

Charity registration number: 1191068

Sky full of stories

Annual Report and Financial Statements
for the Year Ended 31 March 2022

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Reference and Administrative Details

Trustees	Mr A Ronchetti
	Mr P Arlborough
	Reverend H E Sherman
Charity Registration Number	1191068
Principal Office	2 Western Terrace
	West Street
	Sompting
	Lancing
	BN13 0AU

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Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 March 2022.

Objectives and activities

Public benefit

For the benefit of the public, to promote social inclusion of those who are in need by reason of physical or mental disability, age, social or economic position or some other disadvantage by: - The advancement of education and participation in the performing arts, in particular but not exclusively through music and multi-sensory storytelling and practitioner training workshops; - The active promotion of social inclusion for the public benefit by deterring people from becoming socially excluded, assisting the needs of those people who are socially excluded and supporting them to integrate with society.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

The work of SFOS had continued for much of this year through continuing pandemic restrictions with online sessions. Whilst social encounters had become somewhat easier, the particular vulnerabilities of participants and the safety assessments of residential care settings meant that shielding and caution in face to face encounters remained firmly in place.

However, following the challenges of lockdown and despite continuing pandemic uncertainty, SFOS was eventually able to re-commence face to face groups with sessions spread over 4 rather than 5 sessions each week. The number of participants in each group were of necessity smaller than previously. The level of interest in attendance by the end of this financial year was more than capacity to find times and days to 'fit', and the logistics were somewhat challenging.

In one respect the smaller numbers per groups had helped to enable 'gateway moments' by persistently being able to try new sensory 'windows' to discover how to engage participants with a range of different sensory aspects until individuals are able to develop their social interaction to a greater extent. When the storyteller is able to find a way into the world of a participant who at first appears to be 'closed off' to engagement it brings great encouragement, not only to that individual but also to their carers and the ongoing work of SFOS.

Paul Tyldesley, Creative Director, commenced a Diploma course with the British Academy of Sound Therapy in order to make use of the skill and insights gained through this to apply specifically to working with people with special needs.

The Trustees note Paul's persistence and commitment to enlarging and deepening the engagement of participants with the wider world and affirm the work he has continued to do through another difficult year. They recognize a need for developing the public-facing aspect of the work, including website development, greater social media presence and more promotional material.

Financial review

Policy on reserves

Sky full of stories requires a level of free reserves to safeguard the operation of the charity from unexpected delays in the receipt of grants, donations and other funding and unforeseen expenditure.

The Trustees, having reviewed the risks to which the charity might be subject to, have decided that the current level of reserves are sufficient.

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Trustees' Report (continued)

Going concern

There are currently no uncertainties about the charity continuing as a going concern.

Structure, governance and management

Nature of governing document

Sky Full of Stories was registered with the Charity Commission as a Charitable Incorporated Organization (CIO) on 28 August 2020. This report covers the period from 01 April 2021 until the end of the financial year 31 March 2022.

Organisational structure

The charity is registered as a Charitable Incorporated Organisation and its Governing Document is filed with the Charity Commission.

The day-to-day provision and management of services is in the hands of the Creative Director.

The charity trustees, through regular meetings to receive reports from the Creative Director, exercise critical support and ensure due diligence in the charity's affairs. They jointly have responsibility for seeking trustees with appropriate skills as and when the services provided by the charity expand.

Major risks and management of those risks

1. Risk of break in the charity's services due to sickness or absence of the Creative Director and small number of paid workers/volunteers
2. Risk of drop in income due to reduced financial circumstances of participants, thus preventing the charity from fulfilling its aims and objectives.

Good communication with the trustees, together with networking and relationships with others working in the field, provide potential to draw on support if needed

The annual report was approved by the trustees of the charity on 17 January 2023 and signed on its behalf by:

Reverend H E Sherman

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Statement of Trustees' Responsibilities

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

The law applicable to charities 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 the incoming resources and application of resources of the charity 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 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; and
- 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 proper accounting records that 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 Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees 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.

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

Approved by the trustees of the charity on 17 January 2023 and signed on its behalf by:

.....
Reverend H E Sherman
Trustee

**Chartered Accountants' Report to the Trustees on the Preparation of the Unaudited
Statutory Accounts of
Sky full of stories
for the Year Ended 31 March 2022**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Sky full of stories for the year ended 31 March 2022 as set out on pages 6 to 14 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW) we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Sky full of stories, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Sky full of stories and state those matters that we have agreed to state to the board of directors of Sky full of stories, as a body, in this report, in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Sky full of stories and its board of directors as a body for our work or for this report.

It is your duty to ensure that Sky full of stories has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and of Sky full of stories. You consider that Sky full of stories is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Sky full of stories. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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Hodson & Co
Wiston House
1 Wiston Avenue
Worthing
West Sussex
BN14 7QL

17 January 2023

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Statement of Financial Activities for the Year Ended 31 March 2022

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies		-	4,500	4,500
Charitable activities		16,674	-	16,674
Total income		16,674	4,500	21,174
Expenditure on:				
Charitable activities		(19,064)	(1,531)	(20,595)
Total expenditure		(19,064)	(1,531)	(20,595)
Net (expenditure)/income		(2,390)	2,969	579
Gross transfers between funds		3,369	(3,369)	-
Net movement in funds		979	(400)	579
Reconciliation of funds				
Total funds brought forward		(1,474)	1,615	141
Total funds carried forward	14	(495)	1,215	720
	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies		2,703	-	2,703
Charitable activities		-	1,615	1,615
Total income		2,703	1,615	4,318
Expenditure on:				
Charitable activities		(4,177)	-	(4,177)
Total expenditure		(4,177)	-	(4,177)
Net (expenditure)/income		(1,474)	1,615	141
Net movement in funds		(1,474)	1,615	141
Reconciliation of funds				
Total funds carried forward	14	(1,474)	1,615	141

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2021 is shown in note 14.

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(Registration number: 1191068) Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	1,467	-
Current assets			
Cash at bank and in hand	12	2,019	141
Creditors: Amounts falling due within one year	13	<u>(2,766)</u>	<u>-</u>
Net current (liabilities)/assets		<u>(747)</u>	<u>141</u>
Net assets		<u>720</u>	<u>141</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	14	1,215	1,615
Unrestricted income funds			
Unrestricted funds		<u>(495)</u>	<u>(1,474)</u>
Total funds	14	<u>720</u>	<u>141</u>

The financial statements on pages 6 to 14 were approved by the trustees, and authorised for issue on 17 January 2023 and signed on their behalf by:

Reverend H E Sherman

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Notes to the Financial Statements for the Year Ended 31 March 2022

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Sky full of stories meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) 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. These accounts have been prepared on a receipts and payments basis.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised on a receipts basis.

Grants receivable

Grants are recognised on a receipts basis.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

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Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised on a receipts basis and are measured at the fair value of the asset received. Grants are classified as relating either to revenue or to assets.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

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Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

Financial instruments

Classification

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2 Income from donations and legacies

	Restricted funds £	Total 2022 £	Total 2021 £
Grants, including capital grants;			
Government grants	-	-	1,423
Grants from other charities	4,500	4,500	1,280
	<u>4,500</u>	<u>4,500</u>	<u>2,703</u>

3 Income from charitable activities

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Primary purpose trading	16,674	16,674	1,615
	<u>16,674</u>	<u>16,674</u>	<u>1,615</u>

4 Investment income

	Total funds £
Total for period ended 31 March 2022	<u><u>-</u></u>

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Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

5 Expenditure on charitable activities

Note	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Music sessions	10,849	1,376	12,225	1,152
Staff costs	-	-	-	1,745
Allocated support costs	5,940	105	6,045	1,280
Governance costs	2,275	50	2,325	-
	<u>19,064</u>	<u>1,531</u>	<u>20,595</u>	<u>4,177</u>

6 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Staff costs			
Other staff costs	1,107	-	1,107
Legal fees	770	-	770
Marketing and publicity	5	50	55
Depreciation, amortisation and other similar costs	287	-	287
Other governance costs	106	-	106
	<u>2,275</u>	<u>50</u>	<u>2,325</u>

7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022
	£
Depreciation of fixed assets	<u>287</u>

8 Trustees remuneration and expenses

9 Staff costs

The aggregate payroll costs were as follows:

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Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	-	1,745
Other staff costs	1,107	-
	<u>1,107</u>	<u>-</u>
	<u>1,107</u>	<u>1,745</u>

No employee received emoluments of more than £60,000 during the year

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
Additions	1,754	1,754
At 31 March 2022	<u>1,754</u>	<u>1,754</u>
Depreciation		
Charge for the year	287	287
At 31 March 2022	<u>287</u>	<u>287</u>
Net book value		
At 31 March 2022	<u>1,467</u>	<u>1,467</u>

12 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	-	141
Cash at bank	2,019	-
	<u>2,019</u>	<u>-</u>
	<u>2,019</u>	<u>141</u>

13 Creditors: amounts falling due within one year

	2022 £
Other creditors	2,346
Accruals	420
	<u>2,766</u>
	<u>2,766</u>

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Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

14 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Unrestricted funds					
<i>General</i>					
General Fund	(1,474)	16,674	(19,064)	3,369	(495)
Restricted funds					
Restricted Fund	1,615	-	-	(1,615)	-
Postcode Society Trust	-	1,775	(305)	(1,470)	-
Sussex Community Foundation	-	1,575	(76)	(284)	1,215
National Lottery Community Fund	-	1,150	(1,150)	-	-
Total restricted funds	<u>1,615</u>	<u>4,500</u>	<u>(1,531)</u>	<u>(3,369)</u>	<u>1,215</u>
Total funds	<u>141</u>	<u>21,174</u>	<u>(20,595)</u>	<u>-</u>	<u>720</u>

	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted funds			
<i>General</i>			
General Fund	2,703	(4,177)	(1,474)
Restricted			
Restricted Fund	<u>1,615</u>	<u>-</u>	<u>1,615</u>
Total funds	<u>4,318</u>	<u>(4,177)</u>	<u>141</u>

15 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2022 £
Tangible fixed assets	1,467	-	1,467
Current assets	<u>(1,962)</u>	<u>1,215</u>	<u>(747)</u>
Total net assets	<u>(495)</u>	<u>1,215</u>	<u>720</u>

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Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2021 £
Current assets	<u>(1,474)</u>	<u>1,615</u>	<u>141</u>

16 Analysis of net funds

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	<u>141</u>	<u>1,878</u>	<u>2,019</u>
Net debt	<u>141</u>	<u>1,878</u>	<u>2,019</u>
		At 28 August 2020 £	At 31 March 2021 £
Net debt		<u>-</u>	<u>-</u>