.
Community Foundation -	
Akzo Nobel International Paint	To fund digital equipment for live music and workshop streaming, to reach out to the most vulnerable customers.
Performing Arts	To fund an after school music, dance and drama club for children aged 5-11.
Summer 2022	To fund summer holiday activities of music, dance, and drama for children aged 7-17.
Connected Voice Cost of Living	To fund a contribution to additional utility costs.
Lady Skinners NAV Grant	To fund youth music equipment.
Leeds Building Society Foundation	To fund the music cafes that are supporting people who are disadvantaged or vulnerable, providing new furniture and café serving items.



## The Soundroom Community Music Project

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

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#### 21 Analysis of charitable funds continued

##### Purpose of restricted funds continued

Post Code Lottery - Local Giving      To fund interactive live music sessions for adults with learning disabilities.

The National Lottery Community Fund      To fund community music making activities in Gateshead.

The Rank Foundation      To fund replacement of broken commercial boiler and heating system with a new energy, efficient system.

#### 22 Capital commitments

As at 31 March 2023, the charity had no capital commitments (2022 -£nil).

#### 23 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Cash at bank and in hand	20,102	6,552	<b>26,654</b>	31,009
Other net current assets/(liabilities)	( 1,850 )	-	<b>( 1,850 )</b>	( 1,969 )
	<u>18,252</u>	<u>6,552</u>	<u><b>24,804</b></u>	<u>29,040</u>

#### 24 Guarantee

There have been no guarantees given by the charity at 31 March 2023.

#### 25 Debt

There is no debt outstanding which is owed by the charity and which is secured by an excess charge on any of the assets of the charity at 31 March 2023.

#### 26 Governing document

The organisation is a Charitable Incorporated Organisation - Foundation registered on 17 June 2014 as a body corporate under part 11 of the Charities Act 2011.