

ACADEMY FM FOLKESTONE
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

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ACADEMY FM FOLKESTONE
(A company limited by guarantee)

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ACADEMY FM FOLKESTONE
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2015**

Trustees

Sir R M De Haan
P Bettley
Ms R De Haan (resigned 1 October 2015)
S Heslop (resigned 11 May 2015)
G Miles
T J Minter OBE DL
R Fraser (resigned 3 April 2014)

Company registered number

06854359

Charity registered number

1137248

Registered office

c/o Folkestone Academy, Academy Lane, Folkestone, Kent, CT19 5FP

Company secretary

Miss F Sharp

Independent examiner

F.P. Cheney FCA, MHA MacIntyre Hudson, 29 Manor Road, Folkestone, Kent, CT20 2SE

Bankers

National Westminster Bank PLC, 37 Old Dover Road, Canterbury, CT1 3JB

Solicitors

Withers LLP, 16 Old Bailey, London, EC4M 7EG

ACADEMY FM FOLKESTONE
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2015

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Academy FM Folkestone (the company) for the year ended 31 March 2015. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

CONSTITUTION

The company is registered as a charitable company limited by guarantee and was set up by a Trust deed, dated 20 March 2009.

The company is a registered charity number 1137248.

The charity's memorandum and articles of association are the primary governing documents. During the present stages of the charity's development the trustees meet as often as is required to take decisions affecting the operation of the charity but at a minimum of twice a year.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

Trustees are appointed by the recommendation of the existing trustees. New trustees, when appointed, will be provided with an information pack including the latest accounts and the Memorandum and Articles of Association and will be afforded the opportunity to undertake site visits to the premises at Folkestone Academy.

The following are the trustees of the charity:

Roger De Haan CBE DL
Peter Bettley
Geoff Miles
Trevor Minter OBE DL

Rebecca de Haan resigned on 1st October 2015 and Sean Heslop resigned on 11th May 2015.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Although no specific trustee training programme exists, most of the trustees continue to have considerable exposure to educational and charitable matters either through their principal occupation or involvement in other charitable institutions.

RISK MANAGEMENT

The trustees have examined the major risks which the charity faces and have put in place systems, policies, procedures and controls in order to manage and mitigate these risks. Appropriate insurances are in place.

The charity is organised with directors and members of the management committee meeting regularly to manage its affairs. There are two members of permanent staff who, together with the volunteers and fixed term project staff, manage the charity. Where appropriate, the trustees will act only after taking appropriate professional advice.

ACADEMY FM FOLKESTONE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2015

Objectives and Activities

POLICIES AND OBJECTIVES

Constitution and principal objectives

The charity operates a community radio station, based at the school premises of Folkestone Academy. The station was launched on 31 March 2011.

The objectives of the charity are to improve student education and broaden the experience of the students who work with the station manager and to continue to develop strong links to the communities which it serves. Students are closely involved in all aspects of the station's activities.

The station broadcasts to the Folkestone urban area, which contains several pockets of severe deprivation. The charity is based in a school in order to give young people the opportunity to engage in radio production and broadcasting, as well as to learn on formal taught Radio Production courses using the medium of radio to help young people's self-confidence, communication skills and team working. Younger pupils do very simple shows under direct guidance from station staff, while some older pupils are trained to produce and present their own shows. Staff train young people in basic journalism and several have gone on to careers in commercial radio or degree studies. Station staff have been acclaimed for the work with pupils of all ages and abilities, ranging from the brightest in the school to those with Special Educational Needs.

The charity aids community cohesion by broadcasting local news and information, regular interviews about local issues and is one of the major online information sources for the community. The station is run by a small team of paid staff, with many radio shows presented by adult volunteers from the community. The station is very popular in the Folkestone area and the audience is growing. Staff have a thorough understanding of social media and over three thousand people have joined the station's Facebook feed. The website is at www.academyfmfolkestone.com.

The charity is funded by grants, donations and revenue from advertising and sponsorship. The charity's OFCOM radio licence no longer forbids the station from carrying on-air advertising, as it did until recently, but these other forms of income are still particularly valuable. Most grants are for individual projects, these always have an educational focus but don't always work with children. The charity is currently running several projects, one helps unemployed teenagers find work, another project trains adults to report on issues in their community and another project engages young people with science and medicine. The charity also runs funded projects that increase the speaking and listening skills of school children.

Other income comes from hosting events and through donations by Friends of Academy FM, made up of individual supporters and local business.

Public benefit

The trustees have considered the impact of the public benefit requirement including the guidance issued by the Charity Commission. The charity aims to actively advance the education of Folkestone Academy students and inhabitants of the Folkestone area.

ACADEMY FM FOLKESTONE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2015

Achievements and performance

Financial review

RESERVES POLICY

The policy of the trustees is to maintain a level of reserves that will be adequate to provide a stable base for the continuing operation of the charity whilst ensuring that excessive funds are not accumulated. In common with many other small charities, Academy FM Folkestone is dependent on continuing donations from its supporters to enable it to continue its operations. The reserves as at 31 March 2015 amounted to £59,332 (2014: £49,275). Of the reserves, (£6,641) are unrestricted general reserves, and the balance of £65,973 are restricted funds.

Operating and financial review

The charity realised a surplus of £10,057 (2014: £2,208) during the year and ended the year with a cash balance of £22,836 (2014: £28,813).

The trustees of the charity would like to place on record appreciation of its supporters who provided the necessary funding to enable the station to operate. The following is a breakdown of the donations received during the year:

- Roger De Haan Charitable Trust £1,800
- Shepway Council £10,000
- Other donations £1,509

The trustees of the charity would also like to place on record their appreciation of its supporters who provided the necessary funding for special projects and to enable the station to operate. The following is a breakdown of grants received during the year:

- The charity benefited from grants from the Colyer-Fergusson Trust of £33,918, Shepway Council of £1,480 and £110 from other providers to fund the Folkestone Status project, which produces a magazine and website co-written by young people in order to improve their writing and communication skills. Of this income, £21,573 was used in the period.
- The charity benefited from further grants this year of £2,162 and £14,925 from the Wellcome Trust. The two grants were given to fund two separate projects: £2,162 was the final payment for the 'Young Science Broadcasters' project which started in 2012. A payment of £14,925 was the first instalment for a new project entitled 'Get On'. From the total income from the Wellcome Trust in this period £2,940 was used..
- The charity benefited from a grant of £13,544 from the Paul Hamlyn Trust, all of which was used in the period.
- The charity benefited from grants from Shepway Council totalling £32,977. £30,000 was allocated to fund a second studio in the Folkestone Academy's sixth form centre (the Glassworks), all of which was used in the period. Of the rest, £1,480 was for Folkestone Status and the balance for core costs.

ACADEMY FM FOLKESTONE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2015

Plans for the future

FUTURE DEVELOPMENTS

During the coming year the charity will seek to develop and further its links to the local community and its student educational activities.

MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the charity in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before he/she ceases to be a member.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Academy FM Folkestone for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).


Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 18 December 2015 and signed on their behalf by:


.....
J J Minter OBE DL
Trustee

ACADEMY FM FOLKESTONE
(A company limited by guarantee)

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ACADEMY FM FOLKESTONE
FOR THE YEAR ENDED 31 MARCH 2015**

I report on the financial statements of the company for the year ended 31 March 2015 which are set out on pages 7 to 16.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed.

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

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

BASIS OF INDEPENDENT EXAMINER'S REPORT

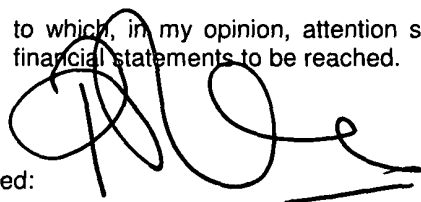
My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as 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 financial statements 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 matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:



Dated: 18 December 2015

FP Cheney FCA

MHA MacIntyre Hudson
29 Manor Road
Folkestone
Kent
CT20 2SE

ACADEMY FM FOLKESTONE
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	13,309	-	13,309	16,642
Investment income	3	86	-	86	55
Incoming resources from charitable activities	4	19,496	97,636	117,132	87,111
TOTAL INCOMING RESOURCES		32,891	97,636	130,527	103,808
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income	5	49,776	67,619	117,395	100,700
Governance costs	6	3,075	-	3,075	900
TOTAL RESOURCES EXPENDED		52,851	67,619	120,470	101,600
MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME/(EXPENDITURE) FOR THE YEAR		(19,960)	30,017	10,057	2,208
Total funds at 1 April 2014		13,319	35,956	49,275	47,067
TOTAL FUNDS AT 31 MARCH 2015		(6,641)	65,973	59,332	49,275

The notes on pages 9 to 16 form part of these financial statements.

ACADEMY FM FOLKESTONE
(A company limited by guarantee)
REGISTERED NUMBER: 06854359

BALANCE SHEET
AS AT 31 MARCH 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	10		40,560		28,100
CURRENT ASSETS					
Debtors	11	21,179		2,241	
Cash at bank		22,836		28,813	
		44,015		31,054	
CREDITORS: amounts falling due within one year	12	(25,243)		(9,879)	
NET CURRENT ASSETS			18,772		21,175
TOTAL ASSETS LESS CURRENT LIABILITIES			59,332		49,275
CHARITY FUNDS					
Restricted funds			65,973		35,956
Unrestricted funds			(6,641)		13,319
TOTAL FUNDS			59,332		49,275

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2015 and of its net incoming resources for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Trustees on 18 December 2015 and signed on their behalf, by:


.....
T J Minter OBE DL

The notes on pages 9 to 16 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

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

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

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Incoming resources

All incoming resources are included in the Statement of financial activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

1.6 Going concern

1.7 Cash flow

1.8 Tangible fixed assets and depreciation

Studio equipment - 33.33% on cost and 20% on cost

1.9 Taxation

2. VOLUNTARY INCOME

	Total funds 2015 £	Total funds 2014 £
Roger De Haan Charitable Trust	1,800	14,271
Shepway Council	10,000	-
Other donations	1,509	2,371
	<hr/>	<hr/>
Voluntary income	13,309	16,642

ACADEMY FM FOLKESTONE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

3. INVESTMENT INCOME

	Total funds 2015 £	Total funds 2014 £
Bank interest	86	55

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Total funds 2015 £	Total funds 2014 £
Grants	100,636	64,962
Income	16,496	22,149
	117,132	87,111

Grants received

	2015 £	2014 £
Shepway Council	32,977	12,000
Colyer Fergusson Trust	33,918	3,326
Wellcome Trust	17,087	11,113
NIACE-CLIF Grant	-	6,370
Brook Trust	-	9,109
Paul Hamlyn Trust	13,544	13,544
The Foyle Foundation	-	6,000
Kent County Council	3,000	3,500
Other	110	-

Total	100,636	64,962
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Income

	2015 £	2014 £
Fees for educational services	15,000	22,149
Other income	1,496	-
Total	16,496	22,149

ACADEMY FM FOLKESTONE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

5. COSTS OF GENERATING VOLUNTARY INCOME

	Total funds 2015 £	Total funds 2014 £
Sundries	18,263	24,020
Wages and salaries	78,257	62,443
Depreciation	20,875	14,237
	117,395	100,700

6. GOVERNANCE COSTS

	Total funds 2015 £	Total funds 2014 £
Independent examiners fees	2,700	900
Companies House penalty	375	-
	3,075	900

7. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	20,875	14,237
Independent examiners fees	2,700	900

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2015 nor for the year ended 31st March 2014.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2015 nor for the year ended 31st March 2014.

ACADEMY FM FOLKESTONE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

9. STAFF COSTS

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	75,210	58,562
Social security costs	3,047	3,881
	<u>78,257</u>	<u>62,443</u>

The average monthly number of employees during the year was as follows:

	2015 No.	2014 No.
Employees	<u>5</u>	<u>5</u>

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

10. TANGIBLE FIXED ASSETS

	Studio equipment £
Cost	
At 1 April 2014	70,495
Additions	33,335
At 31 March 2015	<u>103,830</u>
Depreciation	
At 1 April 2014	42,395
Charge for the year	20,875
At 31 March 2015	<u>63,270</u>
Net book value	
At 31 March 2015	<u>40,560</u>
At 31 March 2014	<u>28,100</u>

ACADEMY FM FOLKESTONE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

11. DEBTORS

	2015 £	2014 £
Trade debtors	952	1,316
Prepayments and accrued income	20,227	925
	<u>21,179</u>	<u>2,241</u>

12. CREDITORS:
Amounts falling due within one year

	2015 £	2014 £
Trade creditors	21,256	4,101
Other taxation and social security	1,887	-
Accruals and deferred income	2,100	5,778
	<u>25,243</u>	<u>9,879</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	40,560	40,560	28,100
Current assets	18,602	25,413	44,015	31,054
Creditors due within one year	(25,243)	-	(25,243)	(9,879)
	<u>(6,641)</u>	<u>65,973</u>	<u>59,332</u>	<u>49,275</u>

ACADEMY FM FOLKESTONE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

14. MOVEMENT IN FUNDS

	At 1/4/14 £	Net movement in funds £	At 31/3/15 £
Unrestricted funds			
General fund	13,319	(19,960)	(6,641)
Restricted funds			
Shepway Council	2,500	(2,003)	497
Wellcome Trust (1) Young Science Broadcasters	778	(778)	-
Brook Trust	4,355	(4,355)	-
Paul Hamlyn Trust	223	(223)	-
Folkestone Status Project	-	13,935	13,935
Wellcome Trust (2) 'Get On'	-	14,316	14,316
Fixed Assets Funds	28,100	9,125	37,225
TOTAL FUNDS	49,275	10,057	59,332

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	32,891	(52,851)	(19,960)
Restricted funds			
Shepway Council	1,497	(3,500)	(2,003)
Wellcome Trust (1) Young Service Broadcasters	2,162	(2,940)	(778)
Brook Trust	-	(4,355)	(4,355)
Paul Hamlyn Trust	13,544	(13,767)	(223)
Folkestone Status Project	35,508	(21,573)	13,935
Wellcome Trust (2) 'Get On'	14,925	(609)	14,316
Fixed Assets Funds	30,000	(20,875)	9,125
TOTAL FUNDS	130,527	(120,470)	10,057

15. RELATED PARTY TRANSACTIONS

Folkestone Academy (of which R De Haan is Chair of Governors) purchases alternative curriculum provision from the Company. The annual charge for these services is £15,000, and this amount is due to the company at the Balance Sheet date.

ACADEMY FM FOLKESTONE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

16. CONTROLLING PARTY

There is no ultimate controlling entity. This charity is controlled by its board of trustees.