

Registered Number: 2807620
Charity Number: 1020066

**RAW MATERIAL MUSIC AND MEDIA EDUCATION
LIMITED**

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

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RAW MATERIAL MUSIC AND MEDIA EDUCATION LIMITED
(A company limited by guarantee)

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

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RAW MATERIAL MUSIC AND MEDIA EDUCATION LIMITED
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REFERENCE AND ADMINISTRATIVE DETAILS

YEAR ENDED 31 MARCH 2016

Registered charity name

Raw Material Music and Media Education Limited

Charity registration number

1020066

Company registration number

2807620

Registered office

3rd Floor Solar House
1 – 9 Romford Road
London
E15 4RG

Independent Examiner

Jeffrey Lishak FCA
Jones & Partners Limited
3rd Floor Solar House
1 – 9 Romford Road
London
E15 4RG

RAW MATERIAL MUSIC AND MEDIA EDUCATION LIMITED

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TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2016

The Trustees, who are also directors, are pleased to present their annual reports together with the financial statements of the charity for the year ended 31st March 2016 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 Companies Act 2006, the Memorandum and Articles of Association, and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005). The Trustees have paid due regard to the Charities Commissions public benefit guidance.

This report is prepared in relation to our position in the charitable sector and the changes in the economy and in particular how this might impact on future funding and sustainability for arts delivery organisations.

Chairperson's Introduction

Our team at Raw Material has continued through 2015/16 to work with young people and those affected by mental ill health with enormous creativity and energy, being mindful of the ever-changing face of finance and funding.

Our staff team, our dedicated and inspiring volunteers, and our Trustees are drawn from the communities in which we work. Diverse cultures and talents ensure that the unique service we provide remains engaging and relevant to our service users.

We work with our service users through words, images, song and music to build confidence, resilience and hope to enable them to construct the lives they want to live.

We have fruitful working relationships and partnerships with a large number of organisations, both locally, the London region, across the UK and internationally, all of which serves to enhance and enrich the service we offer.

Through our national touring work we have broadened our reach to work with organisations in Peterborough, Nottingham, Birmingham, Portsmouth, Folkestone, Southend and Ramsgate and internationally with groups from Italy, Croatia, France, Netherlands, India, Senegal, the Gambia and USA, bringing young people, artists and organisations into closer and more meaningful understanding and interaction.

All charitable organisations spend an extraordinary amount of time working on funding and Raw Material is no different, but we have considerable expertise in this area and a CEO who does not take no for an answer. We strive to future-proof the organisation at all levels.

During the year we have carried out a strategic review, developed our long term strategic plans, re organised our staffing structure, increased our productivity, improved our performance monitoring and enhanced the fabric of our building with a major capital investment from Arts Council England and other donors.

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We believe our staff and built environment, coupled with our ethos and method of service delivery will sustain our organisation through the challenging times ahead.

Sue Balmer
Chairperson

From our Patron

"When I see the people who are detained for treatment on my unit performing at Raw Material's Raw Sounds events, it gives me great pleasure as I see a very different side of their lives: through their performances, their possibilities. It also breaks down barriers back on the ward when we chat about the triumph of Raw Sounds gigs, and their pride I saw them perform.

I talked about Raw Material's Raw Sounds project in an interview on Community Channel TV, which led to the filming of the March gig – see <https://www.youtube.com/watch?v=U5igrr6zKTQ>.

As I was leaving the director said to me, "Were some of the musicians really patients from your ward? I could not see any difference from anybody else here". I replied, "That's rather the point".

I was touched and proud to be asked to be patron for an organisation for which I have the highest regard. It is a delight to find people to work alongside who believe in the possibilities of those with lived experience, the power of creativity and our collective humanity."

Dr David O'Flynn

Senior Psychiatrist South London and Maudesley Hospital and Chair of the Adamson Collection

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Chief Executive's Report

Clearly targeting specific groups in its local community, we have had a significant impact through an active programme, now for over twenty years. We provide a very wide range of music and other arts related services and products, especially considering our limited resources and small number of staff. Although the main focus is the Brixton and Lambeth area, we have also delivered considerable outreach both in the UK and internationally.

"As if possessed with a will of its own Raw Material has refused to be processed, packaged, or standardised. Instead it thrives on spontaneity, variety, collective strengths and individualism - something the staff and our members' exhibit in abundance and which is a vital ingredient of our methods..." **Annual report 2014-15**

We carried out an extensive and thorough review of the organisation with consultant Rose Challies, with whom we also hosted well attended seminars on impact evaluation - and have developed our strategic plans for the next period with clarity and vision, yet at the same time we are aware of the challenges that lie ahead for our sector. Going forward it is important that the organisation builds on our past experiences, capturing our methods for others to use and be inspired, and driving forward with a clear focus on what we do best.

"Experiment is the only means of knowledge at our disposal. Everything else is poetry, imagination" **Max Planck**

Our programmes aim to directly address the needs of our participants and community, whilst our governance and reporting satisfy many of the organisation's obligations and responsibilities. Our organisational management and development, information, knowledge and stakeholder management, resource planning, communications, marketing and risk management underpin both the social needs and the obligations and responsibilities of the organisation. Key to our work is in measuring impact and building a legacy to enable the organisation to show whether the programmes and related actions have effectively addressed the need, and enabled the work to inspire and influence others in the long-term.

"In a political environment which too often overlooks the fundamental importance of the arts, its organisations like yours which really do give me grounds for optimism in demonstrating the transformational power of music and creativity" **David Warburton MP** Arts and Culture Fellowship initiative delivered by ACE in partnership with the Industry and Parliament Trust.

We continue as an ACE National Portfolio Organisation and we have had considerable success in raising additional funds and support from our major funders, providing the stability and investment required to enable us to grow and develop.

Our priority areas of activity:

- Vulnerable children and young people
- Youth unemployment, training and career progression
- Mental health and wellbeing in hospital and the community

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Our main programmes:

Making and Playing Music

This programme promotes an aspirational approach to music, related arts and living day-to-day. The programme gives access to a whole range of music styles and experiences, including not just learning to play instruments, singing and performing but also developing music in a studio environment, managing the music production process and much more. It also gives young people experience at a professional level so they can see what opportunities might be available in an area they love to do, within the context of a healthy understanding of the realities of work and employment.

"Raw Material has been one of the leading factors that make me the artist I am today, creating amazing opportunities is not a new thing for them, so far I've been to New Orleans to perform and hit the stage at Brixton Splash as well as many other stages across London as a part of the Raw Collective/Family." - Terrell Gayle- 'Paradox' trainee leader

Music and Mental Health

This programme brings music and performing arts to the community and in hospitals, enabling vulnerable people to access our services independently and have control over their lives. It is about enabling people with mental health issues to enjoy music and related arts, and significantly, it is about people gaining therapeutic benefits and mechanisms to manage their issues through music, when delivered by the Raw Material experts.

"Thank you for another great opportunity Raw Material gave me. I'm very grateful for it and very much looking forward to the next adventure/tour"

"Every week I look forward to coming back to a Raw Sounds session, it keeps me motivated for the week ahead."

"I get to learn in a fun and safe way, and now I don't feel so alone as I'm able to go to college cause I've learnt how to work with others"

"Raw Sounds is a uniquely creative collective with the client's vision at the forefront of everything." Raw Sounds members

Raw Material Pedagogy and Inspiration Sharing

This programme aims to capture the approach, expertise and methodologies of Raw Material in accessible formats so the organisation can strengthen its education, training and progression of young people through provision of learning opportunities for the long-term, and so others (outside of the organisation in the UK and internationally) can be inspired by and adopt to help more people.

"Raw Material has helped me shape my future in music and given me the chance to help others shape theirs" - Sacha Denton, volunteer

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"Raw Material has helped me as an individual so much. My confidence has improved, I'm gaining more confidence to perform in front of an audience, and have done a few events with Raw Material this year. I have recently started to record some songs too! The staff have helped me develop my sound and how to write and structure songs" **Faith, artist development member**

Developing Arts and Artists

This programme provides access for the Raw Material beneficiaries to an artistic programme of excellence and innovation. It enables people to gain professional skills and experience quality music development and production. Where relevant, opportunities to take professional steps forward are encouraged and supported, in conjunction with partners.

"The help that Raw Material have offered has been amazing. Through attending the 'Big Local Production House' workshop at Raw Material earlier this year (2016), I gained basic production, radio and graphic designing knowledge. The workshop helped me with my confidence which then lead me to use the facilities at Raw Material such as the recording and rehearsal studios to create my very first EP 'T.R.U.T.H' (The Raw Understanding To Honesty) which was distributed on 07/10/16. During this time I was also able to rehearse for performances, Open Mic nights and events such as IITS, Lyrically Gifted, LinkUp TV Talent Takeover and many more throughout summer 2016. I am now currently studying a degree in 'Creative Musicianship' at ICMP-Kilburn. I plan to perform at many more events and venues and I will also be back in the studio to create many more projects." **Shallise Chaney, Artist Development participant**

UK & International Touring and Advocacy

This programme consists of a number of cooperation projects, where artistic and creative skills, expertise, resources and good practice, are shared and showcased. It enables people participating in the other programmes to be involved in music and related arts to experience tours and running of events, it enables partners to see the benefits of the Raw Material approach and methodologies, and it enables the organisation to showcase both its work and its beneficiaries.

"The ways of working employed by you and your team, witnessed during the Invisible project, were fundamentally and holistically based on empowering and enabling young people to learn and improve on the skills needed to write, and to perform with love, pride, and empathy for others. Given the challenging nature of some of the young people the Fringe works with, this was a refreshing change from projects outputs that use less ambitious methodologies in a learning environment." **Diane Dever, Director Folkestone Fringe**

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"For all of us it was absolutely wonderful to have Raw Material in Chamois and happy to see everyone so happy and musically involved. Yes, we are proud of our two days of music and friendship and hope that this will generate new opportunities for many a person. Your Projects really succeed in developing new connections for everyone, in every field... it's marvelous! With all my best wishes for every one of your many generous plans, a bright ciao!!!!!! from Villabasse". **Laura Strocchi, MusicAbilmente festival organizer Italy**

Organisational Culture

We have a strong organisational culture, which needs to continue to be nurtured and led by its new and young management staff. Our pedagogy programme and its development will help to strengthen this going forward as the culture becomes more tangible. This is vital for the organisation to sustain its culture in the long-term, particularly taking into account new staff roles and recruitment required.

People

People with great spirit and empathy are at the heart of the organisation, so strategically it is vital that this resource is highly valued, supported and kept in abundance. For the next five years the organisation needs to reinvigorate this resource through training and development and new recruitment. Currently there are not enough people to operate sustainably for the long term, at least not in a way that ensures the best support for this valuable resource.

There is a lot of knowledge and wisdom held in the organisation but not captured for easy accessibility, not only to share with other people/organisations and inspire similar work in the wider world, but also to ensure the long-term understanding by future governors and managers of how important the 'people' resource is to the organisation. The Pedagogy programme is key to this and it is important that within this programme there are a range of resources produced to help sustain the heart of the organisation in the long-term.

As people are so important to the organisation's success, it is vital that Raw Material's people are regularly recognised and celebrated for the work they have achieved. This already occurs so going forward this needs to be maintained and ensured it is a priority within the organisation.

Space/Building/Environment

Raw Material has a wonderful space for delivering the majority of its work. The building is well located for those in need, provides multiple spaces for a range of programme delivery, and has been well maintained.

During the year we undertook a major £300,000 refurbishment, funded by ACE Strategic capital fund, Biffa award and the Clothworkers Foundation. Following consultation with users, staff and a development plan with Southbank Architects, the whole building was re-designed, re built in sections and re equipped, to provide an enhanced facility, more office space for individual teams and greater flexibility of workspaces and resources, all powered by solar panels on our roof.

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The strategic priority for this building is continuation of its maintenance, ensuring everyone involved in the organisation understands its importance and looks after it accordingly.

In 2018/19 it will be necessary to carry out a review of the building to inform decisions on its use in the long-term (10 years+). It is important that with the change of status of the building at this time that it is not simply a given to continue in the same form, but rather critically reviewed against the aim of the organisation and how well it is enabling needs to be addressed.

The programmes to be delivered over the next five years also require a number of off-site spaces, most of which require partnership support to use. A consolidated overview of all of the spaces required is needed, and then regularly reviewed in terms of their environmental impact and effectiveness of addressing need.

Performance Management

Raw Material has a values based performance management system, i.e. it does not only look at the quantitative results of people's work, it looks at the behaviour and quality of people's delivery, and how they fit and enjoy their work in the organisation. It means more mainstream management systems are not appropriate for capturing the full performance of its staff and volunteers.

Key people resource actions:

- Full review of people needs in the organisation including identifying key responsibility roles, writing job descriptions
- Increased recruitment, particularly of key responsibility roles and a deeper pool of deliverers
- Increased salary support of staff
- Capturing the spirit and methodology of the organisation in a range of formats (e.g. publications, RM stories/storytelling, videos/presentations)
- Continued regular recognition of the work of the people in the organisation and that support the organisation

Strategic Impact Assessment

Our current strategy will need to be assessed by 2019 so that the following five-year strategy is well informed and there is evidence to support decision-making.

The strategic impact assessment will look specifically at how well the organisation is achieving its mission in the strategic period, including how it has addressed the needs of young people in the Brixton and wider Lambeth area, and how it has addressed the needs of people with mental health issues. In particular it will need to ascertain how well it has delivered against the strategic actions it has agreed.

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Organisational Impact

Raw Material has achieved a lot over the past and its impact has been significant. However there is a lack of recognisable and easily shareable resources to show their impact.

An impact framework will ensure that the organisation collates information and knowledge in an appropriate way for an analysis of the difference made by the organisation. This insight can then also be utilised and structured so that stakeholders can see elements of the impact being made at any point in time. Key to this will be a Raw Material 'virtual shop', where not only people can see products and services but also the difference being made by the organisation. The structure will also allow segments of information to be easily shared with stakeholders, e.g. within funding applications or at corporate meetings.

At the end of the strategic period a full impact report will be required in the next strategic period. This will bring together research reports into specific elements of its impact e.g. the way in which it addresses mental health needs and coincide with the publication of the pedagogy resource. It will provide an emphatic statement on what the organisation has achieved and the potential for impact in the long-term.

Key organisational impact actions:

- Full impact report produced in year five (to coincide with the publication of the pedagogy resource)
- Specific reports to highlight particular areas of impact e.g. mental health
- A Raw Material 'virtual shop' to actively showcase and communicate impact at any point in time

We have achieved significant results over the last twenty years and have learnt a lot from our experiences as well. Our diligent delivery and uncharted discovery of music as an effective means of addressing critical needs, means we are well placed to share our experiences, methodology, and our learning as an organisation. We are also in a good place to inspire others to experience music and to adopt similar practices in their communities.

A legacy for a socially driven organisation is not about telling everyone about how great you are or have been. It is about taking responsibility to share effective ways of addressing need so people and the environment live a healthier more enjoyable life. A legacy is successful if it influences people in this way and as a result widens its impact.

Our legacy needs to be built through our commitment to capture what we do and what we learn in an accessible form. This means not only the sharing of our impact in a simple way but also enabling our methodologies to be understood and implemented.

The Pedagogy Programme is key to this in this strategic period. It not only will enable us to capture the its approach and methodologies internally but also allow its wider legacy to be spread effectively.

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The UK and International Touring Programme and the Chief Executive's public engagements will also be important to ensuring our legacy begins to take shape and influence wider audiences. These organised and professional public performances are not only effective means to ensure our legacy it is also an efficient way, as they are already necessary for delivery to address need.

Once a tangible resource has been published through the Pedagogy Programme, supported by research and other evaluation and impact reports, it will be possible to really develop the legacy and build on its influence. The Chief Executive will need to support this by taking a much stronger championing role for the organisation, supported designated Board members and Senior Staff.

Strategic Impact Assessment

This strategy will need to be assessed in year four (2019) so that the following five-year strategy is well informed and there is evidence to support decision-making. The strategic impact assessment will look specific at how well the organisation is achieving its mission in the strategic period, including how it has addressed the needs of young people in the Brixton area, and how it has addressed the needs of people with mental health issues. In particular it will need to ascertain how well it has delivered against the strategic actions it has agreed.

Key legacy actions:

- Delivery of the pedagogy of local, UK and international programmes supported by public engagements carried out by the CEO
- Research reports into the impact Raw Material has made for young people and people with mental health issues

Summary

This strategic period has a strong emphasis on consolidation, focus and people. The organisation has had considerable change over the past few years, yet despite this it has had impressive results; now is the time to build on these results and secure the organisation as a force to be reckoned with in the future. Investment in people and our community is key to this.

People are the heart and soul of the organisation and the catalyst for the social needs being addressed. This cannot be understated or undervalued going forward, and it is important that all stakeholders understand this and can easily see the expertise as well as the care of the organisation's people and those we work with. The core programmes to be delivered will build on previous achievements and learning in delivery. In this strategic period it will be important that these programmes are focused and clearly contributing to the aims of the organisation and are able to respond to and contribute to society in a way that has real impact.

Tim Brown
Founder and CEO

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KEY FACTS 2015-2016

350 people are enrolled on our projects on an annual basis

105 are under 16

154 are over 16

400+ Referrals to our Raw Sounds mental health programme

75 people aged 16-60 attend weekly Raw Sounds and Raw Basics sessions

75% are from the BAME community

60% of members are male, **40%** are female

80% of members live in the borough of Lambeth

Our work

700 + sessions are delivered each year

60 Young people have performed at London regional live events

50 have been involved in and performed at live events in national and international projects

40 Industry professionals have led our sessions in music, DJing, music theory, music production, studio recording, radio podcasting, photography and video, radio and graphic design, marketing and event management, impact evaluation, mentoring, working in SEN and mental health settings, music industry and creative industry careers.

11 national and international cities and festivals were visited by Raw Material to deliver projects, performances, workshops, residencies and seminars.

In the UK we worked with **250** young people from cities other than London

Internationally we worked with **50** artists and presented to audiences of many thousands

90% -or a majority of participants joining our projects and workshops have showed improved skills, competencies and confidence.

80% have improved mental health. Through engagement with our Raw Sounds project there is a marked reduction in mental health relapse

45 achieved an Arts Award or an AQA Award

5 young people who regularly attend have started University this year, **3** of them studying music

30 have progressed to gaining part time employment

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10 have full time employment

10 are developing their own businesses

50 have entered further education courses

5 young people got their music signed to a record label

10 Local and regional network partnerships and **8** national partners

6 global partners -US, France, Italy, Holland, Croatia, Senegal

13 international artists were hosted, 1 from Croatia, 1 from Senegal, 1 from France, 3 from the Gambia and 7 from USA

Our Partners

Local partners

Young Lambeth Cooperative

198 Contemporary Arts and Learning

Lambeth Music Network

Lambeth Music Services

Norwood School

Dunraven School

Park Campus

Platanos College

Livity

London Community Foundation and Big Local

School Grounds Sounds and the Grit School

SLaM NHS Foundation Trust

Lambeth Hospital

LEO (Lambeth Early Onset) mental health services

Music in Prisons, Irene Taylor Trust

Brixton Splash

Brixton Live

Lambeth IMPACT group

Factory project

Brixton Youth Theatre

I –Dream Alliance

Centrepont

Youthsayers

Brixton Youth Theatre

The Comedy School

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Girls without Gangs
CoolTan Arts
The Creative Society
Mosaic Clubhouse
Always Kreative

London regional partners

Southbank Centre,
Tate Modern and Tate Britain, Tate Collective
Roundhouse Call2Create
London School of Business
Think Jam agency
British Council London
Urban Development
London Underground
Small Green Shoots
Music Potential
Emergence and Voice Collective
Hackney Mind
Mind in Camden
Institute of Psychiatry and Kings College
The Princes Trust
Big Creative Education
Industry on the Streets, and Itspiration
Capital Xtra
BBC Xtra
Milestone Agency Passion Project
Oxjam Festival
ENO Baylis (English National Opera)
Amy Winehouse Foundation and Amy's Yard
Sound Connections

UK Touring programme partners

Nottingham -Stone Soup Academy, College Street centre
Peterborough –Chime studios, John Clare Theatre, Beat This, Galleries of Justice
Birmingham- MAC- Midlands Arts Centre, City of Birmingham School

Portsmouth –Brook club, Groundlings Theatre
Folkestone- Quarterhouse Theatre, Folkestone Fringe
Ramsgate –Ramsgate Music Hall
Southend- Cliffdown Theatre and studios
Oxford- Elder Stubbs festival

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International partners

Africulturban Association Pikine, Senegal
AAAEA (Australasian Aboriginal Arts and Educations Assn) -
Macdonnell Youth Development
Read Hot Arts Alice Springs, Australia
CAAMA (Central Australian Aboriginal Arts and Media Assn)
Comite Feria de Limoux, Sieur d'Arques France
Carcassonne Music Festival France
Insieme Solidarieta Valle d' Aosta, Italy
Musicabilmente festival Chamois, Italy
CLG Turin, Italy
Fulmini in Linea Diretta Aosta, Italy
Alfa Albona Youth Association, Croatia
Team Vision Entertainment, New Orleans, USA
Building Beats New York, USA
Imran Khan, Mumbai, India
British Council, National Museum Khartoum, Sudan

Major funders:

Arts Council England
ACE Strategic Touring
ACE Strategic Capital fund
the National Lottery
Comic Relief
London Community Foundation
Lloyds Bank Foundation
People' s Health Trust Fund
Young Lambeth Cooperative
LB Lambeth
Trust for London
Walcot Foundation
BIFFA
Youth Music
Clothworkers Foundation
Goldsmiths Foundation
Garfield Weston Foundation

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Financial Review

Reserves policy

The reserves policy agreed by Trustees in 2015 is to seek to have free reserves equivalent to six months operating costs, such costs not to include specific projects benefiting from restricted grants.

Following a Trustees meeting, we have agreed to adopt a more targeted policy when allocating year end balances between restricted, designated and free funds. We anticipate the year-end figures to 31 March 2016 will show free reserves in the region of £60,000.

As a further contingency measure we aim to set up a free reserve of £110,000 as recommended by the Charity Commission that will provide up to 9 months operating costs from 2016.

Structure, Governance and Management

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

- A Knight (resigned 5 June 2015)
- C Z Morgan (resigned 15 August 2016)
- T Read
- A Terry
- Dr J Gundara
- S Balmer
- R Moonasar
- T Livingstone
- S N Denton (appointed 8 December 2015)
- R J Hopcraft (appointed 8 December 2015)

The Chief Executive Officer is:

Mr T H Brown.

None of the trustees has any beneficial interest in the company. All the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Raw Material has a Board of seven people with skills and experience in education, further and higher education, mental health, disability, youth, arts and media. They meet between four to six times a year. The Board, in addition to fulfilling their statutory obligations, also act as advocates for the Charity and as ad hoc advisers to RM staff as and when required.

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The management structure has been revised and new systems implemented for the management and supervision of the programme delivery team. The Charity CEO and programme lead staff continue to work closely with the Board as well as with consultants and advisors.

Governing Document

The Charity is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 7 April 1993.

Appointment of trustees

Trustees have been recruited through a range of routes. The Charity has used advertisements and relevant professional recommendations. A broad approach is used to recruit new trustees rather than relying on personal recommendations. The trustee role is outlined in a job description. Appointment of new trustees is a decision for the current board. One third (or the number nearest one third) of the trustees must retire at each AGM with those longest in office retiring first and the choice between any of equal service being made by drawing lots.

Risk Management

A risk register is maintained for the Charity. This is updated on an ongoing basis by the CEO and Trustees with input from staff. All changes and additions to the risk register are reviewed by the board at the AGM. This includes reviewing the systems and procedures that have been put in place to manage major risks.

Signed by order of the trustees



S Balmer

Date: 6/12/16

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INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF RAW
MATERIAL MUSIC AND MEDIA EDUCATION LIMITED
YEAR ENDED 31 MARCH 2016

I report on the financial statements of the charity for the year ended 31 March 2016 set out on pages 21 to 29.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND INDEPENDENT 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;
- state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination was carried out in accordance with the General Directions given by the Charities Commissioners. 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 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:
 - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (b) to prepare financial statements which accord with the accounting records 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 Charitieshave not been met: or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Jeffrey Lishak FCA
Jones & Partners Limited
Chartered Accountants
3rd Floor Solar House
1-9 Romford Road
London E15 4RG

Date: 7 December 2016
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RAW MATERIAL MUSIC AND MEDIA EDUCATION LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE
INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 31 MARCH 2016

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	170,150	148,631	318,781	564,295
Investment income	3	93	–	93	190
Incoming resources from charitable activities	4	<u>30,972</u>	<u>–</u>	<u>30,972</u>	<u>15,061</u>
TOTAL INCOMING RESOURCES		<u>201,215</u>	<u>148,631</u>	<u>349,846</u>	<u>579,546</u>
RESOURCES EXPENDED					
Charitable activities	5/6	(227,132)	(148,631)	(375,763)	(598,027)
Governance costs	7	<u>(2,547)</u>	<u>–</u>	<u>(2,547)</u>	<u>(2,481)</u>
TOTAL RESOURCES EXPENDED		<u>(229,679)</u>	<u>(148,631)</u>	<u>(378,310)</u>	<u>(600,508)</u>
NET OUTGOING RESOURCES BEFORE TRANSFERS		(28,464)	–	(28,464)	(20,962)
OTHER RECOGNISED GAINS/LOSSES					
Unrealised gains/(losses) on fixed asset		<u>–</u>	<u>–</u>	<u>–</u>	<u>500,000</u>
NET EXPENDITURE FOR THE YEAR		(28,464)	–	(28,464)	479,038
RECONCILIATION OF FUNDS					
Total funds brought forward		1,333,382	–	1,333,382	854,344
Transfer between funds		<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
TOTAL FUNDS CARRIED FORWARD		<u>1,304,918</u>	<u>–</u>	<u>1,304,918</u>	<u>1,333,382</u>

The notes on pages 23 to 28 form part of these financial statements.

RAW MATERIAL MUSIC AND MEDIA EDUCATION LIMITED
(A company limited by guarantee)

BALANCE SHEET

31 MARCH 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible fixed assets	13	1,200,000	1,200,000
CURRENT ASSETS			
Debtors	11	85	3,542
Cash at bank and in hand		175,157	228,465
		<u>175,242</u>	<u>232,007</u>
CREDITORS: Amounts falling due within one year	12	<u>(70,324)</u>	<u>(98,625)</u>
NET CURRENT ASSETS		104,918	133,382
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,304,918</u>	<u>1,333,382</u>
NET ASSETS		<u>1,304,918</u>	<u>1,333,382</u>
FUNDS			
Restricted funds	14	—	—
Unrestricted funds	15		
General funds		104,918	118,382
Designated funds		—	15,000
Revaluation reserve		<u>1,200,000</u>	<u>1,200,000</u>
		<u>1,304,918</u>	<u>1,333,382</u>
TOTAL FUNDS		<u>1,304,918</u>	<u>1,333,382</u>

The notes on pages 23 to 28 form part of these financial statements.

RAW MATERIAL MUSIC AND MEDIA EDUCATION LIMITED
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)

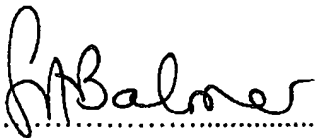
31 MARCH 2016

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

For the financial year ended 31 March 2015, the charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006. No member of the charitable company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the charitable company keeps proper accounting records which comply with section 386 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of section 394 and 395, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the charitable company.

These financial statements were approved by the members of the committee on the 6/12/16 and are signed on their behalf by:



.....
S Balmer

Company registration number: 2807620

The notes on pages 23 to 28 form part of these financial statements.

RAW MATERIAL MUSIC AND MEDIA EDUCATION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and 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 for Smaller Entities published on 16/07/14, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Incoming resources

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Resources expended

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Accumulated funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

RAW MATERIAL MUSIC AND MEDIA EDUCATION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

Funds structure

The Trust has one restricted income fund to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

Legal status

Raw Material Music and Media Education Limited is a company limited by guarantee and has no share capital.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on freehold property.

2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Grants receivable				
Local government grants	166,325	–	166,325	403,885
Grant making trusts	–	148,631	148,631	160,016
Donation	3,825	–	3,825	394
	<u>170,150</u>	<u>148,631</u>	<u>318,781</u>	<u>564,295</u>

3. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Bank interest receivable	<u>93</u>	<u>93</u>	<u>190</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Sales and hire of services	<u>30,972</u>	<u>30,972</u>	<u>15,061</u>

RAW MATERIAL MUSIC AND MEDIA EDUCATION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

5. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
General activities	<u>227,132</u>	<u>148,671</u>	<u>375,763</u>	<u>598,027</u>

6. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	General activities £	Total Funds 2016 £	Total Funds 2015 £
General activities	<u>375,763</u>	<u>375,763</u>	<u>598,027</u>

7. GOVERNANCE COSTS

	Unrestricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Salaries and wages	—	—	—
Employer's NIC	—	—	—
Accountancy fees	2,038	2,038	1,861
Audit fees	—	—	—
Legal fees	—	—	—
Interest payable	—	—	—
Other financial costs	509	509	620
	<u>2,547</u>	<u>2,547</u>	<u>2,481</u>

8. TAXATION

The charitable company is a registered charity and is exempt from taxation under the provisions of the Income and Corporation Taxes Act 1988.

9. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2016 £	2015 £
Wages and salaries	129,137	134,567
Social security costs	9,394	8,934
	<u>138,531</u>	<u>143,501</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2016 No	2015 No
Number of staff	<u>10</u>	<u>12</u>

RAW MATERIAL MUSIC AND MEDIA EDUCATION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

10. ACCOUNTANCY FEES

Accountancy fees of £2,038 (2015 - £1,861) related to the independent examination of the accounts.

11. DEBTORS

	2016	2015
	£	£
Other debtors	<u>85</u>	<u>3,542</u>

12. CREDITORS: Amounts falling due within one year

	2016	2015
	£	£
PAYE and social security	2,434	2,375
Other creditors	1,750	1,750
Deferred income	<u>66,140</u>	<u>94,500</u>
	<u>70,324</u>	<u>98,625</u>

Deferred income relates to grants from Lloyds TSB Foundation (mental health programme), Walcott Foundation (creative skills employment opportunities for young people), London Community Foundation (young people training and skills development), Comic Relief (mental health programme) and People's Health Trust (music and mental health).

13. TANGIBLE FIXED ASSETS

	Freehold property £
COST OR VALUATION	
At 1 April 2015 and 31 March 2016	<u>1,200,000</u>
NET BOOK VALUE	
At 31 March 2015 and 31 March 2016	<u>1,200,000</u>

In 1999 Raw Material Music and Media Education Limited acquired the freehold of 2 Robert Street SW9 0DJ. The acquisition was funded by grants to cover the capital cost of £200,000 and equipment costs of £160,000. These funds are repayable if the building is disposed of within 20 years. There is a legal charge secured on the freehold property up to a maximum of £360,000.

The freehold property was valued by the trustees at its open market value of £1,200,000. No provision has been made for the liability of £360,000 as the trustees do not intend to sell the building during the 20 year period.

RAW MATERIAL MUSIC AND MEDIA EDUCATION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

14. RESTRICTED FUNDS

			General funds
			£
At 1 April 2015			–
Net incoming resources			148,631
Outgoing resources			(148,631)
			<hr/>
At 31 March 2016			–
			<hr/>
	Incoming	Resources	Net incoming
	resources	expended	resources
	£	£	£
198 Gallery	5,290	(5,290)	–
People's Health Trust	13,656	(13,656)	–
London Community Foundation	13,000	(13,000)	–
Arts Council	72,000	(72,000)	–
Lloyds TSB Foundation	12,435	(12,435)	–
Walcott Foundation	10,000	(10,000)	–
National Foundation – Youth Music	3,500	(3,500)	–
Trust for London	18,750	(18,750)	–
	<hr/>	<hr/>	<hr/>
Total funds	148,631	(148,631)	–
	<hr/>	<hr/>	<hr/>

PURPOSES OF RESTRICTED FUNDS

198 Gallery – street school SEN creative project

People's Health Trust – Music and mental health

London Community Foundation – Young people training and skills development

Lloyds TSB Foundation – Mental health programme

Walcott Foundation – Creative skills employment opportunities for young people

Comic Relief – Mental health

National Foundation – Youth Music – Young people instrumental zone

Trust for London – Employment and skills training

RAW MATERIAL MUSIC AND MEDIA EDUCATION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

15. UNRESTRICTED FUNDS

	Revaluation reserve £	Designated funds £	General funds £
At 1 April 2015	1,200,000	15,000	118,382
Net outgoing resources for the year	—	—	(28,464)
At 31 March 2016	<u><u>1,200,000</u></u>	<u><u>15,000</u></u>	<u><u>89,918</u></u>

PURPOSE OF DESIGNATED FUNDS

The Management Committee has designated funds for replacement of capital items in the following year.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Net current assets £	Total £
Restricted Income Funds:		
Restricted funds	—	—
Unrestricted Income Funds	<u>1,304,918</u>	<u>1,304,918</u>
Total Funds	<u><u>1,304,918</u></u>	<u><u>1,304,918</u></u>

17. COMPANY LIMITED BY GUARANTEE

Raw Material Music and Media Education Limited is company limited by Guarantee and not having a share capital.

18. COMMITMENTS

At the year end, the company had annual commitments of £1,981 (2015 - £1,981) under operating leases.

19. TRUSTEES REMUNERATION AND RELATED PARTY TRANSACTIONS

None of the Trustees (or any persons connected with them) received any remuneration during the year (2015 – Nil).

No trustee or other person related to the charity had a personal interest in any contract or transaction entered into by the charity during the year (2015 – Nil).