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**SOUND SENSE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2002**

Charity Number 1080918



WHITING & PARTNERS
Chartered Accountants & Registered Auditors
Garland House
Garland Street
Bury St Edmunds
Suffolk

SOUND SENSE

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

Contents	Pages
Members of the board and professional advisers	1
Trustees annual report	2 to 6
Auditors' report to the trustees	7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 to 15
The following pages do not form part of the financial statements	
Detailed statement of financial activities	17

SOUND SENSE

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The board of trustees

Nikki-Kate Heyes - Chair
Robert Jarvis - Vice-Chair
Debbie Wolfsohn - Treasurer
Alison Bullivant
Steve Garrett
Lee Higgins
Sharon Jones
Martin Milner
Andrew Peggie
Saffron Summerfield
Paul Wilson

Secretary

K Deane

Registered office

7 Tavern Street
Stowmarket
Suffolk
IP14 1PJ

Auditors

Whiting & Partners
Chartered Accountants & Registered Auditors
Garland House
Garland Street
Bury St Edmunds
Suffolk
IP31 1EZ

Bankers

Lloyds TSB Bank Plc
Surrey Street
Norwich
Norfolk

CAFCash Limited
West Malling
Kent

Solicitors

Rudlings & Wakelam
1 Woolhall Street
Bury St Edmunds
Suffolk

SOUND SENSE

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2002

The trustees have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2002.

The company was incorporated on 24th February 2000. On 1st July 2000 the assets, liabilities and activities of the un-incorporated charity Sound Sense were transferred to the company.

Legal and administrative information

The company is a charity registered with the Charity Commission for England and Wales, charity number 1080918 and is constituted as a private company limited by guarantee, registered number 3933421.

The company's objects and powers and other constitutional matters are set out in its governing document, its Memorandum and Articles of Association. Details of the company's registered office and other current company information is set out on page 1.

The Patrons of the charity during the year were as follows:-

Sir Claus Moser KCB CBE FBA
Evelyn Glennie OBE
Ken Livingstone
Lord Young of Dartington Bsc (Econ) MA PhD

The trustees

The trustees, who are also company directors, who served the charity during the period were as follows:

Nikki-Kate Heyes
Robert Jarvis
Debbie Wolfsohn
Alison Bullivant
Steve Garrett
Sarah Harman
Lee Higgins
Ben Higham
Andrew Peggie
Saffron Summerfield
Paul Wilson

During the year, Andrew Peggie resigned as Chair but continued as trustee, with Nikki-Kate Heyes being appointed as Chair and Robert Jarvis appointed Vice-Chair. Sarah Harman resigned as trustee during the year. Since the year end, Ben Higham has also resigned and Sharon Jones and Martin Milner have been appointed.

Appointment of trustees to serve on the Board of Directors requires election by the members in general meeting. The Articles of Association provide that one-third of the board retire at each annual general meeting. The Articles allow any member who has served for not more than six years and any former member who has not served during the previous twelve months to offer themselves for re-election to the board. The board is entitled to appoint further trustees to fill casual vacancies or to increase their number until the next annual general meeting. Any person so appointed to the board must be a member of the company. The board may also appoint non-members with specialist skills or knowledge on a yearly basis for up to six consecutive years.

SOUND SENSE

TRUSTEES ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2002

Aims and policies

The charity is established to promote, maintain, improve and advance education particularly by the improvement and development of public taste, appreciation and understanding of music. These aims have been achieved by the conduct of participatory classes, workshops and courses, the publication of the charity journal 'Sounding Board', the supply of relevant publications, the presentation of concerts, the performance of music and the encouragement of the arts generally and of music in particular.

Organisation

The trustees in the form of the Board of Management are responsible for the overall strategic development and control of the charity's core activities. A number of sub committees also exist to deal with various issues.

The day to day operational management is the responsibility of the charity's director, Kathryn Deane, working with three heads of department; these four form the charity's senior management team. Other staff include executive officers and administrators.

Reliance on volunteers

Members of the management board and individual volunteers devote significant time to the Charity's affairs and receive no remuneration.

Review of developments, activities and achievements

The charity's overall aims and policies are met largely by two major initiatives: assisting in the professional development of those practising and participating in community music; and promoting its value. A large part of the funding for this work comes from the grants for specific programmes of work running over periods of time from between one and three years. In this year we worked on six major programmes:

Artists Awards A scheme to fund professional development activities of musicians working in the east of England, in conjunction with East England Arts.

Creative People Information, advice and guidance to community musicians and other community artists to help them with their professional development, in collaboration with nine other groups of arts organisations.

Mapping An investigation into the numbers and types of community musicians working in the south-west of England, in conjunction with South West Arts.

Learning about Learning A series of training and development events – held in Birmingham, Leeds, Gateshead, Exeter and London – to introduce musicians to work in the education and community fields, and carried out in collaboration with the Musicians' Union.

Digitisation Development of a web site containing learning materials on community music projects, in collaboration with eight other arts organisations and funded through the New Opportunities Fund.

Regional development officer Dedicated help and assistance to musicians working in the east of England. Funded by East England Arts.

We also carried out a number of other, smaller programmes, and others were in the course of development.

SOUND SENSE

TRUSTEES ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2002

Review of developments, activities and achievements (continued)

We carried out a number of ongoing activities. Community musicians want to meet, to discuss areas of common concern and to find out who else is working in their area. We facilitate this by carrying out or contributing to 'area gatherings', limited in number only in our funding. In this year, as well as the series, *Learning about learning* (see above) we carried out an area gathering in London, at which 60 musicians were able to learn about and debate community development issues.

Print and publications work addresses both our advocacy and professional development objectives. By placing articles in other peoples's publications we reached targets as diverse as arts professionals, folk festival organisers, formal education and students. A journal *Sounding Board*, newsletter *Bulletin Board* and monthly electronic information service *SSINFO* are our own main regular publications. Together with our back catalogue of print materials and a catalogue of other people's materials, over 16,000 pieces of print during the year delivered our core messages and provided help and advice.

The director and other senior members of staff held and attended numerous meetings and briefings at which they put the case for developing and supporting community music activities. Among the milestones were several visiting lectures and advice to PhD students; and membership of steering groups assisting work at the Arts Council of England, Department for Education and Skills, National Foundation for Youth Music and Voluntary Arts Network.

We also ran two other specific services. The National Music and Disability Information Service (NMDIS) offers disabled people and their carers and families choices to help them make or continue to make music. A specialist advisor provided detailed, researched answers to hundreds of enquiries from members of the public, and through a column in *Sounding Board* reached several thousand more people. Women in Music (WiM) is a completely separate charity from Sound Sense, but working in a very similar way within its own field of interest. We provide it with administrative services: maintaining its membership, answering enquiries about women's music making; overseeing production and distribution of its newsletter *Women in music now*; and administering a fund for commissioning new music from women. WiM pays us fees commensurate with the work involved – and the synergy between the two organisations is helpful to both partners, as well.

Our users are principally community music practitioners or producers; in some cases – and in many cases, where queries to NMDIS are concerned – they are the 'end users': people with whom music practitioners do or may work; or people who make music on their own behalf.

We involve our users in the work we do in a number of ways, including through *Sounding Board* and *Bulletin Board* (as two-way communication tools), events, mapping exercises, ad-hoc meetings and phone conversations, formal consultation exercises, and through committees, sub-committees and AGMs. We have particularly close relationships with our members, who pay subscriptions to belong to Sound Sense: at the end of the year membership stood at 480. Corporate membership is usually a benefit to many practitioners: our beneficial direct membership reaches 3,800 people.

Not everyone with whom we work is directly a member: our 'constituency' also includes many who cannot afford membership fees; who wouldn't join an organisation; who benefit from our work on an ad-hoc basis; or with whom we need to carry on a dialogue. We are building increasingly active links with this wider constituency which numbered 8,600. Of course, each music practitioner and producer – member or constituency – will during the course of the year work with many hundreds of people in music-making activities; so the ultimate beneficiaries of the development and advocacy work we do reaches hundreds of thousands of people.

SOUND SENSE

TRUSTEES ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2002

Financial review and review of funds

The net incoming resources for the year amounted to £33,185 (for the nine months ended 31st March 01 £25,577 before extraordinary items). After other recognised losses for the year of £102 the net movement of funds amounted to a surplus of £33,083 (£126,269 for the previous period including extraordinary items).

Income is derived largely from grants from the Arts Council of England, Regional Arts Boards, and the National Lottery through the New Opportunities Fund; from services we provide to others, such as Women in Music, in furtherance of our charitable aims; and while fulfilling our charitable activities through membership fees and publication and information sales. The largest item of expenditure is the cost of the professional, managerial and support staffing we need to carry out our activities; also significant is the cost of our publications production and other methods of promoting and advocating the value of community music, and the direct costs of various programmes.

The column of Restricted funds relates to income and expenditure on specific programmes of work, such as those described in the Review of developments, activities and achievements, above. Grant income is often received in advance of expenditure, and the balance in this fund of £43,717 (zero in the previous period) will be spent on fulfilling the relevant programmes over the course of the following year.

There was a deficit over the year in unrestricted funds of £10,532 (a surplus of £28,413 in the previous period). This is a consequence of the fact that grant and other income is not sufficient to fund our essential ongoing work activities, as described in the Trustees' Reserve policy, above. The deficit was planned for by the Trustees in their budgeting for the year: careful control of expenditure and greater success in generating income than budget meant that the deficit is, in fact, rather less than half that originally budgeted for. This deficit is planned to increase in future years, and will be funded out of the unrestricted funds balance carried forward at the end of this year of £115,635.

Reserves policy

The Trustees consider that the current levels of ongoing activity represent the minimum necessary to carry out the charity's aims and objectives properly. Grants and earnings do not provide sufficient income to meet the costs of these ongoing activities, so the Trustees consider it essential to carry forward significant unrestricted balances to ensure continued operations at these levels for about the next three years.

Funds held on behalf of others

No assets or funds are held on behalf of other bodies and there are no related charities.

Investment powers and policy

The trustees' investment powers are to retain surplus funds not immediately required in such investments, securities or property as thought fit subject to any legal restrictions. The trustees have adopted an investment policy appropriate to the needs of the charity so that deposited monies can be withdrawn easily with limited notice and without penalty, whilst earning a reasonable return on any surplus funds. Presently surplus funds are invested on bank deposit account with a small investment in UK listed shares.

Trustees' responsibilities

The Charity's trustees are responsible for the preparation of financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the year and of the surplus or deficiency for the year then ended.

SOUND SENSE

TRUSTEES ANNUAL REPORT *(CONTINUED)*

YEAR ENDED 31 MARCH 2002

Trustees' responsibilities *(continued)*

In preparing those financial statements, the trustees are required to select suitable accounting policies, as described on pages 10 to 11, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Trustees must also 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 which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 1993. 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.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by order of the trustees



Nikki-Kate Heyes
Chair

Approved by the trustees on 10th September 2002

SOUND SENSE

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

YEAR ENDED 31 MARCH 2002

We have audited the financial statements of Sound Sense for the year ended 31st March 2002 as set out on pages 8 to 15 which have been prepared under the historical cost convention, in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), the Statement of Recommended Practice published in October 2000 - 'Accounting and Reporting by Charities' and the accounting policies set out on pages 10 to 11.

Respective responsibilities of the trustees and the auditors

As described in the statement of responsibilities of the trustees on pages 5 to 6, the trustees (who are also directors of Sound Sense for the purposes of company law) are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the trustees' annual report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and transactions with the company is not disclosed.

We read the trustees' annual report and consider the implication for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31 March 2002 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Garland House
Garland Street
Bury St Edmunds
Suffolk
IP31 1EZ


WHITING & PARTNERS
Chartered Accountants
& Registered Auditors

Date: 14th October 2002

SOUND SENSE

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2002

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds Year to 31 Mar 02 £	Total Funds Period from 1 Jul 00 to 31 Mar 01 £
Incoming resources					
Donations		25	1,720	1,745	-
Activities in furtherance of the charity's objects:					
Ongoing Activities					
Grants	2	62,600	-	62,600	45,000
Other income		18,752	-	18,752	10,752
Contracts and Projects					
Grants	2	-	114,276	114,276	69,533
Other income		30,399	3,439	33,838	27,357
Investment income	3	27	-	27	14
Interest receivable		4,559	-	4,559	5,229
Total incoming resources		116,362	119,435	235,797	157,885
Resources expended					
Activities in furtherance of the charity's objects					
Ongoing activities		70,780	-	70,780	32,285
Contract Services and Projects		43,677	75,718	119,395	91,245
		114,457	75,718	190,175	123,530
Management and administration	4	12,437	-	12,437	8,778
Total resources expended	5	126,894	75,718	202,612	132,308
Net outgoing/incoming resources before extraordinary items		(10,532)	43,717	33,185	25,577
Extraordinary items:					
Funds introduced from Sound Sense (unincorporated)		-	-	-	100,416
Net outgoing/incoming resources for the year	7	(10,532)	43,717	33,185	125,993
Other recognised gains and losses					
Unrealised gains on investments		(102)	-	(102)	276
Net movement in funds relating to the year		(10,634)	43,717	33,083	126,269
Balances brought forward		126,269	-	126,269	-
Balances carried forward		115,635	43,717	159,352	126,269

The notes on pages 10 to 15 form part of these financial statements.

SOUND SENSE

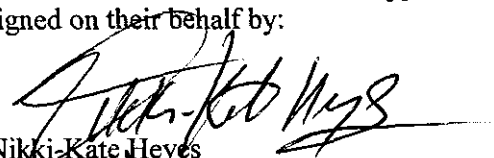
BALANCE SHEET

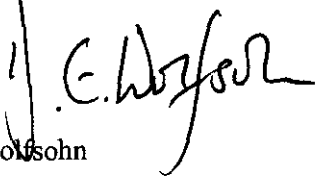
31 MARCH 2002

	Note	2002 £	£	2001 £
Fixed assets				
Tangible assets	8		1,383	473
Investments	3		870	972
			<u>2,253</u>	<u>1,445</u>
Current assets				
Debtors	9	51,499		27,420
Cash at bank		128,144		130,396
		179,643		157,816
Creditors: amounts falling due within one year	10	<u>(22,544)</u>		<u>(32,992)</u>
Net current assets			157,099	124,824
Total assets less current liabilities	11		<u>159,352</u>	<u>126,269</u>
Funds				
Unrestricted			115,635	126,269
Restricted	12		43,717	-
			<u>159,352</u>	<u>126,269</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the board of directors on the 10th September 2002, and are signed on their behalf by:


Nikki-Kate Heyes
Chair


Debbie Wolfohn
Director

The notes on pages 10 to 15 form part of these financial statements.

SOUND SENSE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention (as modified by the revaluation of investment assets), in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) and the Statement of Recommended Practice published in October 2000 - 'Accounting and Reporting by Charities' and in accordance with the charity's constitution.

The company has revised its format of accounts, as provided by Schedule 4 paragraph 3(3) of the Companies Act 1985, to include headings which are relevant to its activities thus enabling it to show a true and fair view.

The financial statements incorporate a Statement of Financial Activities analysed between funds managed by the charity. For the purpose of this report, expenditure classed as Management and Administration is the expenditure attributable to the administration and record keeping of the charity. All other costs are included as expenditure incurred in furtherance of the charity's object

Fund accounting

Unrestricted funds:

The general fund consists of funds, which the charity may use at its discretion for the main objects of the Charity.

Restricted funds:

The restricted fund account consists of funds upon which donors have imposed restriction on the use of funds. The fund comprises grants and other income received for specific projects. Further details are given in note 12.

Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Charity will continue to operate for the foreseeable future. The Management board considers this basis to be appropriate as the Charity receives considerable grant support from various statutory bodies, which have provided support over a number of years. Without this support the Charity may have to cease to operate or significantly curtail its activities.

Investment assets and income

Listed investments are included in the accounts at their market value, as required by the Statement of Recommended Practice. The unrealised gain or loss arising from such valuation is included in the Statement of Financial Activities. Gains and losses arising on disposal of investments are recognised in the accounts when realised.

Dividends are included in the accounts when they are declared. Bank, building society and similar interest is included in the accounts on a receivable basis.

SOUND SENSE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

1. Accounting policies *continued*

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant, Equipment and Fixtures - 3 to 4 years

Income

The principal sources of income received by the charity are accounted for as follows:-

Grants:

Revenue grants receivable are credited to the relevant fund in the period to which they relate.

Donations:

Donations and other voluntary income are credited to the relevant fund when received. The monetary value of donated assets is only reflected in the accounts if material and their value can be reasonably determined.

Membership income:

Membership income is accounted for on an accruals basis. Income apportioned to a later period is included as deferred income.

Other income from charitable activities:

Sounding board advertising, other publications, information sales, events, contracts and other income are included in the accounts when receivable.

2. Grants receivable

	2002	2001
	£	£
Arts Council of England - Core	62,000	45,000
Arts Council of England - Creative people	28,000	-
Arts Council of England - A4E	-	59,000
Arts Council of England - Other	600	2,000
East England Arts - Artists awards for distribution	25,000	-
East England Arts - Artists awards	7,250	-
East England Arts - Other	6,667	8,333
New Opportunities Fund	40,793	-
South West Arts	3,000	-
South Eastern Arts Board	-	200
London Arts Board	3,566	-
	<u>176,876</u>	<u>114,533</u>

SOUND SENSE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

3. Investments

	Value 2002 £	Value 2001 £	Income 2002 £	Income 2001 £
UK quoted investments	<u>870</u>	<u>972</u>	<u>27</u>	<u>14</u>

Movement in market value

	2002 £	2001 £
Market value at 1 April 2001	972	696
Net gains on revaluations in the year ended 31 March 2002	<u>(102)</u>	<u>276</u>
Market value at 31 March 2002	<u>870</u>	<u>972</u>
Historical cost at 31 March 2002	<u>-</u>	<u>-</u>

4. Management and administration

	Unrestricted Funds £	Restricted Funds £	Total Funds Year to 31 Mar 02 £	Total Funds Period from 1 Jul 00 to 31 Mar 01 £
Salaries	4,736	-	4,736	3,334
Office costs	4,024	-	4,024	2,778
Audit fees	3,456	-	3,456	2,562
Costs of trustees' meetings	221	-	221	104
	<u>12,437</u>	<u>-</u>	<u>12,437</u>	<u>8,778</u>

5. Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total Funds Year to 31 Mar 02 £	Total Funds Period from 1 Jul 00 to 31 Mar 01 £
Furtherance of the charity's objects	116,640	810	72,725	190,175	123,530
Management and administration	<u>4,736</u>	<u>-</u>	<u>7,701</u>	<u>12,437</u>	<u>8,778</u>
	<u>121,376</u>	<u>810</u>	<u>80,426</u>	<u>202,612</u>	<u>132,308</u>

SOUND SENSE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

5. Total resources expended *continued*

	Year to 31 Mar 02 £	Period from 1 Jul 00 to 31 Mar 01 £
Other costs:		
Publications, advocacy, projects and events	38,665	32,927
Premises	6,035	4,844
Other	35,726	10,957
	<u>80,426</u>	<u>48,728</u>
Staff costs:		
Salaries and wages	113,568	76,352
Social Security Costs	7,808	4,824
	<u>121,376</u>	<u>81,176</u>

The average number of staff employed by the charity during the financial year amounted to:

	No.	No.
Management and administrative	1	1
Furtherance of the charity's objects	12	11
	<u>13</u>	<u>12</u>

6. Taxation

No corporation tax arises on the activities of the company due to its charitable status. Income tax suffered by deduction from covenanted donations is recoverable.

7. Extraordinary items

On 1st July 2000, the assets, liabilities and underlying funds of the unincorporated charity known as Sound Sense were transferred to the company and are included as extraordinary items in the 2001 comparative figures as follows:-

Unrestricted Income Funds:	
General Fund	97,856
Restricted Funds:-	
A4E Fund	2,133
Other funds	427
	<u>100,416</u>

SOUND SENSE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

8. Tangible fixed assets

	Plant & Machinery £	Fixtures & Fittings £	Total £
Cost			
At 1 April 2001	2,488	389	2,877
Additions	1,720	-	1,720
At 31 March 2002	<u>4,208</u>	<u>389</u>	<u>4,597</u>
Depreciation			
At 1 April 2001	2,015	389	2,404
Charge for the year	810	-	810
At 31 March 2002	<u>2,825</u>	<u>389</u>	<u>3,214</u>
Net book value			
At 31 March 2002	<u>1,383</u>	<u>-</u>	<u>1,383</u>
At 31 March 2001	<u>473</u>	<u>-</u>	<u>473</u>

All fixed assets are used for direct charitable purposes.

9. Debtors

	2002 £	2001 £
Trade debtors	51,346	27,317
Prepayments and accrued income	153	103
	<u>51,499</u>	<u>27,420</u>

10. Creditors: amounts falling due within one year

	2002 £	2001 £
Trade creditors	10,622	18,465
PAYE and social security	2,657	-
Accruals and deferred income	9,265	14,527
	<u>22,544</u>	<u>32,992</u>

11. Analysis of net assets (between restricted and unrestricted funds)

	Tangible fixed assets £	Investments £	Other net assets £	Total £
Restricted funds:				
Artists Awards for distribution	-	-	25,000	25,000
Other restricted funds	1,147	-	17,570	18,717
	<u>1,147</u>	<u>-</u>	<u>42,570</u>	<u>43,717</u>
Unrestricted funds	236	870	114,529	115,635
	<u>1,383</u>	<u>870</u>	<u>157,099</u>	<u>159,352</u>

SOUND SENSE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

12. Restricted funds

	Movement in resources		Balance at 31 Mar 2002
	Incoming	Outgoing & Transfers	
	£	£	£
Artists Awards for distribution	25,000	-	25,000
Other restricted funds	94,435	(75,718)	18,717
	<u>119,435</u>	<u>(75,718)</u>	<u>43,717</u>

Description of restricted funds:

Artists Awards for distribution

The fund relates to a grant of £25,000 received from East England Arts which is to be distributed by the charity on behalf of East England Arts to individual artists under an award scheme. At the year end no grants had been made.

Other restricted funds

The funds relate to grant and other income provided for specific purposes less the amount expended on those projects.

13. Financial commitments

The company occupies premises which are subject to an operating lease expiring in February 2004. Annual commitments under the lease amount to £5,900.

14. Transactions with the trustees

During the year, 8 members of the executive committee received re-imbursed expenses amounting to £1,881 from the charity. These expenses related to committee and travel expenses incurred on behalf of the charity.

No trustee received remuneration during the year.

15. Related party transactions

During the period, the charity contracted with Kathryn Deane, an employee of the charity for the provision of office accommodation and for editorial services relating to the publication of the charity's publication 'Sounding Board'. The contracts were awarded after a commercial tender and payment is made upon satisfactory performance. Costs included in the Statement of Financial Activities relating to these contracts amounted to:-

Rents	823
Publications	9,300

16. Company limited by guarantee

The company has no share capital and is limited by guarantee. Each member is liable for an amount not exceeding £1 upon winding up.

17. Control

The company is under the control of the trustees, who are company directors.