

RURAL MEDIA CHARITY

England & Wales · Charity number 1041335

Details

Other names	THE RURAL MEDIA COMPANY
Status	Registered
Legal form	Charitable company
Company number	02732325
Registered	1994-10-07
Register	View on the Charity Commission register

Contact

Address	Rural Media Charity Packers House 25 West Street Hereford HR4 0BX
Phone	01432344039
Email	info@ruralmedia.co.uk
Website	www.ruralmedia.co.uk

Activities

Objects: TO PROMOTE, MAINTAIN, IMPROVE AND ADVANCE EDUCATION PARTICULARLY BY THE ENCOURAGEMENT OF THE ARTS AND MEDIA INCLUDING THE ARTS OF FILM, VIDEO, PHOTOGRAPHY, MUSIC, DRAMA AND LITERATURE.

Activities: RURAL MEDIA CHARITY COMBINES COMMUNITY AND INFORMAL EDUCATION WITH ARTS AND MEDIA PRODUCTION EXPERTISE TO EMPOWER RURAL COMMUNITIES, PARTICULARLY THOSE MOST DISADVANTAGED. THE RESULTS ARE HIGH-QUALITY PROJECTS AND EDUCATIONAL RESOURCES THAT GIVE RURAL COMMUNITIES A 'VOICE' AND INFORM POLICY DEVELOPMENT.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Disability, The Prevention Or Relief Of Poverty, Accommodation/housing, Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity, Recreation, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** IN PRACTICE HEREFORDSHIRE, WORCESTERHIRE, SHROPSHIRE STAFFORDSHIRE AND WARWICKSHIRE
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,686,440	£1,543,865	£1,339,602	14
2024-03-31	£2,325,060	£1,478,163	£1,197,027	18
2023-03-31	£1,290,192	£1,198,331	£350,130	16
2022-03-31	£1,033,990	£992,604	£258,269	13
2021-03-31	£1,087,708	£1,041,662	£216,883	15

Trustees

Name	Role	Appointed
David Michael Holdsworth	Chair	2019-09-06
Adriane Usherwood-Bwon		2024-10-17
Georgia Helme		2024-10-17
Hannah Jones		2024-10-17
Joanna Elizabeth Davidson		2019-12-06
Judith Vickress		2024-10-17
MATTHEW CHRISTIAN HAYES		2017-09-15
Martin John Hitchin		2019-09-06
Owen Ross Whelan		2025-07-31
Rachel Carter		2024-10-17
Ussad Ali		2024-10-17

Accounts

Company no. 02732325
Charity no. 1041335

Rural Media Charity
Report and Audited Financial Statements
31 March 2025

Rural Media Charity

Reference and administrative details

For the year ended 31 March 2025

Company number	02732325																						
Charity number	1041335																						
Registered office and operational address	Packers House 25 West Street Hereford HR4 0BX																						
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: <table><tr><td>Ussud Ali</td><td>Appointed 17 October 2024</td></tr><tr><td>Rachel Carter</td><td>Appointed 17 October 2024</td></tr><tr><td>Jane Daggers</td><td>Resigned 30 November 2024</td></tr><tr><td>Joanna Davidson</td><td></td></tr><tr><td>Matthew Hayes</td><td></td></tr><tr><td>Georgia Helme</td><td>Appointed 17 October 2024</td></tr><tr><td>Martin Hitchin</td><td></td></tr><tr><td>David Holdsworth</td><td></td></tr><tr><td>Hannah Jones</td><td>Appointed 17 October 2024</td></tr><tr><td>Adriane Usherwood-Brown</td><td>Appointed 17 October 2024</td></tr><tr><td>Judith Vickress</td><td>Appointed 17 October 2024</td></tr></table>	Ussud Ali	Appointed 17 October 2024	Rachel Carter	Appointed 17 October 2024	Jane Daggers	Resigned 30 November 2024	Joanna Davidson		Matthew Hayes		Georgia Helme	Appointed 17 October 2024	Martin Hitchin		David Holdsworth		Hannah Jones	Appointed 17 October 2024	Adriane Usherwood-Brown	Appointed 17 October 2024	Judith Vickress	Appointed 17 October 2024
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David Holdsworth																							
Hannah Jones	Appointed 17 October 2024																						
Adriane Usherwood-Brown	Appointed 17 October 2024																						
Judith Vickress	Appointed 17 October 2024																						
Chief executive officer	Nic Millington																						
Company secretary	Julie Colman																						
Key management personnel	Nic Millington, CEO Grant Black, Creative Director & Deputy CEO Rich Matthews, Head of Development Julie Colman, Head of Production																						
Bankers	Barclays Bank Plc 1 - 3 Broad Street Hereford HR4 9BA																						
Solicitors	Harrison Clark Rickerbys 5 Deansway Worcester Worcestershire WR1 2JG																						
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD																						

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2025

The trustees present their report and financial statements for the year ended 31 March 2025.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives and activities

Rural Media Charity's mission statement is:

To use media and creativity as a catalyst for social impact and positive change for individuals, communities, organisations, cultures and society.

To deliver our mission we have identified five strategic priorities:

1. Champion underrepresented people & communities

Rural Media Charity works with individuals of all ages and communities experiencing social, geographic, and material deprivation, with multiple and/or complex needs. Underrepresented communities we have provided participatory training, production opportunities, support, work experience, information and advice for include: young boys at risk of exclusion and/or needing early intervention support; refugees (Ukraine), people with physical and learning disabilities; those in or at risk of entering the justice system; LGBTQ+; people experiencing mental health challenges; those in poverty or unemployed; people facing ethnic discrimination; individuals and families experiencing geographical isolation and loneliness; care experienced young people; young people in PRUs; neurodivergent people.

2. Develop media skills & talent

Supporting and investing in new talent and diverse voices are at the heart of everything we do. Recent years have seen our talent development work increasingly take centre stage, whether working with school children through to giving new creative talent progression routes into the creative industries. This mirrors the launch of the Government's Industrial Strategy Creative Industries Sector Deal 2018 with an emphasis on training and employment, the BFI's five-year strategy with its emphasis on 'Future Learning and Skills', and a natural extension of our cultural work for ACE across the West Midlands. We aim to expand our support for talented young people, professional artists, and arts organisations, to push the boundaries between digital arts and creative practice, giving access to inspirational industry professionals, digital facilities, creative spaces, training, and employment opportunities.

[See BFI Film Academy West Midlands](#)

3. Celebrate place & heritage

Rural Media Charity will continue its emphasis on place-based work with key stakeholders including Local Authority MLA services, National Lottery Heritage Fund, Historic England, and National Trust and vitally, with communities to strengthen a sense of belonging and pride, share histories and memories, and celebrate what makes a place special. We will inspire and encourage communities locally, regionally and nationally to develop creative enterprises that breathe new life into the culture, places and spaces where they live. More diverse and younger residents will be included in arts, heritage, and cultural activity. Through the creation and distribution of high-quality digital content, improved use and understanding of data, communities will support their younger residents, create employment and creative workspaces, and attract more visitors, increasing sustainability across sectors.

[See Our Place | Rural Media](#)

[and Apples & Borscht | Rural Media](#)

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2025

4. Raise awareness of rural issues & culture

Having worked closely with rural communities, service providers and policymakers for over 30 years Rural Media Charity is highly regarded and trusted for its knowledge and insight into rural culture. With 17% of England's residents living in the countryside yet so much of rural life misunderstood and/or misrepresented, raising awareness of issues facing rural communities is a key priority for Rural Media Charity. We play an active role in ACE Place-Based Peer Learning (PBPL) research group and ongoing development of ACE 2020-30 Strategy, Let's Create, other national and regional cultural and creative industry policy forums, e.g. Rural Services Network (RSN), WM Cultural Compact network (CLOA) etc. As we become a digital-first society with widening choice of where to live, work or study, the interdependence of rural and urban culture, economy and wellbeing is increasingly recognised. Rural Media Charity contributes creatively and critically to this major service improvement and policy development discourse.

[See P.O.V.](#)

5. Support arts & cultural organisations

Arts & culture act as R&D for the creative industries, encouraging experimentation and in turn driving innovation and commercial activity. Meanwhile, creative industries are increasingly recognised as potential drivers of economic growth in rural areas. Rural Media Charity advocates powerfully for cultural organisations and creative businesses to be recognised strategically as contributors to the economic and social wellbeing of rural counties.

Our in-depth local knowledge and understanding of rural communities feeds into our own creative programming along with our role in local, regional, and national economic and cultural policy development. To sustain and grow this work, we continue to seek new partnerships and attract cross-sector investment for strategic revenue and capital projects; including the purchase and refurbishment of our building in central Hereford, renamed StoryPoint which will be a digital creative hub offering broadcast quality facilities hire, meeting rooms and event space and skills training for all launching in January 2026. Our support for cultural enterprise development, especially within the creative technology sector contributes significantly towards regeneration of rural cities and market towns. See Rural Media Charity's leadership role with Herefordshire Cultural Partnership:

[The Shire | The Shire](#)

Public benefit

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the charity's aims and objectives. Rural Media Charity provides public benefit through its work with communities, schools and colleges, groups, and individuals to create issue-driven films, heritage and digital arts projects that raise awareness, influence change, and celebrate rural life. The charity's work with young people is designed to foster confidence and equip them with the flexible skillset to work in today's creative digital industries. The charity's education programme for young people includes the provision of nationally accredited courses, and its work with marginalised communities is internationally recognised. The charity publishes Travellers' Times, a bi-annual print magazine and daily website travellerstimes.org.uk to support Gypsies and Travellers to tell their stories, educate wider public, challenge stereotypes, and advocate for their communities.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2025

Achievements and performance

Rural Media Charity's considerable outputs and outcomes were achieved throughout 2024-25 in no small way thanks to the financial and advisory support of Arts Council England, The National Lottery Community Fund, Herefordshire Council, British Film Institute and a range of local and national trusts and foundations.

During 2024-25 Rural Media Charity engaged 955 people through our inclusive outreach programme and project portfolio many of whom were from diverse or disadvantaged backgrounds: 15% Global Majority, 12% disabled, 13% neurodivergent, 15% lower socio-economic backgrounds, 52% female, 5% non-binary and 55% coming from rural villages and hamlets. We also worked specifically with people from Gypsy, Roma and Traveller communities, Ukrainian refugees and young people at risk of exclusion/already excluded from main stream education.

We delivered high-quality media training, increasing the skills of young talent in the West Midlands of which 21% were inspired to continue in to the screen industries, 19% in to other creative arts related industries, 31% cited improved digital skills, 21% cited improved professional skills and 21% cited improved confidence and self-esteem. We were grateful for continued core support from The Elmley Foundation which enables us to use film, media and digital art to strengthen communities and give a platform to unheard voices, deliver much needed bespoke and accessible health & wellbeing advice and information directly to communities in crisis and support creative rural talent.

Our multi-faceted projects have given ongoing training and support for organisational development, leadership and media skills to Gypsy, Roma and Traveller communities and will see Travellers Times become a fully independent Gypsy, Roma and Traveller lead charity by 1st July 2025. We nationally, expanded our community outreach across the most underserved areas of Herefordshire, and strengthened creative networks and supported young talent right across the Midlands region. In doing so we created an award-winning portfolio of innovative creative media including films, digital content, animation, audio, educational resources, health and wellbeing resources, photography collections, websites and print media.

We worked directly with more than 700 people from a range of diverse backgrounds, across 24 projects and productions and ran 2,100 events, workshops and training sessions.

Project highlights include:

British Film Institute (BFI)

The eleventh year of our BFI Film academy marked a significant change on previous academies with Rural Media becoming the West Midlands hub encompassing Herefordshire, Shropshire, Birmingham and Sandwell and Stoke. We trained 88 young people aged 16-19 in filmmaking skills. Participants received a bespoke training schedule, notably producing practical workshops for hands-on experience often missing from FE courses. Delivered in person the 2024-25 cohort received practical sessions and masterclass and then devised, scripted and produced 8 short films. Participants also had the opportunity to gain an industry recognised NCFE qualification in Preparing to Work in The Film Industry. See BFI Film Academy West Midlands.

Rural Studios

Rural Media Charity's commercial trading arm Rural Studios <https://www.ruralstudios.co.uk/> delivered BBC Arts commissioned series The Read – Iconic British Novels brought to life on screen with creative performance readings from outstanding talent. They were broadcast on BBC Four and we have been commissioned for a fourth series in 2025-26 and a fifth in 2026-27.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2025

We also delivered 3 X 7 minute VTs for BBC Morning Live. The topics included a blind farmer building and operating an inclusive farm, celebrating adult literacies schemes and the science behind how the colours in your home can improve health and wellbeing. We will produce a further 3 in 2025-26.

From television and radio for national broadcasters to online social impact media films for charities and public sector services Rural Studios sets out to change perspectives through film and audio and inspire future talent through innovative storytelling and powerful visuals. Rural Studios is proactively developing exciting and challenging pitches for TV commissioners, along with working closely with service providers in the health, justice, education, and visitor economy sectors.

ArtFlicks

ArtFlicks is our major Arts Council National Portfolio Organisation activity. It is a youth-led project helping young people make & share creative content celebrating their own arts practise and building new audiences for their work. As well as our own cohort of creatives we also partnered with Pentabus Theatre Company working with their young writers group to create their own creative micro-dramas.

To watch the ArtFlicks content and meet the artists visit www.tiktok.com/@Artflicks

P.O.V

Supported by Esmée Fairbairn Foundation (EFF) through core funding, the P.O.V. programme has engaged 380 participants aged 14-25, held 22 creative sessions and 3 stakeholder events.

Young people have been given new opportunities to be creative, have creative and cultural experiences, gain confidence, skills and feel heard. The POV Producers' group in particular has helped build self-esteem, improved well-being and combated rural isolation as well as providing real life employment opportunities.

POV website has been re-designed: www.pointofviewrural.com.

The Producers, facilitated by Toni Cooke, is a creative group for rural young people aged 14-21yrs:

- Producers met twice per month for creative conversation, a safe space, and to make/share content that responds to themes they've chosen;
- Young Producers shared their content at https://www.instagram.com/_theproducers_/ which links back to POV site;
- Producers accessed creative trips, commissions and workshops; and
- Anyone aged 14-21 living in Herefordshire or South Shropshire were encouraged to take part in development of spin-off thematic projects. Our Board has improved diversity through a youth trustee programme; and seen policy development/participatory democracy activity with rural local authorities.

Travellers' Times - TT Vision

Funded by the National Lottery Community Fund, TT Vision builds on the work of the last 20 years as Travellers' Times continues to improve lives through challenging negative media and amplifying Gypsy, Roma and Traveller voices. 2024-25 represented the successful culmination of a four-year initiative (July 2021 – June 2025) that has transformed Travellers' Times into an independent, community-led charity.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2025

Key Achievements:

- 90% of trainees secured paid employment in their chosen field;
- Successful transition to independent charity status achieved;
- Development of award-winning media content, including films picked up by Netflix; and
- Establishment of sustainable organisational structure with community leadership.

The project has demonstrated that community-led media training can deliver exceptional employment outcomes while amplifying Gypsy, Roma, and Traveller voices and challenging negative stereotypes.

"To see Travellers Times become independent and fully Gypsy, Roma and Traveller led by such amazing people is one of the proudest moments of my life." - Julie Colman, ex-Project Manager and Trustee

At the same time the new team continued to produce inclusive, co-produced content that challenged dangerous negative media stereo-typing, provided accurate and factual information and improved lives through a celebration of culture and heritage.

Financial review

The consolidated financial statements for the year to 31 March 2025 are for Rural Media Charity and its wholly owned trading subsidiary, Rural Studios Ltd. The financial statements have been prepared according to the requirements of the Statement of Recommended Practice – Accounting by Charities (effective from January 2019).

For the year to 31 March 2025 total income was £1,686,440 (2024: £2,325,060) of which unrestricted income was £829,127 (2024: £885,364). The deficit on unrestricted funds was £33,673 (2024: £75,766 deficit). Rural Studios Ltd contributed £16,746 (2024: £33,374) to unrestricted funds. Rural Studios Ltd donates all its profits to Rural Media Charity under a deed of covenant.

On 31 March 2025, £15,412 was transferred from the unrestricted general fund to the designated Packers House fund, representing the mortgage capital repayments funded from unrestricted funds. Additionally £191,610 was transferred from restricted funds to the designated Packers House fund, representing the capitalised cost of improvement works carried out in the year.

The trustees recognise the importance of maintaining a realistic level of reserves to ensure that Rural Media Charity continues to be in a position to discharge its obligations to its beneficiaries, partners, creditors and staff. The reserves policy is reviewed annually by trustees to consider risk and sustainability of the organisation.

On 31 March 2025 the trustees maintained the reserves target such that unrestricted general funds, excluding designated funds, are required to provide at least 4 months' cover of core costs (being establishment and staff expenditure not attributable to project activity). The unrestricted general funds are to be held in the form of cash at bank in a specially designated bank deposit account. At 31 March 2025 the charity's unrestricted general fund target was £120,000 (4 months' core cost cover) and the actual unrestricted general fund was £83,131 (2.9 month's cover).

The trustees have considered the major risks to which the charity is exposed and have implemented review systems to mitigate these risks.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2025

The major risks are currently identified as:

- Reliance on charitable and other income to supplement earned income to meet the cost of the creative programme;
- Changes in the arts funding system; and
- Critical impact of the loss of key senior staff.

To mitigate these risks the charity:

- Ensures that it has a diverse funding profile without an over-reliance on any one source of funding;
- Reviews existing and potential ways of generating earned income and works towards financial sustainability;
- Maintains and enhances relationships with key funders and remains well informed about developments in the arts funding arena;
- Invests time and effort in the exploration of funding opportunities and financial partnerships; and
- Ensures that all staff, including key senior staff, are well supported and that there is a regular appraisal of skills, roles and responsibilities within the senior staff team.

Going concern

The trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- At the year-end the charity holds unrestricted general reserves of £83,131 and cash balances of £269,313;
- The charity's key funders have confirmed that they will continue to support the charity for at least the next 12 months;
- The charity benefits from holding National Portfolio Organisation (NPO) status with Arts Council England (ACE).
- In 2025 ACE confirmed that Rural Media Charity would retain its NPO status with unrestricted NPO annual funding maintained at £251,036 until 31 March 2027.

The trustees, therefore, consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(c) to the financial statements.

Plans for future periods

In November 2022 ACE confirmed that Rural Media Charity would retain its NPO status for a further three years to 31 March 2026 plus an additional year 2026-27. With NPO status comes secured unrestricted funding to develop Rural Media Charity's digital arts portfolio. NPO status is the foundation upon which Rural Media Charity builds a secure and sustainable financial position. As part of its business plan, Rural Media Charity's trading subsidiary, Rural Studios Ltd, will grow its income and surplus. Rural Media's proposal to develop a Digital Culture Hub (DCH) was included in Hereford's Stronger Towns Fund plan. The DCH (now rebranded 'Story-Point') will contribute to "levelling up" by creating a beacon of innovation and enterprise for Herefordshire and the rural West Midlands where creativity meets technology. It will aggregate in a single, fully accessible, contemporary space the creative technologies, tools, and expertise to inspire and raise the skill levels of creative and cultural entrepreneurs, SMEs, students, public, private and VCSE sectors in the county, enabling them to take advantage of the booming, post-Covid-19 digital economy. Rural Media Charity's successful application for £1.2m together with a mortgage provided by The Charity Bank has enabled the Rural Media Charity to purchase its current base at Packers House and refurbish and equip the new centre which will launch in January 2026.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2025

Employees

At Rural Media Charity we rely heavily on the excellence of our staff to help achieve and maintain the highest standards of our creative outputs. We support our staff through regular performance reviews and through training and development programmes that are tailored to the individual.

Structure, governance and management

Rural Media Charity is a charitable company limited by guarantee, incorporated on 17 July 1992 and registered as a charity on 7 October 1994. The organisation is constituted under a Memorandum of Association which sets out the objects and powers of the charitable organisation and is governed under the Articles of Association. Rural Media Charity wholly owns a subsidiary company, Rural Studios Ltd that commenced trading on 13 May 2016.

The directors are also its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The organisation does not have a membership, and the voluntary Board of Trustees is responsible for the overall management of the charity. The trustees have power to set an upper limit to the number of trustees appointed to the Board, currently there is no upper limit. There must be a minimum of three trustees for the Board to be quorate. The trustees meet in full on a quarterly basis.

Each new trustee receives an induction pack prior to nomination setting out their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, and minutes which capture the recent financial performance of the charity. Regular Board development sessions are held and each session following appointment of new trustees incorporates induction and orientation information for the newly appointed trustees. The Board itself is exploring further training and support for Trustees run by organisations such as NCVO.

The day-to-day running of the organisation is carried out by a Senior Management Team (SMT) members of which are appointed by the trustees. The SMT comprises: Chief Executive Officer, Creative Director & Deputy CEO, Head of Production, Development Director, and Finance Manager (in attendance). To facilitate effective operations, the Chief Executive Officer and the SMT have delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and programme related activity. Members of the SMT are not directors of the charitable company in the legal sense under Company Law.

The charity adopts the NJC pay structure and pay scales for all its staff, including key management personnel. NJC scales are local government pay scales that are a result of negotiations between trade unions (Unite, Unison and GMB) and the Local Government Association. NJC pay scales are used extensively in the voluntary sector.

Fundraising

The charity does not seek to raise funds from the public and therefore has nothing to report on its fundraising approach and standards.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2025

Statement of responsibilities of the Trustees

The Trustees (who are also Directors of the charity 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the group and the incoming resources and application of resources, including the net income or expenditure, of the charity and the group for the year. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the group and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the group and parent charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 30 October 2025 and signed on their behalf by



David Holdsworth - Chair

Independent auditors' report

To the members of

Rural Media Charity

Opinion

We have audited the financial statements of Rural Media Charity (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, consolidated and parent charity balance sheets, consolidated statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 8 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report

To the members of

Rural Media Charity

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charity and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report

To the members of

Rural Media Charity

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- (1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.
- (2) We reviewed the charity's policies and procedures in relation to:
 - Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
 - Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.
- (3) We inspected the minutes of trustee meetings.
- (4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.
- (5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.
- (6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.
- (7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:
 - Testing the appropriateness of journal entries;
 - Assessing judgements and accounting estimates for potential bias;
 - Reviewing related party transactions; and
 - Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Independent auditors' report

To the members of

Rural Media Charity

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

William Guy Blake

Date: 30 October 2025

William Guy Blake ACA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Rural Media Charity

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2025

	Note	Restricted £	Unrestricted £	2025 Total £	2024 Total £
Income from:					
Donations	3	383,379	337,550	720,929	1,373,682
Charitable activities	4	473,934	458,181	932,115	940,516
Investments	5	-	33,396	33,396	10,862
Total income		857,313	829,127	1,686,440	2,325,060
Expenditure on:					
Raising funds		-	35,454	35,454	38,884
Charitable activities		681,065	827,346	1,508,411	1,439,279
Total expenditure	7	681,065	862,800	1,543,865	1,478,163
Net income / (expenditure)		176,248	(33,673)	142,575	846,897
Transfers between funds		(191,610)	191,610	-	-
Net movement in funds	8	(15,362)	157,937	142,575	846,897
Reconciliation of funds:					
Total funds brought forward		128,899	1,068,128	1,197,027	350,130
Total funds carried forward		113,537	1,226,065	1,339,602	1,197,027

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 19 to the accounts.

Rural Media Charity

Consolidated balance sheets

As at 31 March 2025

	Note	The group 2025 £	The group 2024 £	The charity 2025 £	The charity 2024 £
Fixed assets					
Tangible assets	11	927,741	686,588	927,741	686,588
Investments	12	444,766	540,073	444,768	540,075
		<u>1,372,507</u>	<u>1,226,661</u>	<u>1,372,509</u>	<u>1,226,663</u>
Current assets					
Debtors	14	136,209	183,203	229,820	197,615
Cash at bank and in hand		<u>269,313</u>	<u>190,427</u>	<u>111,442</u>	<u>95,301</u>
		405,522	373,630	341,262	292,916
Liabilities					
Creditors: amounts falling due within 1 year	15	<u>(220,706)</u>	<u>(162,579)</u>	<u>(162,146)</u>	<u>(92,824)</u>
Net current assets		<u>184,816</u>	<u>211,051</u>	<u>179,116</u>	<u>200,092</u>
Total assets less current liabilities		1,557,323	1,437,712	1,551,625	1,426,755
Creditors: amounts falling due after more than 1 year	16	<u>(217,721)</u>	<u>(240,685)</u>	<u>(212,023)</u>	<u>(229,728)</u>
Net assets	18	<u>1,339,602</u>	<u>1,197,027</u>	<u>1,339,602</u>	<u>1,197,027</u>
Funds	19				
Restricted funds		113,537	128,899	113,537	128,899
Unrestricted funds					
Designated funds		1,142,934	981,667	1,142,934	981,667
General funds		<u>83,131</u>	<u>86,461</u>	<u>83,131</u>	<u>86,461</u>
Total charity funds		<u>1,339,602</u>	<u>1,197,027</u>	<u>1,339,602</u>	<u>1,197,027</u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees on 30 October 2025 and signed on their behalf by



David Holdsworth - Chair

Rural Media Charity

Consolidated statement of cash flows

For the year ended 31 March 2025

	2025 £	2024 £
Cash used in operating activities:		
Net movement in funds	142,575	846,897
Adjustments for:		
Depreciation charges	45,764	30,670
Interest and rents from investments	(33,396)	(10,862)
Interest payable	25,020	9,098
Decrease / (increase) in debtors	46,994	(85,800)
Increase in creditors	55,844	26,815
Net cash provided by operating activities	282,801	816,818
Cash flows from investing activities:		
Interest and rents from investments	33,396	10,862
Purchase of tangible fixed assets	(191,610)	(661,025)
Purchase of investment property	-	(540,073)
Net cash provided used in investing activities	(158,214)	(1,190,236)
Cash flows from financing activities:		
Repayment of borrowings	(45,701)	(19,364)
Cash inflows from new borrowings	-	250,000
Net cash (used in) / provided by financing activities	(45,701)	230,636
Increase / (decrease) in cash and cash equivalents in the year	78,886	(142,782)
Cash and cash equivalents at the beginning of the year	190,427	333,209
Cash and cash equivalents at the end of the year	269,313	190,427

Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	Non-cash movements £	At 31 March 2025 £
Cash	190,427	78,886	-	269,313
Loans falling due within 1 year	(20,525)	45,701	(47,984)	(22,808)
Loans falling due after 1 year	(240,685)	-	22,964	(217,721)
Total	(70,783)	124,587	(25,020)	28,784

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies

a) Basis of preparation and general information

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Rural Media Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Rural Media Charity is a charitable company limited by guarantee, incorporated on 17 July 1992 and registered as a charity on 7 October 1994. The organisation is constituted under a Memorandum of Association which sets out the objects and powers of the charitable organisation and is governed under the Articles of Association. Rural Media Charity wholly owns a subsidiary company, Rural Studios Ltd that commenced trading on 13 May 2016.

The charitable company's registered office is Packers House, 25 West Street, Hereford, HR4 0BX.

b) Group accounts

These financial statements consolidate the results of the charitable company and its wholly-owned (controlled) subsidiary on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

c) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. At the year-end the group holds unrestricted general reserves of £83,133 and cash balances of £269,313. The charity's key funders have confirmed that they will continue to support the charity for at least the next 12 months. The charity benefits from holding National Portfolio Organisation (NPO) status with Arts Council England (ACE). In January 2024 ACE confirmed that Rural Media Charity would retain its NPO status with unrestricted NPO annual funding maintained at £251,036 for a further three years to 31 March 2027. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies (continued)

d) Income (continued)

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

Income received in advance of provision of services under contract is deferred until criteria for income recognition are met.

e) Interest receivable

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

f) Funds accounting

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

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

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

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to expenditure on charitable activities which is deemed to be reflective of the activities of the charity in this period.

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Motor vehicles	25% straight line
Technical equipment	25% straight line
Fixtures and fittings	25% straight line
Land and buildings	3.33% straight line

Items of equipment are capitalised where the purchase price exceeds £1,000.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies (continued)

j) Investment in subsidiary undertakings

The charitable company has one wholly owned subsidiary, Rural Studios Ltd, (registered company number 03751216). The subsidiary is used for non-primary purpose trading activities. The subsidiary undertaking is valued at cost less any cumulative impairment losses in the charitable company's accounts.

k) Investment property

Investment property is property (land or a building, or both) held by the owner to earn rentals or for capital appreciation or both.

Investment property is initially measured at cost, including transaction costs. Investment property is subsequently measured at fair value at the reporting date. This method of valuation applies to all the charitable company's investment properties.

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors

Creditors and provisions are recognised where there is a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

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

p) Pension costs

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies (continued)

q) Redundancy payments

Where an employee receives a termination benefit the full cost is recognised at the date the employee is notified.

r) Accounting estimates and key judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key source of estimation uncertainty that has a significant effect on the amounts recognised in the financial statements are depreciation and valuation of investment property, as described below and in note 1(i and k, respectively) to the financial statements.

Depreciation on land

The trustees do not consider the land element of the building to be readily separable from the tangible fixed asset or investment property, and therefore it is depreciated along with the tangible fixed asset. The trustees are satisfied that the impact of this is immaterial on the net book value of the asset.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2024 Total £
Income from:			
Donations	1,023,628	350,054	1,373,682
Charitable activities	416,068	524,448	940,516
Investments	-	10,862	10,862
Total income	1,439,696	885,364	2,325,060
Expenditure on:			
Raising funds	-	38,884	38,884
Charitable activities	517,033	922,246	1,439,279
Total expenditure	517,033	961,130	1,478,163
Net income / (expenditure)	922,663	(75,766)	846,897
Transfers between funds	(941,491)	941,491	-
Net movement in funds	(18,828)	865,725	846,897

3. Income from donations

	Restricted £	Unrestricted £	2025 Total £
Donations			
Individuals	-	60	60
Grants			
Arts Council England	-	251,036	251,036
Elmley Foundation	30,000	-	30,000
Esmee Fairbairn Foundation	-	82,667	82,667
Herefordshire Council	353,379	-	353,379
Herefordshire Cultural Partnership	-	3,787	3,787
Total income from donations	383,379	337,550	720,929

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

3. Income from donations (continued)

Prior period comparative:

	Restricted £	Unrestricted £	2024 Total £
Grants			
Arts Council England	11,500	251,036	262,536
Elmley Foundation	12,000	-	12,000
Esmee Fairbairn Foundation	-	82,667	82,667
Herefordshire Council	992,628	-	992,628
Lankelly Chase	-	1,875	1,875
Herefordshire Cultural Partnership	-	14,476	14,476
Shropshire Youth Forum	7,500	-	7,500
Total income from donations	1,023,628	350,054	1,373,682

4. Income from charitable activities

	Restricted £	Unrestricted £	2025 Total £
Grants and service level agreements			
National Lottery Community Fund	317,684	-	317,684
The British Film Institute	91,500	-	91,500
Herefordshire Council	64,750	-	64,750
Earned income	-	458,181	458,181
Total income from charitable activities	473,934	458,181	932,115

Prior period comparative:

	Restricted £	Unrestricted £	2024 Total £
Grants and service level agreements			
National Lottery Community Fund	396,068	-	396,068
The British Film Institute	20,000	-	20,000
Earned income	-	524,448	524,448
Total income from charitable activities	416,068	524,448	940,516

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

5. Income from investments

	2025	2024
	Total	Total
	£	£
Rental income	32,797	10,167
Bank interest	599	695
Total income from investments.	<u>33,396</u>	<u>10,862</u>

All income from investments was unrestricted in the current and prior years.

6. Government grants

The charitable company receives government grants, defined as funding from Arts Council England, National Lottery Community Fund, The British Film Institute and Herefordshire Council, to fund core services and charitable activities. The total value of such grants in the period ending 31 March 2025 was £1,087,333 (2024: £784,288). Additionally, the charitable company received funding from Herefordshire Council on behalf of the Stronger Towns Fund to support capital purchases. The total value of such grants in the period to 31 March 2025 was £192,110 (2024: £932,862). There are no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

7. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2025 Total £
Staff costs (note 9)	35,454	613,806	34,963	684,223
Training	-	13,711	-	13,711
Production costs	-	648,527	-	648,527
Travel and subsistence	-	7,967	-	7,967
Equipment hire	-	917	-	917
Rent, rates and premises	-	18,692	-	18,692
Insurance	-	12,981	-	12,981
Heat, light and power	-	11,506	-	11,506
Motor expenses	-	1,919	-	1,919
Printing and stationery	-	3,073	-	3,073
Telephone and computer	-	30,829	-	30,829
Memberships and subscriptions	-	16,028	-	16,028
Marketing	-	3,691	-	3,691
Bank charges and interest	-	25,752	-	25,752
Depreciation	-	45,764	-	45,764
Professional fees	-	13	18,272	18,285
Sub-total	35,454	1,455,176	53,235	1,543,865
Allocation of support and governance costs	-	53,235	(53,235)	-
Total expenditure	35,454	1,508,411	-	1,543,865

Total governance costs were £12,430 (2024: £11,810).

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

7. Total expenditure (continued)

Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2024 Total £
Staff costs (note 9)	38,884	631,898	36,364	707,146
Training	-	4,969	-	4,969
Production costs	-	557,611	-	557,611
Travel and subsistence	-	5,875	-	5,875
Equipment hire	-	824	-	824
Rent, rates and premises	-	47,953	-	47,953
Insurance	-	12,082	-	12,082
Heat, light and power	-	23,302	-	23,302
Motor expenses	-	2,946	-	2,946
Printing and stationery	-	2,641	-	2,641
Telephone and computer	-	25,213	-	25,213
Memberships and subscriptions	-	20,120	-	20,120
Marketing	-	4,269	-	4,269
Bank charges and interest	-	9,503	-	9,503
Depreciation	-	30,670	-	30,670
Professional fees	-	1,500	21,539	23,039
Sub-total	38,884	1,381,376	57,903	1,478,163
Allocation of support and governance costs	-	57,903	(57,903)	-
Total expenditure	38,884	1,439,279	-	1,478,163

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

8. Net movement in funds

This is stated after charging:

	2025 £	2024 £
Depreciation	45,764	30,670
Operating lease payments	Nil	33,234
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	10,350	9,800
▪ Other services	350	350

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements and to prepare and submit returns to the tax authorities.

9. Staff costs and numbers

Staff costs were as follows:

	2025 £	2024 £
Salaries and wages	610,871	639,235
Social security costs	59,128	54,493
Pension costs	14,224	13,418
	<u>684,223</u>	<u>707,146</u>

Two employees earned between £70,000 and £80,000 during the year (2024: two employees earned between £60,000 and £70,000).

During the year to 31 March 2024, statutory redundancy costs for one employee totalled £1,546 (2025: £nil).

The key management personnel of the charitable company comprise the Trustees, the Chief Executive Officer, the Creative Director & Deputy CEO, the Head of Development, Head of Production and the Finance & Operations Director. The total employee benefits of the key management personnel were £288,211 (2024: £294,508).

	2025 No.	2024 No.
Average number of employees (headcount)	16.1	23.1
Average number of employees (full-time equivalent)	<u>14.2</u>	<u>17.5</u>

10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. Any taxable profits arising in the trading subsidiary are distributed to the parent charity via gift aid distribution.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

11. Tangible fixed assets

The charity and group

	Freehold land and buildings £	Motor vehicles £	Technical equipment £	Fixtures and fittings £	Total £
Cost					
At 1 April 2024	651,267	27,270	243,561	5,215	927,313
Additions	191,610	-	-	-	191,610
Transfers from investment property	95,307	-	-	-	95,307
At 31 March 2025	<u>938,184</u>	<u>27,270</u>	<u>243,561</u>	<u>5,215</u>	<u>1,214,230</u>
Depreciation					
At 1 April 2024	7,000	27,270	201,240	5,215	240,725
Charge for year	24,067	-	21,697	-	45,764
At 31 March 2025	<u>31,067</u>	<u>27,270</u>	<u>222,937</u>	<u>5,215</u>	<u>286,489</u>
Net book value					
At 31 March 2025	<u>907,117</u>	<u>-</u>	<u>20,624</u>	<u>-</u>	<u>927,741</u>
At 31 March 2024	<u>644,267</u>	<u>-</u>	<u>42,321</u>	<u>-</u>	<u>686,588</u>

12. Investments

	The group		The charity	
	2025 £	2024 £	2025 £	2024 £
Investment property	444,766	540,073	444,766	540,073
Rural Studios Limited	-	-	2	2
Market value at 31 March 2025	<u>444,766</u>	<u>540,073</u>	<u>444,768</u>	<u>540,075</u>
Investment property				
Market value at the start of the year	540,073	-	540,073	-
Additions	-	540,073	-	540,073
Transfers to tangible fixed assets	<u>(95,307)</u>	-	<u>(95,307)</u>	-
Market value at 31 March 2025	<u>444,766</u>	<u>540,073</u>	<u>444,766</u>	<u>540,073</u>

Investment property - Packers House

During the previous year the charitable company purchased the building which it had been renting in order to secure a home for the ongoing Digital Cultural Hubs project. The building is a mixed use property, with initially 45% of the cost recognised as an investment property and held at fair value. The remaining 55% was transferred to tangible fixed assets and is depreciated over the expected useful life of 30 years. The tangible fixed asset portion represents the floorspace occupied by Rural Media for operational usage.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

12. Investments (continued)

During the year, there was a change in use of one of the units at Packers House, which is no longer used to generate rental income. It has been transferred to tangible fixed assets in the year.

The trustees are satisfied that the price paid when purchasing the building on 15 November 2023 approximates to the fair value as at 31 March 2025.

Rural Studios Ltd

The charitable company owns the whole of the issued share capital (2 ordinary £1 shares) of Rural Studios Ltd (formerly Rural Media Productions Ltd), a company registered in England and Wales. The subsidiary is used for larger productions which still meet the charitable purposes of Rural Media Charity. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2025 £	2024 £
Turnover	404,448	493,116
Cost of sales	(370,442)	(442,381)
Gross profit	34,006	50,735
Administrative expenses	(17,260)	(17,361)
Other operating income	-	-
Profit on ordinary activities	16,746	33,374

The aggregate of the assets, liabilities and funds was:

	2025 £	2024 £
Assets	184,992	202,540
Liabilities	(184,990)	(202,538)
Funds	2	2

13. Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2025 £	2024 £
Gross income	1,348,274	1,919,881
Results for the year	142,575	846,897

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

14. Debtors

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	10,114	111,934	9,850	18,387
Accrued income	116,700	45,451	90,368	45,451
Rural Studios Ltd	-	-	120,732	121,825
Prepayments	9,395	25,818	8,870	11,952
	<u>136,209</u>	<u>183,203</u>	<u>229,820</u>	<u>197,615</u>

15. Creditors : amounts due within 1 year

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	107,713	54,321	86,902	28,387
Other taxation and social security	15,034	15,114	15,034	15,115
VAT	25,449	29,204	3,559	2,141
Accruals	35,902	26,165	31,602	22,415
Deferred income (see note 17)	13,800	15,250	7,500	7,500
Other creditors	-	2,000	-	2,000
Loans	22,808	20,525	17,549	15,266
	<u>220,706</u>	<u>162,579</u>	<u>162,146</u>	<u>92,824</u>

16. Creditors : amounts due after 1 year

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
Loans	<u>217,721</u>	<u>240,685</u>	<u>212,023</u>	<u>229,728</u>
Analysis of debt maturity				
Debt due after more than one year:				
repayable between one and five years	96,237	91,262	90,539	80,305
repayable in five years or more	<u>121,484</u>	<u>149,423</u>	<u>121,484</u>	<u>149,423</u>
	<u>217,721</u>	<u>240,685</u>	<u>212,023</u>	<u>229,728</u>

The group secured a Government backed Business Interruption Payment - Bounce Back Loan via Barclays Bank in a bid to secure future low interest loans should the organisation require additional cashflow. The loan was secured at 2.5% interest.

The group also secured a mortgage to partially fund the purchase of Packers House. The loan was secured at 5.5% above the Bank of England base rate. The full value of the liability is held within the Packers House designated fund.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

17. Deferred income

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
At 1 April 2024	15,250	33,200	7,500	-
Deferred during the year	13,800	15,250	7,500	7,500
Released during the year	(15,250)	(33,200)	(7,500)	-
At 31 March 2025	13,800	15,250	7,500	7,500

Deferred income relates to income received in advance of delivery of services.

18. Analysis of net assets between funds

	Restricted funds	Designated funds	General funds	Total funds
	£	£	£	£
Tangible fixed assets	-	927,741	-	927,741
Investments	-	444,766	-	444,766
Current assets	124,985	-	280,537	405,522
Current liabilities	(11,448)	(17,550)	(191,708)	(220,706)
Non current liabilities	-	(212,023)	(5,698)	(217,721)
Net assets at 31 March 2025	113,537	1,142,934	83,131	1,339,602
Prior year comparative				
	Restricted funds	Designated funds	General funds	Total funds
	£	£	£	£
Tangible fixed assets	-	686,588	-	686,588
Investments	-	540,073	-	540,073
Current assets	128,899	-	244,731	373,630
Current liabilities	-	(15,266)	(147,313)	(162,579)
Non current liabilities	-	(229,728)	(10,957)	(240,685)
Net assets at 31 March 2024	128,899	981,667	86,461	1,197,027

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

19. Movements in funds

	At 1 April 2024 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2025 £
Restricted funds					
Apples and Borscht	-	63,952	(63,952)	-	-
Breaking Out	-	81,367	(81,367)	-	-
British Film Institute - Film Academy	-	91,500	(91,500)	-	-
Digital Culture Hub	-	192,110	(500)	(191,610)	-
Elmley Foundation	-	30,000	(30,000)	-	-
Herefordshire Herd	-	8,985	(8,985)	-	-
Herefordshire in frame	-	6,965	(6,965)	-	-
National Lottery Community Fund -					
TT Vision	121,399	317,684	(342,362)	-	96,721
Our Place	-	64,750	(47,934)	-	16,816
Shropshire Project	7,500	-	(7,500)	-	-
Total restricted funds	128,899	857,313	(681,065)	(191,610)	113,537
Unrestricted funds					
<i>Designated funds</i>					
Packers House	939,346	-	(24,067)	207,031	1,122,310
Fixed asset fund	42,321	-	(21,697)	-	20,624
Total designated funds	981,667	-	(45,764)	207,031	1,142,934
General funds	86,461	829,127	(817,036)	(15,421)	83,131
Total unrestricted funds	1,068,128	829,127	(862,800)	191,610	1,226,065
Total funds	1,197,027	1,686,440	(1,543,865)	-	1,339,602

Purposes of restricted funds

Apples and Borscht

A filmmaking project bringing together young people from Ukrainian and Herefordshire to build relationships, explore heritage and identity, improve wellbeing, and promote inclusivity and understanding.

Breaking Out

Breaking Out was a collaborative and creative project which supported children and young people in primary and secondary educational settings in Herefordshire to discuss and deconstruct gender stereotypes, empowering them to reconstruct and transmit healthy and positive role modelling with their peers through conversation, creative content making and sharing of short films.

British Film Institute - Film Academy

The annual BFI Film Academy provides an opportunity for young people aged 16-19 to access high quality film production training through a series of masterclasses and practical workshops and to gain an NCFE qualification.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

19. Movements in funds (continued)

Purposes of restricted funds (continued)

Digital Culture Hub

In June 2021 Hereford Stronger Towns Partnership secured £22.4 million of Town Deal Funding from the Department for Levelling up, Housing and Communities (DLUHC) to deliver six capital projects which it anticipated will support the economic recovery and growth of Hereford. To support the development of the full business cases of these projects DLUHC has made available 5% of the total funding as Early Funding. Rural Media Charity was allocated up to £55,000 of Early Funding to be used in the development of the full business case for a capital project. During the year to 31 March 2024 RMC received a further £932,862 of capital funding toward the purchase price of Packers House and costs incurred during the purchase. During the current year, RMC received a further £192,110 to contribute towards the costs of capital improvement works to update the building.

Elmley Foundation

Funding in support of a Development Producer post.

Herefordshire Herd

The Hereford Herd Project was a council-funded initiative to strengthen the county's wider cultural and creative industries sector. The activity strengthened the online creative network through a series of four in-person events discussing specific creative topics and allowing for informal networking. The project addressed several key areas including; Providing opportunities for young people who are interested in starting creative careers, providing peer support, professional development, and social connections to early/mid-career practitioners, providing a creative informal space to improve the sharing of knowledge and contacts, and providing a safe creative space to foster a sense of inclusion, boosting unity and belonging.

Herefordshire in frame

A series of creative development workshops for service providers, decision makers and other stakeholders.

TT Vision

A four year training and career development project funded by National Lottery Community Fund to empower the upcoming generation of Gypsy, Roma and Travellers to take on the running and development of Travellers' Times as a sustainable 100% community-led project.

Our Place

Our Place ("the Programme") aims to bring about the step-change needed in Herefordshire's arts provision, embedding place-based cultural programming to improve lives. This transformative programme will engage communities in deprived wards of Leominster, South Wye (Hereford) & Golden Valley to co-create and exhibit live performances, digital, and visual arts. In collaboration with Public Health, social prescribers & communities the goal is to adopt a new model for community arts provision in one of the UK's most rural counties. Programme-wide ethos, branding, evaluation, and peer learning will drive long-term change.

Shropshire Project

A specific piece of work building on our Point of View project championing youth voice working with young people in Shropshire.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

19. Movements in funds (continued)

Purposes of designated funds

Packers House

This fund represents the value of Packers House, comprised of the fair value of the investment property, the net book value of the tangible fixed asset and the outstanding mortgage liability. Expenditure against the fund relates to depreciation.

Fixed assets fund

This fund represents the net book value of other fixed assets.

Purpose of transfers between funds

Transfers between funds represent the purchase of fixed assets and capital mortgage repayments made from unrestricted funds.

Prior year comparative

	At 1 April 2023 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2024 £
Restricted funds					
British Film Institute - Film Academy	-	20,000	(20,000)	-	-
Digital Culture Hub	-	932,862	-	(932,862)	-
Elmley Foundation	-	12,000	(12,000)	-	-
National Lottery Community Fund - TT Vision	121,082	396,068	(395,751)	-	121,399
Rural Voices, Collective Power	8,711	-	(8,711)	-	-
BookFlicks	9,305	11,500	(20,805)	-	-
Clothworkers	8,629	-	-	(8,629)	-
Herefordshire in frame	-	6,924	(6,924)	-	-
Apples and Borscht	-	52,842	(52,842)	-	-
Shropshire Project	-	7,500	-	-	7,500
Total restricted funds	147,727	1,439,696	(517,033)	(941,491)	128,899
Unrestricted funds					
<i>Designated funds</i>					
Packers House	-	-	(7,000)	946,346	939,346
Fixed asset fund	56,233	-	(23,670)	9,758	42,321
Total designated funds	56,233	-	(30,670)	956,104	981,667
General funds	146,170	885,364	(930,460)	(14,613)	86,461
Total unrestricted funds	202,403	885,364	(961,130)	941,491	1,068,128
Total funds	350,130	2,325,060	(1,478,163)	-	1,197,027

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2025

20. Related party transactions

Rural Studios Ltd is a wholly owned subsidiary of Rural Media Charity. During the year the company paid the following amounts to the charity:

	2025 £	2024 £
Contribution to production costs, overheads and wages	49,535	52,897
Gift aid donation to parent	<u>16,746</u>	<u>33,374</u>
	<u>66,281</u>	<u>86,271</u>

At 31 March 2025 the subsidiary company owed the parent charity £120,732 (2024: £121,825).

Matthew Hayes, a trustee of Rural Media Charity, is a partner at Harrison Clark Rickerbys Limited (HCR). During the year to 31 March 2024, HCR invoiced the charity £30,774 for legal fees related to the purchase of Packers House, of which there were no outstanding balances at the year end. There were no equivalent transactions in 2025.

Nic Millington, Chief Executive Officer of Rural Media Charity, is a director of Herefordshire Cultural Partnership (HCP). During the year, Rural Media Charity recognised £3,787 of income from HCP (2024: £14,476). At 31 March 2025, the balance outstanding from HCP was £nil (2024: £14,476).

Rachel Carter, appointed a trustee of Rural Media Charity in the current year, is a trustee of Flatpack Projects. Flatpack and Rural Media collaborate as part of the BFI Film Academy project, and Flatpack invoiced Rural Media for £10,200 during the year (2024: £nil). There were no balances outstanding at 31 March 2025.

There were no other related party transactions during the year.

Accounts

Company no. 02732325
Charity no. 1041335

Rural Media Charity
Report and Audited Financial Statements
31 March 2024

Rural Media Charity

Reference and administrative details

For the year ended 31 March 2024

Company number	02732325
Charity number	1041335
Registered office and operational address	Packers House 25 West Street Hereford HR4 0BX
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: John Bateman Jane Daggers Joanna Davidson Anne Dawson Beverley Gibbs Matthew Hayes Martin Hitchin David Holdsworth resigned 26 October 2023 resigned 1 January 2024 resigned 26 October 2023
Chief executive officer	Nic Millington
Company secretary	Julie Colman
Key management personnel	Nic Millington, CEO Grant Black, Creative Director & Deputy CEO Rich Matthews, Head of Development Julie Colman, Head of Production Richard Deane, Finance Director (resigned August 2023, continued limited financial duties until December 2023)
Bankers	Barclays Bank Plc 1 - 3 Broad Street Hereford HR4 9BA
Solicitors	Harrison Clark Rickerbys 5 Deansway Worcester Worcestershire WR1 2JG
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2024

The trustees present their report and financial statements for the year ended 31 March 2024.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives and activities

Rural Media Charity's mission statement is:

To use media and creativity as a catalyst for social impact and positive change for individuals, communities, organisations, cultures and society.

To deliver our mission we have identified five strategic priorities:

1. Champion underrepresented people & communities

Rural Media Charity works with individuals of all ages and communities experiencing social, geographic, and material deprivation, with multiple and/or complex needs. Underrepresented communities we have provided participatory training, production opportunities, support, work experience, information and advice for include: young people experiencing domestic and relationship abuse; people with physical and learning disabilities; those in or at risk of entering the justice system; LGBTQ+; people experiencing mental health challenges; those in poverty or unemployed; people facing ethnic discrimination; elderly people both living independently and in residential settings; individuals and families experiencing geographical isolation and loneliness. See for example our work with Gypsy, Roma, and Travellers: ruralmedia.co.uk/projects/travellers-times.

2. Develop media skills & talent

New talent and diverse voices are at the heart of everything we do. Recent years have seen our talent development work increasingly take centre stage, whether working with school children through to giving new creative talent progression routes into the creative industries. This mirrors the launch of the Government's Industrial Strategy Creative Industries Sector Deal 2018 with an emphasis on training and employment, the BFI's five-year strategy with its emphasis on 'Future Learning and Skills', and a natural extension of our cultural work for ACE across the West Midlands. We aim to expand our support for talented young people, professional artists, and arts organisations, to push the boundaries between digital arts and creative practice, giving access to inspirational industry professionals, digital facilities, creative spaces, training, and employment opportunities. See ruralmedia.co.uk/bfi.

3. Celebrate place & heritage

Rural Media Charity will continue its emphasis on place-based work with key stakeholders including Local Authority MLA services, National Lottery Heritage Fund, Historic England, and National Trust, and, vitally, with communities to strengthen a sense of belonging and pride, share histories and memories, and celebrate what makes a place special. We will inspire and encourage communities locally, regionally and nationally to develop creative enterprises that breathe new life into the culture, places and spaces where they live. More diverse and younger residents will be included in arts, heritage, and cultural activity. Through the creation and distribution of high-quality digital content, improved use and understanding of data, communities will retain younger generations, create employment and creative workspaces, and attract more visitors, increasing sustainability across sectors. See ruralmedia.co.uk/projects/herefordshires-great-place.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2024

4. Raise awareness of rural issues & culture

Having worked closely with rural communities, service providers and policymakers for over 30 years Rural Media Charity is highly regarded and trusted for its knowledge and insight into rural culture. With 17% of England's residents living in the countryside yet so much of rural life misunderstood and/or misrepresented, raising awareness of issues facing rural communities is a key priority for Rural Media Charity. Rural Media Charity plays an active role in ACE Rural Stakeholders' Group and development of ACE 2020-30 Strategy, Let's Create, and other national policy forums, e.g. Rural Services Network (RSN), BBC Rural Affairs Committee etc. As we become a digital-first society with widening choice of where to live, work or study, the interdependence of rural and urban culture, economy and wellbeing is increasingly recognised. Rural Media Charity contributes creatively and critically to this major policy discourse. See ruralmedia.co.uk/POV.

5. Support arts & cultural organisations

Arts & culture act as R&D for the creative industries, encouraging experimentation and in turn driving innovation and commercial activity. Meanwhile, creative industries are increasingly recognised as potential drivers of economic growth in rural areas. Rural Media Charity advocates powerfully for cultural organisations and creative businesses to be recognised strategically as contributors to the economic and social wellbeing of rural counties.

Our in-depth local knowledge and understanding of rural communities feed into our own creative programming along with our role in local, regional, and national economic and cultural policy development. To sustain and grow this work, we continue to seek new partnerships and attract cross-sector investment for strategic revenue and capital projects. Our support for cultural enterprise development, especially within the creative technology sector contributes significantly towards regeneration of rural cities and market towns. See Rural Media Charity's leadership role with Herefordshire Cultural Partnership:

the-shire.co.uk/stories/new-report-looks-boost-herefordshires-creative-economy.

Public benefit

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the charity's aims and objectives. Rural Media Charity provides public benefit through its work with communities, schools and colleges, groups, and individuals to create issue-driven films, heritage and digital arts projects that raise awareness, influence change, and celebrate rural life. The charity's work with young people is designed to foster confidence and equip them with the flexible skillset to work in today's creative digital industries. The charity's education programme for young people includes the provision of nationally accredited courses, and its work with marginalised communities is internationally recognised. The charity publishes Travellers' Times, a bi-annual print magazine and daily website travellerstimes.org.uk to support Gypsies and Travellers to tell their stories, educate people and advocate for their communities.

Achievements and performance

Rural Media Charity's considerable outputs and outcomes were achieved throughout 2023-24 in no small way thanks to the financial and advisory support of Arts Council England, The National Lottery Community Fund and a range of local and national trusts and foundations.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2024

During 2023-24 Rural Media Charity engaged more than 2,000 people through our inclusive outreach programme and project portfolio many of whom were from diverse or disadvantaged backgrounds: 17% of ethnic minority heritage, 11% disabled, 49% female and 51% male. We also worked specifically with deaf on-screen talent, people from Gypsy, Roma and Traveller communities, and those identifying as neurodivergent. Approximately 50% of those we worked with came from rural and sparsely populated areas.

We produced high-quality media resource training, increasing the skills of young talent in the Midlands. We were grateful for continued core support from The Elmley Foundation which enables us to use film, media and digital art to strengthen communities and give a platform to unheard voices, deliver much needed bespoke and accessible health & wellbeing advice and information directly to communities in crisis and support creative rural talent.

Our multi-faceted projects have given ongoing training and support for organisational development, leadership and media skills to Gypsy, Roma and Traveller communities nationally, expanded our community outreach across the most underserved areas of Herefordshire, and strengthened creative networks and supported young talent right across the Midlands region. In doing so we created an award-winning portfolio of innovative creative media including films, moving image, animation, audio, educational resources, health and wellbeing resources, photography collections, websites and printed media.

We worked directly with more than 600 people from a range of diverse backgrounds, across 30 projects and productions. Through our broadcast and digital channels, we estimate our audience reach to be more than 2 million over the course of the year.

Project highlights were:

British Film Institute (BFI)

In the tenth year of BFI Film academy, Rural Media Charity trained 22 young people in filmmaking. Participants received a bespoke training schedule, notably producing practical workshops for hands-on experience. Delivered in a hybrid format, the 2023-24 cohort devised, scripted and produced two creative short films. Participants also had the opportunity to gain an industry recognised NCFE qualification in Preparing to Work in The Film Industry. See ruralmedia.co.uk/bfi. In 2024/25 Rural Media will become the West Midlands BFI Academy provider overseeing four separate academies across the West Midlands.

Rural Studios

Rural Media Charity's commercial trading arm Rural Studios ruralstudios.co.uk, delivered series one of our BBC Arts commissioned series The Read – Iconic novels brought to life on screen with creative performance readings from outstanding talent. They were broadcast on BBC Four and BBC Two Wales and we have been commissioned for a third series in 2024-25.

From television and radio for national broadcasters to online social impact media films for charities and public sector services Rural Studios sets out to change perspectives through film and audio and inspire future talent through innovative storytelling and powerful visuals. Rural Studios is proactively developing exciting and challenging pitches for TV commissioners, along with working closely with service providers in the health, justice, education, and visitor economy sectors.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2024

ArtFlicks

ArtFlicks is our major Arts Council National Portfolio Organisation activity. It is a youth-led project helping young people make & share creative content celebrating their own arts practise and building new audiences for their work. To watch the ArtFlicks content, search @Artflicks on TikTok or visit tiktok.com/@Artflicks

P.O.V

Supported by Esmée Fairbairn Foundation (EFF) through core funding, the P.O.V. programme has engaged 1,122 individuals (Dec '23-June '24) and 1,036 of them were aged under 25:

- Held 25 in-person sessions and 3 online sessions;
- Worked with 3 schools; and
- Collaborated with Herefordshire College of Arts, Courtyard Arts Centre, Hay Festival, Hay Castle, MASH Cinema, Polar Bear (spoken word artist), Abstract Edge (art collective), Ledbury community groups & Council. Collaboration with West Mercia Police, Leominster community/Leominster Town Council and others are currently in development.

The numbers are impressive, but more importantly young people are being given new opportunities to be creative, have creative and cultural experiences, gain confidence, skills and feel heard. The POV Producers' group in particular has a lovely vibe, and some of those YP have told us the reason they come along to sessions is for the friendship/creative social / wellbeing side of it.

The POV website has been refreshed: pointofviewrural.com.

The Producers, facilitated by Toni Cooke, is a creative group for rural young people aged 14-21:

- Producers met twice per month for creative conversation, a safe space, and to make/share content that responds to themes they've chosen;
- Young Producers shared their content at [instagram.com/ theproducers](https://instagram.com/theproducers) / which links back to POV site;
- Producers accessed creative trips, commissions and workshops;
- Anyone aged 14-21 living in Herefordshire or South Shropshire were encouraged to take part in development of spin-off thematic projects (example themes: care experience; rural racial inequality; hyper-local place-based youth consultations). 2023-24 priorities included continuation strategy with EFF staff; developing skills and diversifying Boards through a youth trustee programme; and piloting policy development/participatory democracy activity with rural local

Travellers' Times - TT Vision

Funded by the National Lottery Community Fund, TT Vision builds on the work of the last 20 years as Travellers' Times continues to improve lives through challenging negative media and amplifying Gypsy, Roma and Traveller voices. In 2023-24 we produced two full-page magazines, and the website hosted over 150 co-produced news and feature articles and videos information on a huge range of subjects about the things that are important to Gypsy, Roma, and Traveller people.

Our main focus has been working with community members to deliver the final year of a paid training programme to transition Travellers' Times into an independent community led entity through work-based training and continuing professional development. The two cohorts of 15 trainees worked with us between September 2023 and March 2024 to continue developing their organisational development, media, leadership skills, as well as focusing on their own individual professional practise. Delivered through a blended learning approach including residentials, location based, online, one to one's and group work. See travellerstimes.org.uk/tt-vision

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2024

Financial review

The consolidated financial statements for the year to 31 March 2024 are for Rural Media Charity and its wholly-owned trading subsidiary, Rural Studios Ltd. The financial statements have been prepared according to the requirements of the Statement of Recommended Practice – Accounting by Charities (effective from January 2019) and have been prepared on the basis of funds accounting, rather than on an income and expenditure basis.

For the year to 31 March 2024 total income was £2,325,060 (2023: £1,290,192) of which unrestricted income was £885,364 (2023: £692,307). The deficit on unrestricted funds was £75,766 (2023: surplus of £7,555). Rural Studios Ltd contributed £33,374 (2023: £25,258) to unrestricted funds. Rural Studios Ltd donates all its profits to Rural Media Charity under a deed of covenant.

At 31 March 2024, £14,613 and £941,491 (2023: £2,470 and £31,371) were transferred, from the unrestricted general fund and restricted funds respectively, to the designated fixed asset funds, representing the value of fixed asset additions and the purchase of Packers House in the year. This resulted in closing balances of £128,899 restricted funds (2023: £147,727), £981,667 designated funds (2023: £56,233) and £86,461 unrestricted general funds (2023: £146,170).

The trustees recognise the importance of maintaining a realistic level of reserves in order to ensure that Rural Media Charity continues to be in a position to discharge its obligations to its beneficiaries, partners, creditors and staff. The reserves policy is reviewed annually by trustees to take into account risk and sustainability of the organisation.

At 31 March 2024 the trustees maintained the reserves target such that unrestricted general funds, excluding designated funds, are required to provide at least 4 months' cover of core costs (being establishment and staff expenditure not attributable to project activity). The unrestricted general funds are to be held in the form of cash at bank in a specially designated bank deposit account. At 31 March 2024 the charity's unrestricted general fund target was £120,000 (4 months' core cost cover) and the actual unrestricted general fund was £86,461 (2.9 month's cover), all of which was held on bank deposit account at the year-end, falling slightly short of the target.

The trustees have considered the major risks to which the charity is exposed and have implemented review systems to mitigate these risks.

The major risks are currently identified as:

- Reliance on charitable and other income to supplement earned income to meet the cost of the creative programme;
- Changes in the arts funding system; and
- Critical impact of the loss of key senior staff.

To mitigate these risks the charity:

- Ensures that it has a diverse funding profile without an over-reliance on any one source of funding;
- Reviews existing and potential ways of generating earned income and works towards financial sustainability;
- Maintains and enhances relationships with key funders and remains well informed about developments in the arts funding arena;
- Invests time and effort in the exploration of funding opportunities and financial partnerships; and
- Ensures that all staff, including key senior staff, are well supported and that there is a regular appraisal of skills, roles and responsibilities within the senior staff team.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2024

Going concern

The trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- At the year-end the charity holds unrestricted general reserves of £86,461 and cash balances of £190,427;
- The charity's key funders have confirmed that they will continue to support the charity for at least the next 12 months;
- The charity benefits from holding National Portfolio Organisation (NPO) status with Arts Council England (ACE); and
- In November 2022 ACE confirmed that Rural Media Charity would retain its NPO status with unrestricted NPO annual funding maintained at £251,036 for a further two years to 31 March 2026, plus an additional year 2026-27.

The trustees, therefore, consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(c) to the financial statements.

Plans for future periods

In November 2022 ACE confirmed that Rural Media Charity would retain its NPO status for a further three years to 31 March 2026, plus an additional year 2026-27. With NPO status comes secured unrestricted funding to develop Rural Media Charity's digital arts portfolio. NPO status is the foundation upon which Rural Media Charity builds a secure and sustainable financial position. As part of its business plan, Rural Media Charity's trading subsidiary, Rural Studios Ltd, will grow its income and surplus. Rural Media's proposal to develop a Digital Culture Hub (DCH) was included in Hereford's Stronger Towns Fund plan. The DCH (now rebranded 'Story-Point') will contribute to "levelling up" by creating a beacon of innovation and enterprise for Herefordshire and the rural West Midlands where creativity meets technology. It will aggregate in a single, fully accessible, contemporary space the creative technologies, tools, and expertise to inspire and raise the skill levels of creative and cultural entrepreneurs, SMEs, students, public, private and VCSE sectors in the county, enabling them to take advantage of the booming, post-Covid-19 digital economy. Rural Media Charity's successful application for £1.2m together with a mortgage provided by The Charity Bank will enable the Rural Media Charity to purchase its current base at Packers House and refurbish and equip the new centre.

Employees

At Rural Media Charity we rely heavily on the excellence of our staff to help achieve and maintain the highest standards of our creative outputs. We support our staff through regular performance reviews and through training and development programmes that are tailored to the individual.

Structure, governance and management

Rural Media Charity is a charitable company limited by guarantee, incorporated on 17 July 1992 and registered as a charity on 7 October 1994. The organisation is constituted under a Memorandum of Association which sets out the objects and powers of the charitable organisation and is governed under the Articles of Association. Rural Media Charity wholly owns a subsidiary company, Rural Studios Ltd that commenced trading on 13 May 2016.

The directors are also its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The organisation does not have a membership and the voluntary Board of Trustees is responsible for the overall management of the charity. The trustees have power to set an upper limit to the number of trustees appointed to the Board, currently there is no upper limit. There must be a minimum of three trustees for the Board to be quorate. The trustees meet in full on a quarterly basis.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2024

The selection and recruitment of new trustees is the responsibility of the full Board, who appoint by invitation of the Board. New trustees are proactively recruited to meet any skills gaps as identified by trustees. All new trustees are invited to attend one full Board meeting, and activities associated to that meeting, before being formally nominated.

Each new trustee receives an induction pack prior to nomination setting out their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, and minutes which capture the recent financial performance of the charity. Regular Board development sessions are held and each session following appointment of new trustees incorporates induction and orientation information for the newly appointed trustees. The Board itself are exploring further training and support for Trustees run by organisations such as NCVO.

The day-to-day running of the organisation is carried out by a Senior Management Team (SMT) members of which are appointed by the trustees. The SMT comprises: Chief Executive Officer, Creative Director & Deputy CEO, Head of Production, Head of Development and Finance & Operations Director. To facilitate effective operations, the Chief Executive Officer and the SMT have delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and programme related activity. Members of the SMT are not directors of the charitable company in the legal sense under Company Law.

The charity adopts the NJC pay structure and pay scales for all its staff, including key management personnel. NJC scales are local government pay scales that are a result of negotiations between trade unions (Unite, Unison and GMB) and the Local Government Association. NJC pay scales are used extensively in the voluntary sector.

Fundraising

The charity does not seek to raise funds from the public and therefore has nothing to report on its fundraising approach and standards.

Statement of responsibilities of the Trustees

The Trustees (who are also Directors of the charity 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the group and the incoming resources and application of resources, including the net income or expenditure, of the charity and the group for the year. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2024

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the group and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the group and parent charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 17 October 2024 and signed on their behalf by

David Holdsworth

David Holdsworth - Chair

Independent auditors' report

To the members of

Rural Media Charity

Opinion

We have audited the financial statements of Rural Media Charity (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, consolidated and parent charity balance sheets, consolidated statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 7 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report

To the members of

Rural Media Charity

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charity and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report

To the members of

Rural Media Charity

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Independent auditors' report

To the members of

Rural Media Charity

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

William Guy Blake

Date: 18 October 2024

William Guy Blake ACA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Rural Media Charity

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

	Note	Restricted £	Unrestricted £	2024 Total £	2023 Total £
Income from:					
Donations	3	1,023,628	350,054	1,373,682	536,752
Charitable activities	4	416,068	524,448	940,516	752,531
Investments		-	10,862	10,862	210
Other income		-	-	-	699
Total income		<u>1,439,696</u>	<u>885,364</u>	<u>2,325,060</u>	<u>1,290,192</u>
Expenditure on:					
Raising funds		-	38,884	38,884	58,184
Charitable activities		<u>517,033</u>	<u>922,246</u>	<u>1,439,279</u>	<u>1,140,147</u>
Total expenditure	6	<u>517,033</u>	<u>961,130</u>	<u>1,478,163</u>	<u>1,198,331</u>
Net income / (expenditure)		922,663	(75,766)	846,897	91,861
Transfers between funds		<u>(941,491)</u>	<u>941,491</u>	-	-
Net movement in funds	7	(18,828)	865,725	846,897	91,861
Reconciliation of funds:					
Total funds brought forward		<u>147,727</u>	<u>202,403</u>	<u>350,130</u>	<u>258,269</u>
Total funds carried forward		<u><u>128,899</u></u>	<u><u>1,068,128</u></u>	<u><u>1,197,027</u></u>	<u><u>350,130</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 18 to the accounts.

Rural Media Charity

Consolidated balance sheets

As at 31 March 2024

	Note	The group 2024 £	The group 2023 £	The charity 2024 £	The charity 2023 £
Fixed assets					
Tangible assets	10	686,588	56,233	686,588	56,233
Investments	11	540,073	-	540,075	2
		<u>1,226,661</u>	<u>56,233</u>	<u>1,226,663</u>	<u>56,235</u>
Current assets					
Debtors	13	183,203	97,403	197,615	64,337
Cash at bank and in hand		190,427	333,209	95,301	277,305
		373,630	430,612	292,916	341,642
Liabilities					
Creditors: amounts falling due within 1 year	14	(162,579)	(120,498)	(92,824)	(47,747)
Net current assets		<u>211,051</u>	<u>310,114</u>	<u>200,092</u>	<u>293,895</u>
Total assets less current liabilities		1,437,712	366,347	1,426,755	350,130
Creditors: amounts falling due after more than 1 year	15	(240,685)	(16,217)	(229,728)	-
Net assets	17	<u>1,197,027</u>	<u>350,130</u>	<u>1,197,027</u>	<u>350,130</u>
Funds					
Restricted funds	18	128,899	147,727	128,899	147,727
Unrestricted funds					
Designated funds		981,667	56,233	981,667	56,233
General funds		86,461	146,170	86,461	146,170
Total charity funds		<u>1,197,027</u>	<u>350,130</u>	<u>1,197,027</u>	<u>350,130</u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees on 17 October 2024 and signed on their behalf by

David Holdsworth

David Holdsworth - Chair

Rural Media Charity

Consolidated statement of cash flows

For the year ended 31 March 2024

	2024 £	2023 £
Cash used in operating activities:		
Net movement in funds	846,897	91,861
Adjustments for:		
Depreciation charges	30,670	23,288
Profit on disposal of tangible fixed assets	-	(699)
Interest and rents from investments	(10,862)	(210)
Interest payable	9,098	-
(Increase) / decrease in debtors	(85,800)	104,050
Increase / (decrease) in creditors	26,815	(98,617)
Net cash provided by operating activities	816,818	119,673
Cash flows from investing activities:		
Interest and rents from investments	10,862	210
Purchase of tangible fixed assets	(661,025)	(35,376)
Purchase of investment property	(540,073)	-
Proceeds from the sale of tangible fixed assets	-	1,818
Net cash provided used in investing activities	(1,190,236)	(33,348)
Cash flows from financing activities:		
Repayment of borrowings	(19,364)	(4,821)
Cash inflows from new borrowings	250,000	-
Net cash provided used in financing activities	230,636	(4,821)
(Decrease) / increase in cash and cash equivalents in the year	(142,782)	81,504
Cash and cash equivalents at the beginning of the year	333,209	251,705
Cash and cash equivalents at the end of the year	190,427	333,209

Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	New loans £	Non-cash movements £	At 31 March 2024 £
Cash	333,209	(142,782)	-	-	190,427
Loans falling due within 1 year	(5,259)	10,266	(5,007)	(20,525)	(20,525)
Loans falling due after 1 year	(16,217)	-	(244,993)	20,525	(240,685)
Total	311,733	(132,516)	(250,000)	-	(70,783)

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

1. Accounting policies

a) Basis of preparation and general information

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Rural Media Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Rural Media Charity is a charitable company limited by guarantee, incorporated on 17 July 1992 and registered as a charity on 7 October 1994. The organisation is constituted under a Memorandum of Association which sets out the objects and powers of the charitable organisation and is governed under the Articles of Association. Rural Media Charity wholly owns a subsidiary company, Rural Studios Ltd that commenced trading on 13 May 2016.

The charitable company's registered office is Packers House, 25 West Street, Hereford, HR4 0BX.

b) Group accounts

These financial statements consolidate the results of the charitable company and its wholly-owned (controlled) subsidiary on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

c) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. At the year-end the group holds unrestricted general reserves of £86,461 and cash balances of £190,427. The charity's key funders have confirmed that they will continue to support the charity for at least the next 12 months. The charity benefits from holding National Portfolio Organisation (NPO) status with Arts Council England (ACE). In January 2024 ACE confirmed that Rural Media Charity would retain its NPO status with unrestricted NPO annual funding maintained at £251,036 for a further three years to 31 March 2027. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

1. Accounting policies (continued)

d) Income (continued)

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

Income received in advance of provision of services under contract is deferred until criteria for income recognition are met.

e) Interest receivable

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

f) Funds accounting

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

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

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

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to expenditure on charitable activities which is deemed to be reflective of the activities of the charity in this period.

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Motor vehicles	25% straight line
Technical equipment	25% straight line
Fixtures and fittings	25% straight line
Land and buildings	3.33% straight line

Items of equipment are capitalised where the purchase price exceeds £1,000.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

1. Accounting policies (continued)

j) Investment in subsidiary undertakings

The charitable company has one wholly owned subsidiary, Rural Studios Ltd, (registered company number 03751216). The subsidiary is used for non-primary purpose trading activities. The subsidiary undertaking is valued at cost less any cumulative impairment losses in the charitable company's accounts.

k) Investment property

Investment property is property (land or a building, or both) held by the owner to earn rentals or for capital appreciation or both.

Investment property is initially measured at cost, including transaction costs. Investment property is subsequently measured at fair value at the reporting date. This method of valuation applies to all the charitable company's investment properties.

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors

Creditors and provisions are recognised where there is a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

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

p) Pension costs

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

1. Accounting policies (continued)

q) Redundancy payments

Where an employee receives a termination benefit the full cost is recognised at the date the employee is notified.

r) Accounting estimates and key judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key source of estimation uncertainty that has a significant effect on the amounts recognised in the financial statements are depreciation and valuation of investment property, as described below and in note 1(i and k, respectively) to the financial statements.

Depreciation on land

The trustees do not consider the land element of the building to be readily separable from the tangible fixed asset or investment property, and therefore it is depreciated along with the tangible fixed asset. The trustees are satisfied that the impact of this is immaterial on the net book value of the asset.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2023 Total £
Income from:			
Donations	180,923	355,829	536,752
Charitable activities	416,962	335,569	752,531
Investments	-	210	210
Other income	-	699	699
Total income	597,885	692,307	1,290,192
Expenditure on:			
Raising funds	-	58,184	58,184
Charitable activities	513,579	626,568	1,140,147
Total expenditure	513,579	684,752	1,198,331
Net income and net movement in funds	84,306	7,555	91,861
Transfers between funds	(31,371)	31,371	-
Net movement in funds	52,935	38,926	91,861

3. Income from donations

	Restricted £	Unrestricted £	2024 Total £
Grants			
Arts Council England	11,500	251,036	262,536
Elmley	12,000	-	12,000
Esmee Fairbairn Foundation	-	82,667	82,667
Herefordshire Council	992,628	-	992,628
Lankelly Chase	-	1,875	1,875
HCP	-	14,476	14,476
Shropshire Youth Forum	7,500	-	7,500
Total income from donations	1,023,628	350,054	1,373,682

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

3. Income from donations (continued)

Prior period comparative:

	Restricted £	Unrestricted £	2023 Total £
Donations			
Individual donations	65	10	75
Grants			
Arts Council England	103,500	251,036	354,536
Elmley	12,000	-	12,000
Esmee Fairbairn Foundation	-	72,908	72,908
Herefordshire Community Foundation	20,500	-	20,500
Herefordshire Council	44,858	-	44,858
Lankelly Chase	-	21,875	21,875
HCP	-	5,000	5,000
Creative UK	-	5,000	5,000
Total income from donations	180,923	355,829	536,752

4. Income from charitable activities

	Restricted £	Unrestricted £	2024 Total £
Grants and service level agreements			
National Lottery Community Fund	396,068	-	396,068
The British Film Institute	20,000	-	20,000
Earned income	-	524,448	524,448
Total income from charitable activities	416,068	524,448	940,516

Prior period comparative:

	Restricted £	Unrestricted £	2023 Total £
Grants and service level agreements			
National Lottery Community Fund	359,962	-	359,962
The British Film Institute	17,000	-	17,000
University of Wolverhampton	-	7,500	7,500
The Clothworkers' Foundation	40,000	-	40,000
Earned income	-	328,069	328,069
Total income from charitable activities	416,962	335,569	752,531

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

5. Government grants

The charitable company receives government grants, defined as funding from Arts Council England, National Lottery Community Fund, The British Film Institute and Herefordshire Council, to fund core services and charitable activities. The total value of such grants in the period ending 31 March 2024 was £784,288 (2023: £776,356). Additionally, the charitable company received funding from Herefordshire Council on behalf of the Stronger Towns Fund to support capital purchases. The total value of such grants in the period to 31 March 2024 was £932,862 (2023: £nil). There are no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

6. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2024 Total £
Staff costs (note 8)	38,884	631,898	36,364	707,146
Training	-	4,969	-	4,969
Production costs	-	557,611	-	557,611
Travel and subsistence	-	5,875	-	5,875
Equipment hire	-	824	-	824
Rent, rates and premises	-	47,953	-	47,953
Insurance	-	12,082	-	12,082
Heat, light and power	-	23,302	-	23,302
Motor expenses	-	2,946	-	2,946
Printing and stationery	-	2,641	-	2,641
Telephone and computer	-	25,213	-	25,213
Memberships and subscriptions	-	20,120	-	20,120
Marketing	-	4,269	-	4,269
Bank charges and interest	-	9,503	-	9,503
Depreciation	-	30,670	-	30,670
Professional fees	-	1,500	21,539	23,039
Sub-total	38,884	1,381,376	57,903	1,478,163
Allocation of support and governance costs	-	57,903	(57,903)	-
Total expenditure	38,884	1,439,279	-	1,478,163

Total governance costs were £11,810 (2023: £9,551).

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

6. Total expenditure (continued)

Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2023 Total £
Staff costs (note 8)	58,184	578,975	15,405	652,564
Training	-	4,809	-	4,809
Production costs	-	364,704	-	364,704
Travel and subsistence	-	5,417	-	5,417
Equipment hire	-	4,252	-	4,252
Rent, rates and premises	-	34,571	-	34,571
Insurance	-	10,094	251	10,345
Heat, light and power	-	9,967	-	9,967
Motor expenses	-	3,810	-	3,810
Printing and stationery	-	4,567	-	4,567
Telephone and computer	-	23,129	-	23,129
Memberships and subscriptions	-	22,274	-	22,274
Marketing	-	6,763	-	6,763
Bank charges and interest	-	891	-	891
Depreciation	-	23,288	-	23,288
Professional fees	-	9,065	17,915	26,980
Sub-total	58,184	1,106,576	33,571	1,198,331
Allocation of support and governance costs	-	33,571	(33,571)	-
Total expenditure	58,184	1,140,147	-	1,198,331

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

7. Net movement in funds

This is stated after charging:

	2024 £	2023 £
Depreciation	30,670	23,288
Operating lease payments	33,234	22,637
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	9,800	8,650
▪ Other services	350	700

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements and to prepare and submit returns to the tax authorities.

8. Staff costs and numbers

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	639,235	586,852
Social security costs	54,493	53,479
Pension costs	13,418	12,233
	<u>707,146</u>	<u>652,564</u>

Two employees earned between £60,000 and £70,000 during the year (2023: two).

During the year statutory redundancy costs for one employee totalled £1,546 (2023: £nil).

The key management personnel of the charitable company comprise the Trustees, the Chief Executive Officer, the Creative Director & Deputy CEO, the Head of Development, Head of Production and the Finance & Operations Director. The total employee benefits of the key management personnel were £294,508 (2023: £321,015).

	2024 No.	2023 No.
Average number of employees (headcount)	23.1	19.6
Average number of employees (full-time equivalent)	<u>17.5</u>	<u>15.5</u>

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. Any taxable profits arising in the trading subsidiary are distributed to the parent charity via gift aid distribution.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

10. Tangible fixed assets

The charity and group

	Freehold land and buildings £	Motor vehicles £	Technical equipment £	Fixtures and fittings £	Total £
Cost					
At 1 April 2023	-	27,270	233,803	5,215	266,288
Additions	651,267	-	9,758	-	661,025
At 31 March 2024	651,267	27,270	243,561	5,215	927,313
Depreciation					
At 1 April 2023	-	27,270	177,570	5,215	210,055
Charge for year	7,000	-	23,670	-	30,670
At 31 March 2024	7,000	27,270	201,240	5,215	240,725
Net book value					
At 31 March 2024	644,267	-	42,321	-	686,588
At 31 March 2023	-	-	56,233	-	56,233

11. Investments

	The group		The charity	
	2024 £	2023 £	2024 £	2023 £
Investment property	540,073	-	540,073	-
Rural Studios Limited	-	-	2	2
Market value at 31 March 2024	540,073	-	540,075	2
Investment property				
Market value at the start of the year	-	-	-	-
Additions	540,073	-	540,073	-
Market value at 31 March 2024	540,073	-	540,073	-

Investment property - Packers House

During the year the charitable company purchased the building which it had been renting in order to secure a home for the ongoing Digital Cultural Hubs project. The building is a mixed use investment property, with 45% of the cost recognised as an investment property and held at fair value. The remaining 55% was transferred to tangible fixed assets and is depreciated over the expected useful life of 30 years. The tangible fixed asset portion represents the floorspace occupied by Rural Media for operational usage.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

11. Investments (continued)

The trustees are satisfied that the price paid when purchasing the building on 15 November 2023 constitutes the fair value as at 31 March 2024.

Rural Studios Ltd

The charitable company owns the whole of the issued share capital (2 ordinary £1 shares) of Rural Studios Ltd (formerly Rural Media Productions Ltd), a company registered in England and Wales. The subsidiary is used for larger productions which still meet the charitable purposes of Rural Media Charity. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2024 £	2023 £
Turnover	493,116	259,528
Cost of sales	<u>(442,381)</u>	<u>(207,503)</u>
Gross profit	50,735	52,025
Administrative expenses	(17,361)	(31,767)
Other operating income	<u>-</u>	<u>5,000</u>
Profit on ordinary activities	<u><u>33,374</u></u>	<u><u>25,258</u></u>

The aggregate of the assets, liabilities and funds was:

	2024 £	2023 £
Assets	202,540	130,067
Liabilities	<u>(202,538)</u>	<u>(130,065)</u>
Funds	<u><u>2</u></u>	<u><u>2</u></u>

12. Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2024 £	2023 £
Gross income	1,919,881	1,066,642
Results for the year	<u><u>846,897</u></u>	<u><u>91,860</u></u>

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

13. Debtors

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	111,934	73,223	18,387	1,500
Accrued income	45,451	13,600	45,451	13,600
Rural Studios Ltd	-	-	121,825	41,097
Prepayments	25,818	10,580	11,952	8,140
	<u>183,203</u>	<u>97,403</u>	<u>197,615</u>	<u>64,337</u>

14. Creditors : amounts due within 1 year

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	54,321	17,766	28,387	10,911
Other taxation and social security	15,114	15,003	15,115	15,003
VAT	29,204	23,820	2,141	-
Accruals	26,165	25,450	22,415	21,833
Deferred income (see note 16)	15,250	33,200	7,500	-
Other creditors	2,000	-	2,000	-
Loans	20,525	5,259	15,266	-
	<u>162,579</u>	<u>120,498</u>	<u>92,824</u>	<u>47,747</u>

15. Creditors : amounts due after 1 year

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Loans	<u>240,685</u>	<u>16,217</u>	<u>229,728</u>	<u>-</u>
Analysis of debt maturity				
Debt due after more than one year:				
repayable between one and five years	91,262	16,217	80,305	-
repayable in five years or more	<u>149,423</u>	<u>-</u>	<u>149,423</u>	<u>-</u>
	<u>240,685</u>	<u>16,217</u>	<u>229,728</u>	<u>-</u>

The group secured a Government backed Business Interruption Payment - Bounce Back Loan via Barclays Bank in a bid to secure future low interest loans should the organisation require additional cashflow. The loan was secured at 2.5% interest.

The group also secured a mortgage to partially fund the purchase of Packers House. The loan was secured at 5.5% above the Bank of England base rate. The full value of the liability is held within the Packers House designated fund.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

16. Deferred income

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
At 1 April 2023	33,200	104,125	-	40,500
Deferred during the year	15,250	33,200	7,500	-
Released during the year	(33,200)	(104,125)	-	(40,500)
At 31 March 2024	<u>15,250</u>	<u>33,200</u>	<u>7,500</u>	<u>-</u>

Deferred income relates to income received in advance of delivery of services.

17. Analysis of net assets between funds

	Restricted funds	Designated funds	General funds	Total funds
	£	£	£	£
Tangible fixed assets	-	686,588	-	686,588
Investments	-	540,073	-	540,073
Current assets	128,899	-	244,731	373,630
Current liabilities	-	(15,266)	(147,313)	(162,579)
Non current liabilities	-	(229,728)	(10,957)	(240,685)
Net assets at 31 March 2024	<u>128,899</u>	<u>981,667</u>	<u>86,461</u>	<u>1,197,027</u>
Prior year comparative				
	Restricted funds	Designated funds	General funds	Total funds
	£	£	£	£
Tangible fixed assets	-	56,233	-	56,233
Current assets	147,727	-	282,885	430,612
Current liabilities	-	-	(120,498)	(120,498)
Non current liabilities	-	-	(16,217)	(16,217)
Net assets at 31 March 2023	<u>147,727</u>	<u>56,233</u>	<u>146,170</u>	<u>350,130</u>

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

18. Movements in funds

	At 1 April 2023 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2024 £
Restricted funds					
British Film Institute - Film Academy	-	20,000	(20,000)	-	-
Digital Culture Hub	-	932,862	-	(932,862)	-
Elmley Foundation	-	12,000	(12,000)	-	-
National Lottery Community Fund - TT Vision	121,082	396,068	(395,751)	-	121,399
Rural Voices, Collective Power	8,711	-	(8,711)	-	-
BookFlicks	9,305	11,500	(20,805)	-	-
Clothworkers	8,629	-	-	(8,629)	-
Herefordshire in frame	-	6,924	(6,924)	-	-
Razom (Ukrainian Project)	-	52,842	(52,842)	-	-
Shropshire Project	-	7,500	-	-	7,500
Total restricted funds	147,727	1,439,696	(517,033)	(941,491)	128,899
Unrestricted funds					
<i>Designated funds</i>					
Packers House	-	-	(7,000)	946,346	939,346
Fixed asset fund	56,233	-	(23,670)	9,758	42,321
Total designated funds	56,233	-	(30,670)	956,104	981,667
General funds	146,170	885,364	(930,460)	(14,613)	86,461
Total unrestricted funds	202,403	885,364	(961,130)	941,491	1,068,128
Total funds	350,130	2,325,060	(1,478,163)	-	1,197,027

Purposes of restricted funds

British Film Institute - Film Academy

The annual BFI Film Academy provides an opportunity for young people aged 16-19 to access high quality film production training through a series of masterclasses and practical workshops and to gain an NCFE qualification.

Digital Culture Hub

In June 2021 Hereford Stronger Towns Partnership secured £22.4 million of Town Deal Funding from the Department for Levelling up, Housing and Communities (DLUHC) to deliver six capital projects which is anticipated will support the economic recovery and growth of Hereford. To support the development of the full business cases of these projects DLUHC has made available 5% of the total funding as Early Funding. Rural Media Charity was allocated up to £55,000 of Early Funding to be used in the development of the full business case for a capital project. During the year to 31 March 2024 RMC received a further £932,862 of capital funding toward the purchase price of Packers House and costs incurred during the purchase.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

18. Movements in funds (continued)

Purposes of restricted funds (continued)

Elmley Foundation

Funding in support of a Development Producer post for three years to 2023-24.

TT Vision

A four year training and career development project funded by National Lottery Community Fund to empower the upcoming generation of Gypsy, Roma and Travellers to take on the running and development of Travellers' Times as a sustainable 100% community-led project.

Rural Voices, Collective Power

Funded by Herefordshire Community Foundation, "Rural Voices, Collective Power" (RVCP) is a youth empowerment and skills project that elevates rural young people's stories and channels them into youth-led campaigns for local change and social impact. Young people will be supported to establish, launch and run place-based youth-led campaigns designed to bring about positive social change for communities across Teme Valley, Kington and Leominster.

BookFlicks

Funded by Arts Council England (ACE), BookFlicks offers young artists long-form broadcast work to sustainably drive career progression.

Clothworkers

The Clothworkers' Foundation provided funding to purchase IT equipment to support disadvantaged young people nationally.

Herefordshire in frame

A series of creative development workshops for service providers, decision makers and other stakeholders.

Razom (Ukrainian Project)

A filmmaking project bringing together young people from Ukrainian and Herefordshire to build relationships, explore heritage and identity, improve wellbeing, and promote inclusivity and understanding.

Shropshire Project

A specific piece of work building on our Point of View project championing youth voice working with young people in Shropshire.

Purposes of designated funds

Packers House

This fund represents the value of Packers House, comprised of the fair value of the investment property, the net book value of the tangible fixed asset and the outstanding mortgage liability. Expenditure against the fund relates to depreciation.

Fixed assets fund

This fund represents the net book value of other fixed assets.

Purpose of transfers between funds

Transfers between funds represent the purchase of fixed assets and capital mortgage repayments made from unrestricted funds.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

18. Movements in funds (continued)

Prior year comparative

	At 1 April 2022 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2023 £
Restricted funds					
British Film Institute - Film Academy	-	17,000	(17,000)	-	-
Cultural Recovery Fund - CRF1	2,592	-	(2,592)	-	-
Digital Culture Hub	-	44,858	(44,858)	-	-
Elmley Foundation	-	12,000	(12,000)	-	-
National Lottery Community Fund - TT Vision	85,590	360,027	(324,535)	-	121,082
POV - Teme Valley	6,610	-	(6,610)	-	-
Rural Voices, Collective Power	-	20,500	(11,789)	-	8,711
BookFlicks	-	103,500	(94,195)	-	9,305
Clothworkers	-	40,000	-	(31,371)	8,629
Total restricted funds	<u>94,792</u>	<u>597,885</u>	<u>(513,579)</u>	<u>(31,371)</u>	<u>147,727</u>
Unrestricted funds					
<i>Designated funds</i>					
Fixed asset fund	<u>45,264</u>	<u>-</u>	<u>(22,872)</u>	<u>33,841</u>	<u>56,233</u>
General funds	<u>118,213</u>	<u>692,307</u>	<u>(661,880)</u>	<u>(2,470)</u>	<u>146,170</u>
Total unrestricted funds	<u>163,477</u>	<u>692,307</u>	<u>(684,752)</u>	<u>31,371</u>	<u>202,403</u>
Total funds	<u>258,269</u>	<u>1,290,192</u>	<u>(1,198,331)</u>	<u>-</u>	<u>350,130</u>

19. Related party transactions

Rural Studios Ltd is a wholly owned subsidiary of Rural Media Charity. During the year the company paid the following amounts to the charity:

	2024 £	2023 £
Contribution to production costs, overheads and wages	52,897	15,721
Gift aid donation to parent	33,374	25,258
	<u>86,271</u>	<u>40,979</u>

At 31 March 2024 the subsidiary company owed the parent charity £121,825 (2023: £41,097).

Matthew Hayes, a trustee of Rural Media Charity, is a partner at Harrison Clark Rickerbys Limited (HCR). During the year, HCR invoiced the charity £30,774 (2023: £6,556) for legal fees related to the purchase of Packers House. There were no outstanding balances at 31 March 2024 (2023: £nil).

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2024

19. Related party transactions (continued)

Nic Millington, Chief Executive Officer of Rural Media Charity, is a director of Herefordshire Cultural Partnership (HCP). During the year, Rural Media Charity recognised £14,467 of income from HCP (2023: £5,000). At 31 March 2024, the balance outstanding from HCP was £14,467 (2023: £nil).

There were no other related party transactions during the year.

Accounts

Company no. 02732325
Charity no. 1041335

Rural Media Charity
Report and Audited Financial Statements
31 March 2023

Rural Media Charity

Reference and administrative details

For the year ended 31 March 2023

Company number	02732325
Charity number	1041335
Registered office and operational address	Packers House 25 West Street Hereford HR4 0BX
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: John Bateman Jane Daggers Joanna Davidson Anne Dawson Beverley Gibbs Matthew Hayes Martin Hitchin David Holdsworth
Chief executive officer	Nic Millington
Company secretary	Richard Deane
Key management personnel	Nic Millington, CEO Grant Black, Creative Director & Deputy CEO Rich Matthews, Head of Development Richard Deane, Finance & Operations Director Julie Colman, Head of Production
Bankers	Barclays Bank Plc 1 - 3 Broad Street Hereford HR4 9BA
Solicitors	Harrison Clark Rickerbys 5 Deansway Worcester Worcestershire WR1 2JG
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2023

The trustees present their report and financial statements for the year ended 31 March 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives and activities

Rural Media Charity's mission statement is:

To use media and creativity as a catalyst for social impact and positive change for individuals, communities, organisations, cultures and society.

To deliver our mission we have identified five strategic priorities:

1. Champion underrepresented people & communities

Rural Media Charity works with individuals of all ages and communities experiencing social, geographic, and material deprivation, with multiple and/or complex needs. Underrepresented communities we have provided participatory training, production opportunities, support, work experience, information and advice for include: young people experiencing domestic and relationship abuse; people with physical and learning disabilities; those in or at risk of entering the justice system; LGBTQ+; people experiencing mental health challenges; those in poverty or unemployed; people facing ethnic discrimination; elderly people both living independently and in residential settings; individuals and families experiencing geographical isolation and loneliness. See for example our work with Gypsy, Roma, and Travellers:

ruralmedia.co.uk/projects/travellers-times.

2. Develop media skills & talent

New talent and diverse voices are at the heart of everything we do. Recent years have seen our talent development work increasingly take centre stage, whether working with school children through to giving new creative talent progression routes into the creative industries. This mirrors the launch of the Government's Industrial Strategy Creative Industries Sector Deal 2018 with an emphasis on training and employment, the BFI's five-year strategy with its emphasis on 'Future Learning and Skills', and a natural extension of our cultural work for ACE across the West Midlands. We aim to expand our support for talented young people, professional artists, and arts organisations, to push the boundaries between digital arts and creative practice, giving access to inspirational industry professionals, digital facilities, creative spaces, training, and employment opportunities. See ruralmedia.co.uk/bfi.

3. Celebrate place & heritage

Rural Media Charity will continue its emphasis on place-based work with key stakeholders including Local Authority MLA services, National Lottery Heritage Fund, Historic England, and National Trust, and, vitally, with communities to strengthen a sense of belonging and pride, share histories and memories, and celebrate what makes a place special. We will inspire and encourage communities locally, regionally and nationally to develop creative enterprises that breathe new life into the culture, places and spaces where they live. More diverse and younger residents will be included in arts, heritage, and cultural activity. Through the creation and distribution of high-quality digital content, improved use and understanding of data, communities will retain younger generations, create employment and creative workspaces, and attract more visitors, increasing sustainability across sectors. See ruralmedia.co.uk/projects/herefordshires-great-place.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2023

4. Raise awareness of rural issues & culture

Having worked closely with rural communities, service providers and policymakers for over 30 years Rural Media Charity is highly regarded and trusted for its knowledge and insight into rural culture. With 17% of England's residents living in the countryside yet so much of rural life misunderstood and/or misrepresented, raising awareness of issues facing rural communities is a key priority for Rural Media Charity. Rural Media Charity plays an active role in ACE Rural Stakeholders' Group and development of ACE 2020-30 Strategy, Let's Create, and other national policy forums, e.g. Rural Services Network (RSN), BBC Rural Affairs Committee etc. As we become a digital-first society with widening choice of where to live, work or study, the interdependence of rural and urban culture, economy and wellbeing is increasingly recognised. Rural Media Charity contributes creatively and critically to this major policy discourse. See ruralmedia.co.uk/POV.

5. Support arts & cultural organisations

Arts & culture act as R&D for the creative industries, encouraging experimentation and in turn driving innovation and commercial activity. Meanwhile, creative industries are increasingly recognised as potential drivers of economic growth in rural areas. Rural Media Charity advocates powerfully for cultural organisations and creative businesses to be recognised strategically as contributors to the economic and social wellbeing of rural counties.

Our in-depth local knowledge and understanding of rural communities feed into our own creative programming along with our role in local, regional, and national economic and cultural policy development. To sustain and grow this work, we continue to seek new partnerships and attract cross-sector investment for strategic revenue and capital projects. Our support for cultural enterprise development, especially within the creative technology sector contributes significantly towards regeneration of rural cities and market towns. See Rural Media Charity's leadership role with Herefordshire Cultural Partnership:

the-shire.co.uk/stories/new-report-looks-boost-herefordshires-creative-economy.

Public benefit

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the charity's aims and objectives. Rural Media Charity provides public benefit through its work with communities, schools and colleges, groups, and individuals to create issue-driven films, heritage and digital arts projects that raise awareness, influence change, and celebrate rural life. The charity's work with young people is designed to foster confidence and equip them with the flexible skillset to work in today's creative digital industries. The charity's education programme for young people includes the provision of nationally accredited courses, and its work with marginalised communities is internationally recognised. The charity publishes Travellers' Times, a bi-annual print magazine and daily website travellerstimes.org.uk to support Gypsies and Travellers to tell their stories, educate people and advocate for their communities.

Achievements and performance

Rural Media Charity's considerable outputs and outcomes were achieved throughout 2022-23 in no small way thanks to the financial and advisory support of Arts Council England, The National Lottery Community Fund and a range of local and national trusts and foundations.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2023

During 2022-23 Rural Media Charity worked with more than 2,000 people and with our inclusive outreach programme and project portfolio many were from diverse or disadvantaged backgrounds. We produced high-quality media resource training, increasing the skills of young talent in the Midlands. We were grateful for continued core support from The Elmley Foundation which enables us to use film, media and digital art to strengthen communities and give a platform to unheard voices, deliver much needed bespoke and accessible health & wellbeing advice and information directly to communities in crisis and support creative rural talent.

Our multi-faceted projects have given ongoing training and support for organisational development, leadership and media skills to Gypsy, Roma and Traveller communities nationally, expanded our community outreach across the most underserved areas of Herefordshire and strengthened creative networks and supported young talent right across the Midlands region. In doing so we created a portfolio of innovative creative media including films, moving image, animation, audio, educational resources, health and wellbeing resources, photography collections, websites and printed media.

We worked directly with more than 600 people from a range of diverse backgrounds, across 30 projects and productions. Through our broadcast and digital channels, we estimate our audience reach to be more than 10 million over the course of the year.

Project highlights were:

British Film Institute (BFI)

In the tenth year of BFI Film academy, Rural Media Charity trained 22 young people in filmmaking. Participants received a bespoke training schedule, notably producing practical workshops for hands-on experience. Delivered in a hybrid format, the 2022-23 cohort devised, scripted and produced two creative short films. Participants also had the opportunity to gain an industry recognised NCFE qualification in Preparing to Work in The Film Industry. See ruralmedia.co.uk/bfi.

Rural Studios

Rural Media Charity's commercial trading arm Rural Studios ruralstudios.co.uk, delivered series one of our BBC Arts commissioned series The Read – Iconic novels brought to life on screen with creative performance readings from outstanding talent. They were broadcast on BBC Four and BBC Two Wales and we have been commissioned for a second series in 2023-24.

From television and radio for national broadcasters to online social media films for charities and businesses Rural Studios sets out to change perspectives through film and audio and empower future talent through innovative storytelling and powerful visuals and we are working on several exciting pitches for commissioners.

BookFlicks

BookFlicks is a youth-led project helping young people make & share creative content about the books they love and upskilling and inspiring libraries and festivals to use social media as an innovative way to engage with younger audiences nationally. To watch the BookFlicks content, search @bookflicks on TikTok or visit www.tiktok.com/@bookflicks.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2023

P.O.V

Supported by Esmée Fairbairn Foundation (EFF) through core funding, the P.O.V. programme has now reached 1,600 14-25 year-olds in Herefordshire, Shropshire and Worcestershire. Activity includes production of P.O.V. podcast series, launched March 2022; youth leadership course with Level 3 qualification; workshops on creative skills, activism and local campaigning. Support from Herefordshire Community Foundation enabled POV to continue its focussed participatory work with rural young people in the Teme Valley area of North Herefordshire. In-depth listening work has informed the development of several spin-off thematic projects (example themes: care experience; rural racial inequality; hyper-local place-based youth consultations). 2022-23 priorities included continuation strategy with EFF staff; developing skills and diversifying Boards through a youth trustee programme; and piloting policy development/participatory democracy activity with rural local authorities. See pointofviewrural.com.

Travellers' Times - TT Vision

Funded by the National Lottery Community Fund, TT Vision builds on the work of the last 20 years as Travellers' Times continues to improve lives through challenging negative media and amplifying Gypsy, Roma and Traveller voices. In 2022-23 we produced two full-page magazines and the website hosted over 150 co-produced news and feature articles and videos information on a huge range of subjects about the things that are important to Gypsy, Roma, and Traveller people. We worked specifically on films for the Samaritans as well as attending conferences and screenings of the work to discuss how we can better understand and address the suicide crisis within Gypsy and Traveller communities.

Our main focus has been working with community members to deliver a three-year paid training programme to transition Travellers' Times into an independent community led entity through work based training and continuing professional development. The two cohorts of 10 and 5 trainees joined us in September 2022 to learn media skills, leadership and community development delivered through a blended learning approach including residencies, location based, online, one to one's and group work . See travellerstimes.org.uk/tt-vision.

Financial review

The consolidated financial statements for the year to 31 March 2023 are for Rural Media Charity and its wholly-owned trading subsidiary, Rural Studios Ltd. The financial statements have been prepared according to the requirements of the Statement of Recommended Practice – Accounting by Charities (effective from January 2019) and have been prepared on the basis of funds accounting, rather than on an income and expenditure basis.

For the year to 31 March 2023 total income was £1,290,192 (2022: £1,033,990) of which unrestricted income was £692,307 (2022: £589,712). The surplus on unrestricted funds was £7,555 (2022: deficit of £16,575). Rural Studios Ltd contributed £25,258 (2022: £17,650) to unrestricted funds. Rural Studios Ltd donates all its profits to Rural Media Charity under a deed of covenant.

At 31 March 2023, £2,470 and £31,371 were transferred, from the unrestricted general fund and restricted funds respectively, to the designated fixed asset fund, representing the value of fixed asset additions in the year. This resulted in closing balances of £147,727 restricted funds (2022: £94,792), £56,233 designated funds (2022: £45,264) and £146,170 unrestricted general funds (2022: £118,213).

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2023

The trustees recognise the importance of maintaining a realistic level of reserves in order to ensure that Rural Media Charity continues to be in a position to discharge its obligations to its beneficiaries, partners, creditors and staff. The reserves policy is reviewed annually by trustees to take into account risk and sustainability of the organisation.

At 31 March 2023 the trustees maintained the reserves target such that unrestricted general funds, excluding designated funds, are required to provide at least 4 months' cover of core costs (being establishment and staff expenditure not attributable to project activity). The unrestricted general funds are to be held in the form of cash at bank in a specially designated bank deposit account. At 31 March 2023 the charity's unrestricted general fund target was £120,000 (4 months' core cost cover) and the actual unrestricted general fund was £146,170 (4.9 month's cover), all of which was held on bank deposit account at the year-end (2022: unrestricted reserves target £110,000 (4 months' cover), actual unrestricted reserves £118,213 (4.3 months' cover)).

The trustees have considered the major risks to which the charity is exposed and have implemented review systems to mitigate these risks.

The major risks are currently identified as:

- Reliance on charitable and other income to supplement earned income to meet the cost of the creative programme;
- Changes in the arts funding system; and
- Critical impact of the loss of key senior staff.

To mitigate these risks the charity:

- Ensures that it has a diverse funding profile without an over-reliance on any one source of funding;
- Reviews existing and potential ways of generating earned income and works towards financial sustainability;
- Maintains and enhances relationships with key funders and remains well informed about developments in the arts funding arena;
- Invests time and effort in the exploration of funding opportunities and financial partnerships; and
- Ensures that all staff, including key senior staff, are well supported and that there is a regular appraisal of skills, roles and responsibilities within the senior staff team.

Going concern

The trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- At the year-end the charity holds unrestricted general reserves of £146,170 and cash balances of £333,209;
- The charity's key funders have confirmed that they will continue to support the charity for at least the next 12 months;
- The charity benefits from holding National Portfolio Organisation (NPO) status with Arts Council England (ACE); and
- In November 2022 ACE confirmed that Rural Media Charity would retain its NPO status with unrestricted NPO annual funding maintained at £251,036 for a further three years to 31 March 2026.

The trustees, therefore, consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(c) to the financial statements.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2023

Plans for future periods

In November 2022 ACE confirmed that Rural Media Charity would retain its NPO status for a further three years to 31 March 2026. With NPO status comes secured unrestricted funding to develop Rural Media Charity's digital arts portfolio. NPO status is the foundation upon which Rural Media Charity will build a more secure and sustainable financial position. As part of its business plan, Rural Media Charity's trading subsidiary, Rural Studios Ltd, will grow its income and surplus. Rural Media's proposal to develop a Digital Culture Hub (DCH) was included in Hereford's Stronger Towns Fund plan. The DCH will contribute to "levelling up" by creating a beacon of innovation and enterprise for Herefordshire and the rural West Midlands where creativity meets technology. It will aggregate in a single, fully accessible, contemporary space the creative technologies, tools, and expertise to inspire and raise the skill levels of creative and cultural entrepreneurs, SMEs, students, public, private and VCSE sectors in the county, enabling them to take advantage of the booming, post-Covid-19 digital economy. Rural Media Charity's successful application for £1.2m will enable the charity to purchase its current base at Packers House and through loan finance refurbish and equip the new centre.

Employees

At Rural Media Charity we rely heavily on the excellence of our staff to help achieve and maintain the highest standards of our creative outputs. We support our staff through regular performance reviews and through training and development programmes that are tailored to the individual.

Structure, governance and management

Rural Media Charity is a charitable company limited by guarantee, incorporated on 17 July 1992 and registered as a charity on 7 October 1994. The organisation is constituted under a Memorandum of Association which sets out the objects and powers of the charitable organisation and is governed under the Articles of Association. Rural Media Charity wholly owns a subsidiary company, Rural Studios Ltd that commenced trading on 13 May 2016.

The directors are also its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The organisation does not have a membership and the voluntary Board of Trustees is responsible for the overall management of the charity. The trustees have power to set an upper limit to the number of trustees appointed to the Board, currently there is no upper limit. There must be a minimum of three trustees for the Board to be quorate. The trustees meet in full on a quarterly basis

The selection and recruitment of new trustees is the responsibility of the full Board, who appoint by invitation of the Board. New trustees are proactively recruited to meet any skills gaps as identified by trustees. All new trustees are invited to attend one full Board meeting, and activities associated to that meeting, before being formally nominated.

Each new trustee receives an induction pack prior to nomination setting out their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, and minutes which capture the recent financial performance of the charity. Regular Board development sessions are held and each session following appointment of new trustees incorporates induction and orientation information for the newly appointed trustees. The Board itself are exploring further training and support for Trustees run by organisations such as NCVO.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2023

The day-to-day running of the organisation is carried out by a Senior Management Team (SMT) members of which are appointed by the trustees. The SMT comprises: Chief Executive Officer, Creative Director & Deputy CEO, Head of Production, Head of Development and Finance & Operations Director. To facilitate effective operations, the Chief Executive Officer and the SMT have delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and programme related activity. Members of the SMT are not directors of the charitable company in the legal sense under Company Law.

The charity adopts the NJC pay structure and pay scales for all its staff, including key management personnel. NJC scales are local government pay scales that are a result of negotiations between trade unions (Unite, Unison and GMB) and the Local Government Association. NJC pay scales are used extensively in the voluntary sector.

Fundraising

The charity does not seek to raise funds from the public and therefore has nothing to report on its fundraising approach and standards.

Statement of responsibilities of the Trustees

The Trustees (who are also Directors of the charity 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the group and the incoming resources and application of resources, including the net income or expenditure, of the charity and the group for the year. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the group and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2023

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the group and parent charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 26 October 2023 and signed on their behalf by

David Holdsworth - Chair

Independent auditors' report

To the members of

Rural Media Charity

Opinion

We have audited the financial statements of Rural Media Charity (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, consolidated and parent charity balance sheets, consolidated statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the group and parent charity financial statements and our auditor's report thereon. Our opinion on the group and parent charity financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report

To the members of

Rural Media Charity

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charity and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us;
- the parent charity financial statements are not in agreement with the accounting records and returns;
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

As explained more fully in the Trustees' responsibilities statement set out in the Trustees' report, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditors' report

To the members of

Rural Media Charity

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- (1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.
- (2) We reviewed the charity's policies and procedures in relation to:
 - Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
 - Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.
- (3) We inspected the minutes of trustee meetings.
- (4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.
- (5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.
- (6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.
- (7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:
 - Testing the appropriateness of journal entries;
 - Assessing judgements and accounting estimates for potential bias;
 - Reviewing related party transactions; and
 - Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditors' report

To the members of

Rural Media Charity

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Date: 27 October 2023

Rob Wilson FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Rural Media Charity

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Restricted £	Unrestricted £	2023 Total £	2022 Total £
Income from:					
Donations	3	180,923	355,829	536,752	458,650
Charitable activities	4	416,962	335,569	752,531	573,780
Investments		-	210	210	122
Other income		-	699	699	1,438
Total income		<u>597,885</u>	<u>692,307</u>	<u>1,290,192</u>	<u>1,033,990</u>
Expenditure on:					
Raising funds		-	58,184	58,184	53,495
Charitable activities		<u>513,579</u>	<u>626,568</u>	<u>1,140,147</u>	<u>939,109</u>
Total expenditure	6	<u>513,579</u>	<u>684,752</u>	<u>1,198,331</u>	<u>992,604</u>
Net income		84,306	7,555	91,861	41,386
Transfers between funds		<u>(31,371)</u>	<u>31,371</u>	<u>-</u>	<u>-</u>
Net movement in funds	7	52,935	38,926	91,861	41,386
Reconciliation of funds:					
Total funds brought forward		<u>94,792</u>	<u>163,477</u>	<u>258,269</u>	<u>216,883</u>
Total funds carried forward		<u><u>147,727</u></u>	<u><u>202,403</u></u>	<u><u>350,130</u></u>	<u><u>258,269</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 18 to the accounts.

Rural Media Charity

Consolidated balance sheets

As at 31 March 2023

	Note	The group 2023 £	The group 2022 £	The charity 2023 £	The charity 2022 £
Fixed assets					
Tangible assets	10	56,233	45,264	56,233	45,264
Investments	11	-	-	2	2
		<u>56,233</u>	<u>45,264</u>	<u>56,235</u>	<u>45,266</u>
Current assets					
Debtors	13	97,403	201,453	64,337	96,019
Cash at bank and in hand		<u>333,209</u>	<u>251,705</u>	<u>277,305</u>	<u>214,789</u>
		430,612	453,158	341,642	310,808
Liabilities					
Creditors: amounts falling due within 1 year	14	<u>(120,498)</u>	<u>(219,115)</u>	<u>(47,747)</u>	<u>(97,805)</u>
Net current assets		<u>310,114</u>	<u>234,043</u>	<u>293,895</u>	<u>213,003</u>
Total assets less current liabilities		366,347	279,307	350,130	258,269
Creditors: amounts falling due after more than 1 year	15	<u>(16,217)</u>	<u>(21,038)</u>	-	-
Net assets	17	<u>350,130</u>	<u>258,269</u>	<u>350,130</u>	<u>258,269</u>
Funds	18				
Restricted funds		147,727	94,792	147,727	94,792
Unrestricted funds					
Designated funds		56,233	45,264	56,233	45,264
General funds		<u>146,170</u>	<u>118,213</u>	<u>146,170</u>	<u>118,213</u>
Total charity funds		<u>350,130</u>	<u>258,269</u>	<u>350,130</u>	<u>258,269</u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees on 26 October 2023 and signed on their behalf by

David Holdsworth - Chair

John Bateman - Trustee

Rural Media Charity

Consolidated statement of cash flows

For the year ended 31 March 2023

	2023 £	2022 £
Cash used in operating activities:		
Net movement in funds	91,861	41,386
Adjustments for:		
Depreciation charges	23,288	25,382
Profit on disposal of tangible fixed assets	(699)	-
Interest from investments	(210)	(122)
(Increase) / decrease in debtors	104,050	(104,531)
(Decrease) / increase in creditors	(98,617)	101,430
Net cash provided by / (used in) operating activities	119,673	63,545
Cash flows from investing activities:		
Interest from investments	210	122
Purchase of tangible fixed assets	(35,376)	(2,676)
Proceeds from the sale of tangible fixed assets	1,818	-
Net cash provided used in investing activities	(33,348)	(2,554)
Cash flows from financing activities:		
Repayment of borrowings	(4,821)	-
Cash inflows from new borrowings	-	26,297
Net cash provided used in financing activities	(4,821)	26,297
Increase / (decrease) in cash and cash equivalents in the year	81,504	87,288
Cash and cash equivalents at the beginning of the year	251,705	164,417
Cash and cash equivalents at the end of the year	333,209	251,705

Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash	251,705	81,504	333,209
Loans falling due within 1 year	(5,259)	-	(5,259)
Loans falling due after 1 year	(21,038)	4,821	(16,217)
Total	225,408	86,325	311,733

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Rural Media Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b) Group accounts

These financial statements consolidate the results of the charitable company and its wholly-owned (controlled) subsidiary on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

c) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. At the year-end the group holds unrestricted general reserves of £146,170 and cash balances of £333,209. The charity's key funders have confirmed that they will continue to support the charity for at least the next 12 months. The charity benefits from holding National Portfolio Organisation (NPO) status with Arts Council England (ACE). In November 2022 ACE confirmed that Rural Media Charity would retain its NPO status with unrestricted NPO annual funding maintained at £251,036 for a further three years to 31 March 2026. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

Income received in advance of provision of services under contract is deferred until criteria for income recognition are met.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

e) Interest receivable

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

f) Funds accounting

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

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

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

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to expenditure on charitable activities which is deemed to be reflective of the activities of the charity in this period.

i) Grants payable

Grants payable are charged in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached have been fulfilled. Grants offered subject to conditions at the year end are noted as commitment but are not accrued as expenditure.

j) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Motor vehicles	25% straight line
Technical equipment	25% straight line
Fixtures and fittings	25% straight line

Items of equipment are capitalised where the purchase price exceeds £1,000.

k) Investment in subsidiary undertakings

The charitable company has one wholly owned subsidiary, Rural Studios Ltd, (registered company number 03751216). The subsidiary is used for non-primary purpose trading activities. The subsidiary undertaking is valued at cost less any cumulative impairment losses in the charitable company's accounts.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors

Creditors and provisions are recognised where there is a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

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

p) Pension costs

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

q) Redundancy payments

Where an employee receives a termination benefit the full cost is recognised at the date the employee is notified.

r) Accounting estimates and key judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key source of estimation uncertainty that has a significant effect on the amounts recognised in the financial statements is depreciation, as described in note 1j to the financial statements.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2022 Total £
Income from:			
Donations	101,534	357,116	458,650
Charitable activities	342,314	231,466	573,780
Investments	-	122	122
Other income	430	1,008	1,438
Total income	444,278	589,712	1,033,990
Expenditure on:			
Raising funds	-	53,495	53,495
Charitable activities	386,317	552,792	939,109
Total expenditure	386,317	606,287	992,604
Net income / (expenditure) and net movement in funds	57,961	(16,575)	41,386

3. Income from donations

	Restricted £	Unrestricted £	2023 Total £
Donations			
Individual donations	65	10	75
Grants			
Arts Council England	103,500	251,036	354,536
Elmley	12,000	-	12,000
Esmee Fairbairn Foundation	-	72,908	72,908
Herefordshire Community Foundation	20,500	-	20,500
Herefordshire Council	44,858	-	44,858
Lankelly Chase	-	21,875	21,875
HCP	-	5,000	5,000
Creative UK	-	5,000	5,000
Total income from donations	180,923	355,829	536,752

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

3. Income from donations (continued)

Prior period comparative:

	Restricted £	Unrestricted £	2022 Total £
Donations			
Individual donations	100	-	100
Grants			
Arts Council England	-	251,036	251,036
Cultural Recovery Fund	62,000	-	62,000
Elmley	12,000	-	12,000
Esmee Fairbairn Foundation	-	66,280	66,280
Herefordshire Community Foundation	20,200	-	20,200
Herefordshire Council	7,234	-	7,234
Lankelly Chase	-	32,000	32,000
Open Arms Kington CIC	-	7,800	7,800
Total income from donations	101,534	357,116	458,650

4. Income from charitable activities

	Restricted £	Unrestricted £	2023 Total £
Grants and service level agreements			
National Lottery Community Fund	359,962	-	359,962
The British Film Institute	17,000	-	17,000
University of Wolverhampton	-	7,500	7,500
The Clothworkers' Foundation	40,000	-	40,000
Earned income	-	328,069	328,069
Total income from charitable activities	416,962	335,569	752,531

Prior period comparative:

	Restricted £	Unrestricted £	2022 Total £
Grants and service level agreements			
National Lottery Heritage Fund	29,927	-	29,927
Arts Council England	55,000	-	55,000
National Lottery Community Fund	240,387	-	240,387
The British Film Institute	17,000	-	17,000
Earned income	-	231,466	231,466
Total income from charitable activities	342,314	231,466	573,780

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

5. Government grants

The charitable company receives government grants, defined as funding from Arts Council England, National Lottery Community Fund, The British Film Institute and Herefordshire Council, to fund core services and charitable activities. The total value of such grants in the period ending 31 March 2023 was £776,356 (2022: £662,584). There are no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

6. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2023 Total £
Staff costs (note 8)	58,184	578,975	15,405	652,564
Training	-	4,809	-	4,809
Production costs	-	364,704	-	364,704
Travel and subsistence	-	5,417	-	5,417
Equipment hire	-	4,252	-	4,252
Rent, rates and premises	-	34,571	-	34,571
Insurance	-	10,094	251	10,345
Heat, light and power	-	9,967	-	9,967
Motor expenses	-	3,810	-	3,810
Printing and stationery	-	4,567	-	4,567
Telephone and computer	-	23,129	-	23,129
Memberships and subscriptions	-	22,274	-	22,274
Marketing	-	6,763	-	6,763
Bank charges and interest	-	891	-	891
Depreciation	-	23,288	-	23,288
Professional fees	-	9,065	17,915	26,980
Sub-total	58,184	1,106,576	33,571	1,198,331
Allocation of support and governance costs	-	33,571	(33,571)	-
Total expenditure	58,184	1,140,147	-	1,198,331

Total governance costs were £9,551 (2022: £9,350).

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

6. Total expenditure (continued)

Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2022 Total £
Staff costs (note 8)	53,495	509,521	13,693	576,709
Training	-	3,234	-	3,234
Production costs	-	267,314	-	267,314
Travel and subsistence	-	1,278	-	1,278
Equipment hire	-	3,504	-	3,504
Grants payable	-	1,350	-	1,350
Rent, rates and premises	-	31,621	-	31,621
Insurance	-	10,112	280	10,392
Heat, light and power	-	7,224	-	7,224
Motor expenses	-	4,734	-	4,734
Printing and stationery	-	2,251	-	2,251
Telephone and computer	-	18,411	-	18,411
Memberships and subscriptions	-	23,953	-	23,953
Marketing	-	5,473	-	5,473
Bank charges and interest	-	613	-	613
Depreciation	-	25,382	-	25,382
Professional fees	-	91	9,070	9,161
Sub-total	53,495	916,066	23,043	992,604
Allocation of support and governance costs	-	23,043	(23,043)	-
Total expenditure	53,495	939,109	-	992,604

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

7. Net movement in funds

This is stated after charging:

	2023 £	2022 £
Depreciation	23,288	25,382
Operating lease payments	22,637	19,600
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses*	Nil	26
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	8,650	6,750
▪ Other services	350	1,300

* In the prior year one trustee was reimbursed £26 for travel expenses.

8. Staff costs and numbers

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	586,852	513,647
Social security costs	53,479	49,655
Pension costs	12,233	12,319
Statutory redundancy costs	-	1,088
	<u>652,564</u>	<u>576,709</u>

Two employees earned between £60,000 and £70,000 during the year (2022: one).

Redundancy costs comprise statutory redundancy payments made to one member of staff following a change in Rural Media's marketing strategy.

The key management personnel of the charitable company comprise the Trustees, the Chief Executive Officer, the Creative Director & Deputy CEO, the Head of Development, Head of Production and the Finance & Operations Director. The total employee benefits of the key management personnel were £321,015 (2022: £259,859).

	2023 No.	2022 No.
Average number of employees (headcount)	19.6	14.7
Average number of employees (full-time equivalent)	<u>15.5</u>	<u>13.4</u>

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

10. Tangible fixed assets

The charity and group

	Motor vehicles £	Technical equipment £	Fixtures and fittings £	Total £
Cost				
At 1 April 2022	27,270	199,962	5,215	232,447
Additions	-	35,376	-	35,376
Disposals	-	(1,535)	-	(1,535)
At 31 March 2023	<u>27,270</u>	<u>233,803</u>	<u>5,215</u>	<u>266,288</u>
Depreciation				
At 1 April 2022	27,270	155,689	4,224	187,183
Charge for year	-	22,297	991	23,288
Disposals	-	(416)	-	(416)
At 31 March 2023	<u>27,270</u>	<u>177,570</u>	<u>5,215</u>	<u>210,055</u>
Net book value				
At 31 March 2023	<u>-</u>	<u>56,233</u>	<u>-</u>	<u>56,233</u>
At 31 March 2022	<u>-</u>	<u>44,273</u>	<u>991</u>	<u>45,264</u>

11. Investments

Rural Studios Ltd

The charitable company owns the whole of the issued share capital (2 ordinary £1 shares) of Rural Studios Ltd (formerly Rural Media Productions Ltd), a company registered in England and Wales. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2023 £	2022 £
Turnover	259,528	184,268
Cost of sales	<u>(207,503)</u>	<u>(134,008)</u>
Gross profit	52,025	50,260
Administrative expenses	(31,767)	(32,610)
Other operating income	<u>5,000</u>	<u>-</u>
Profit on ordinary activities	<u>25,258</u>	<u>17,650</u>

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

11. Investments (continued)

The aggregate of the assets, liabilities and funds was:

	2023 £	2022 £
Assets	130,067	160,099
Liabilities	<u>(130,065)</u>	<u>(160,097)</u>
Funds	<u>2</u>	<u>2</u>

12. Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2023 £	2022 £
Gross income	1,066,642	881,472
Results for the year	<u>91,861</u>	<u>41,386</u>

13. Debtors

	The group		The charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	73,223	178,816	1,500	60,000
Accrued income	13,600	5,100	13,600	5,100
Rural Studios Ltd	-	-	41,097	17,749
Prepayments	10,580	17,082	8,140	12,715
Other debtors	-	455	-	455
	<u>97,403</u>	<u>201,453</u>	<u>64,337</u>	<u>96,019</u>

14. Creditors : amounts due within 1 year

	The group		The charity	
	2023 £	2022 £	2023 £	2022 £
Trade creditors	17,766	35,535	10,911	16,449
Other taxation and social security	15,003	12,363	15,003	12,363
VAT	23,820	31,290	-	-
Accruals	25,450	30,242	21,833	28,192
Deferred income (see note 16)	33,200	104,125	-	40,500
Other creditors	-	301	-	301
Loans	5,259	5,259	-	-
	<u>120,498</u>	<u>219,115</u>	<u>47,747</u>	<u>97,805</u>

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

15. Creditors : amounts due after 1 year

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Loans	<u>16,217</u>	<u>21,038</u>	<u>-</u>	<u>-</u>

The group secured a Government backed Business Interruption Payment - Bounce Back Loan via Barclays Bank in a bid to secure future low interest loans should the organisation require additional cashflow. The loan was secured at 2.5% interest with no payments due within the first year of the loan.

16. Deferred income

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
At 1 April 2022	104,125	8,200	40,500	-
Deferred during the year	33,200	104,125	-	40,500
Released during the year	<u>(104,125)</u>	<u>(8,200)</u>	<u>(40,500)</u>	<u>-</u>
At 31 March 2023	<u>33,200</u>	<u>104,125</u>	<u>-</u>	<u>40,500</u>

Deferred income relates to income received in advance of delivery of services.

17. Analysis of net assets between funds

	Restricted funds	Designated funds	General funds	Total funds
	£	£	£	£
Tangible fixed assets	-	56,233	-	56,233
Current assets	147,727	-	282,885	430,612
Current liabilities	-	-	(120,498)	(120,498)
Non current liabilities	-	-	(16,217)	(16,217)
Net assets at 31 March 2023	<u>147,727</u>	<u>56,233</u>	<u>146,170</u>	<u>350,130</u>
Prior year comparative				
	Restricted funds	Designated funds	General funds	Total funds
	£	£	£	£
Tangible fixed assets	-	45,264	-	45,264
Current assets	94,792	-	358,366	453,158
Current liabilities	-	-	(219,115)	(219,115)
Non current liabilities	-	-	(21,038)	(21,038)
Net assets at 31 March 2022	<u>94,792</u>	<u>45,264</u>	<u>118,213</u>	<u>258,269</u>

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

18. Movements in funds

	At 1 April 2022 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2023 £
Restricted funds					
British Film Institute - Film Academy	-	17,000	(17,000)	-	-
Cultural Recovery Fund - CRF1	2,592	-	(2,592)	-	-
Digital Culture Hub	-	44,858	(44,858)	-	-
Elmley Foundation	-	12,000	(12,000)	-	-
National Lottery Community Fund -	-				
TT Vision	85,590	360,027	(324,535)	-	121,082
POV - Teme Valley	6,610	-	(6,610)	-	-
Rural Voices, Collective Power	-	20,500	(11,789)	-	8,711
BookFlicks	-	103,500	(94,195)	-	9,305
Clothworkers	-	40,000	-	(31,371)	8,629
Total restricted funds	94,792	597,885	(513,579)	(31,371)	147,727
Unrestricted funds					
<i>Designated funds</i>					
Fixed asset fund	45,264	-	(22,872)	33,841	56,233
General funds	118,213	692,307	(661,880)	(2,470)	146,170
Total unrestricted funds	163,477	692,307	(684,752)	31,371	202,403
Total funds	258,269	1,290,192	(1,198,331)	-	350,130

Purposes of restricted funds

British Film Institute - Film Academy

The annual BFI Film Academy provides an opportunity for young people aged 16-19 to access high quality film production training through a series of masterclasses and practical workshops and to gain an NCFE qualification.

Cultural Recovery Fund - CRF1

The CRF1 fund was managed by Arts Council England on behalf of the Government Department for Digital, Culture, Media and Sport. The funding enabled the charity to protect its creative programme by undertaking an agile, iterative restructure centered on technology, and to further develop, refine and consolidate outreach, engagement and remote production practices begun in lockdown.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

18. Movements in funds (continued)

Purposes of restricted funds (continued)

Digital Culture Hub

In June 2021 Hereford Stronger Towns Partnership secured £22.4 million of Town Deal Funding from the Department for Levelling up, Housing and Communities (DLUHC) to deliver six capital projects which is anticipated will support the economic recovery and growth of Hereford. To support the development of the full business cases of these projects DLUHC has made available 5% of the total funding as Early Funding. Rural Media Charity has been allocated up to £55,000 of Early Funding to be used in the development of the full business case for a capital project. At 31 March 2022 Rural Media Charity had received and applied £7,234 of Early Funding from Herefordshire Council, the accountable body for the Early Funding. At 31 March 2023, RMC had received and applied a further £44,858 of the early funding.

Elmley Foundation

Core funding in support of a Development Producer post for three years to 2023-24.

TT Vision

A four year training and career development project funded by National Lottery Community Fund to empower the upcoming generation of Gypsy, Roma and Travellers to take on the running and development of Travellers' Times as a sustainable 100% community-led project.

POV - Teme Valley

Funded by Herefordshire Community Foundation Teme Valley Fund the project focusses on 14-18 year olds living in the Teme Valley region. The project aims are to collect impactful testimony of rural young people's lived experience and points of view and to amplify these through the production of creative content exploring these issues; to support young people to access new opportunities such as creative, cultural, social, educational, training or career opportunities; and to empower young people to independently create quality digital creative content that raises awareness of issues and themes that are important to rural young people.

Rural Voices, Collective Power

Funded by Herefordshire Community Foundation, "Rural Voices, Collective Power" [RVCP] is a youth empowerment and skills project that elevates rural young people's stories and channels them into youth-led campaigns for local change and social impact. Young people will be supported to establish, launch and run place-based youth-led campaigns designed to bring about positive social change for communities across Teme Valley, Kington and Leominster.

BookFlicks

Funded by Arts Council England (ACE), BookFlicks offers young artists long-form broadcast work to sustainably drive career progression.

Clothworkers

The Clothworkers' Foundation provided funding to purchase IT equipment to support disadvantaged young people nationally.

Cultural Recovery Fund - CRF2

The CRF2 fund was managed by Arts Council England on behalf of the Government Department for Digital, Culture, Media and Sport. The funding enabled the charity to invest further in its project development capacity but also to facilitate more strategic, targeted development and core funding.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

18. Movements in funds (continued)

Purposes of restricted funds (continued)

Herefordshire is a Great Place

'Herefordshire's a Great Place' is a cultural development project, co-funded by Arts Council England and National Lottery Heritage Fund and supported by Historic England. The project empowers communities to redefine what makes Herefordshire a great place, while championing and strengthening the vital role culture and heritage plays in a rural county's social and economic future.

TT Connect

A 15 month project funded by The National Lottery Community fund to continue the work of Travellers' Times and to conduct action based research into the development of a four year project to transition Travellers Times into an independent community led entity.

New Creatives

Arts Council England funded talent development scheme offering commissioning opportunities and training for emerging creatives, aged 16-30 based in the Midlands, to make new artistic works in film, audio or interactive media, designed for BBC channels and platforms.

Purposes of designated funds

Fixed assets fund

This fund represents the net book value of fixed assets.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

18. Movements in funds (continued)

Prior year comparative

	At 1 April 2021 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2022 £
Restricted funds					
British Film Institute - Film Academy	-	17,430	(17,430)	-	-
Cultural Recovery Fund - CRF 1	7,187	-	(4,595)	-	2,592
Cultural Recovery Fund - CRF 2	-	62,000	(62,000)	-	-
Digital Culture Hub	-	7,234	(7,234)	-	-
Elmley Foundation	-	12,000	(12,000)	-	-
Herefordshire is a Great Place	(24,561)	29,927	(5,366)	-	-
National Lottery Community Fund - TT Connect	54,052	-	(54,052)	-	-
National Lottery Community Fund - TT Vision	-	240,487	(154,897)	-	85,590
New Creatives	153	55,000	(55,153)	-	-
POV - Teme Valley	-	20,200	(13,590)	-	6,610
Total restricted funds	36,831	444,278	(386,317)	-	94,792
Unrestricted funds					
<i>Designated funds</i>					
Fixed asset fund	67,970	-	(25,382)	2,676	45,264
General funds	112,082	589,712	(580,905)	(2,676)	118,213
Total unrestricted funds	180,052	589,712	(606,287)	-	163,477
Total funds	216,883	1,033,990	(992,604)	-	258,269

19. Post balance sheet event

On 14 August 2023, the Rural Media Charity board of trustees approved the purchase of the freehold of Packers House, 25 West Street, Hereford, HR4 0BX for £1,150,000. The acquisition is to be financed by a loan of £250,000 provided by The Charity Bank Limited, and £900,000 to be applied from a restricted grant administered by Herefordshire Council on behalf of the central government Department for Levelling Up, Housing and Communities. Herefordshire Council will take a first charge secured against the property and The Charity Bank Limited will take a second charge secured against the property and a mortgage debenture secured against the charity's other assets. The purchase is expected to complete on 31 October 2023.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2023

20. Related party transactions

Rural Studios Ltd is a wholly owned subsidiary of Rural Media Charity. During the year the company paid the following amounts to the charity:

	2023 £	2022 £
Contribution to production costs, overheads and wages	15,721	14,100
Gift aid donation to parent	<u>25,258</u>	<u>17,650</u>
	<u>40,979</u>	<u>31,750</u>

At 31 March 2023 the subsidiary company owed the parent charity £41,097 (2022: £17,749).

Matthew Hayes, a trustee of Rural Media Charity, is a partner at Harrison Clark Rickerbys Limited (HCR). During the year, HCR invoiced the charity £6,556 for legal fees (2022: £nil). There were no outstanding balances at 31 March 2023.

Nic Millington, Chief Executive Officer of Rural Media Charity, is a director of Herefordshire Cultural Partnership (HCP). During the year, Rural Media Charity recognised £5,000 of income from HCP (2022: £10,000). This was part of an agreement signed in 2021/22 for £20,000, however the scope of the work was reduced in 2022/23 with the total income related to the agreement reducing to £15,000. At 31 March 2023, the balance outstanding from HCP was £nil (2022: £20,000).

There were no other related party transactions during the year.

Accounts

Company no. 02732325
Charity no. 1041335

Rural Media Charity
Report and Audited Financial Statements
31 March 2022

Rural Media Charity

Reference and administrative details

For the year ended 31 March 2022

Company number	02732325
Charity number	1041335
Registered office and operational address	Packers House 25 West Street Hereford HR4 0BX
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Andrew Thorman, Chair (resigned 22 October 2021) John Bateman Jane Dagers (appointed 10 August 2021) Joanna Davidson Anne Dawson (appointed 10 August 2021) Beverley Gibbs (appointed 10 August 2021) Matthew Hayes Martin Hitchin David Holdsworth Elonka Soros (resigned 4 May 2021)
Chief executive officer	Nic Millington
Company secretary	Richard Deane
Key management personnel	Nic Millington, CEO Grant Black, Creative Director & Deputy CEO Rich Matthews, Head of Development Richard Deane, Finance & Operations Director Julie Colman, Head of Production
Bankers	Barclays Bank Plc 1 - 3 Broad Street Hereford HR4 9BA
Solicitors	Harrison Clark Rickerbys 5 Deansway Worcester Worcestershire WR1 2JG
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2022

The trustees present their report and financial statements for the year ended 31 March 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives and activities

Rural Media Charity's mission statement is:

To use media and creativity as a catalyst for social impact and positive change for individuals, communities, organisations, cultures and society.

To deliver our mission we have identified five strategic priorities:

1. Champion underrepresented people & communities

Rural Media Charity works with individuals of all ages and communities experiencing social, geographic, and material deprivation, with multiple and/or complex needs. Underrepresented communities we have provided participatory training, production opportunities, support, work experience, information and advice for include: young people experiencing domestic and relationship abuse; people with physical and learning disabilities; those in or at risk of entering the justice system; LGBTQ+; people experiencing mental health challenges; those in poverty or unemployed; people facing ethnic discrimination; elderly people both living independently and in residential settings; individuals and families experiencing geographical isolation and loneliness. See for example our work with Gypsy, Roma, and Travellers: ruralmedia.co.uk/projects/travellers-times.

2. Develop media skills & talent

New talent and diverse voices are at the heart of everything we do. Recent years have seen our talent development work increasingly take centre stage, whether working with school children through to giving new creative talent progression routes into the creative industries. This mirrors the launch of the Government's Industrial Strategy Creative Industries Sector Deal 2018 with an emphasis on training and employment, the BFI's five-year strategy with its emphasis on 'Future Learning and Skills', and a natural extension of our cultural work for ACE across the West Midlands. We aim to expand our support for talented young people, professional artists, and arts organisations, to push the boundaries between digital arts and creative practice, giving access to inspirational industry professionals, digital facilities, creative spaces, training, and employment opportunities. See ruralmedia.co.uk/bfi.

3. Celebrate place & heritage

Rural Media Charity will continue its emphasis on place-based work with key stakeholders including Local Authority MLA services, National Lottery Heritage Fund, Historic England, and National Trust, and, vitally, with communities to strengthen a sense of belonging and pride, share histories and memories, and celebrate what makes a place special. We will inspire and encourage communities locally, regionally and nationally to develop creative enterprises that breathe new life into the culture, places and spaces where they live. More diverse and younger residents will be included in arts, heritage, and cultural activity. Through the creation and distribution of high-quality digital content, improved use and understanding of data, communities will retain younger generations, create employment and creative workspaces, and attract more visitors, increasing sustainability across sectors. See ruralmedia.co.uk/projects/herefordshires-great-place.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2022

4. Raise awareness of rural issues & culture

Having worked closely with rural communities, service providers and policymakers for over 30 years Rural Media Charity is highly regarded and trusted for its knowledge and insight into rural culture. With 17% of England's residents living in the countryside yet so much of rural life misunderstood and/or misrepresented, raising awareness of issues facing rural communities is a key priority for Rural Media Charity. Rural Media Charity plays an active role in ACE Rural Stakeholders' Group and development of ACE 2020-30 Strategy, Let's Create, and other national policy forums, e.g. Rural Services Network (RSN), BBC Rural Affairs Committee etc. As we become a digital-first society with widening choice of where to live, work or study, the interdependence of rural and urban culture, economy and wellbeing is increasingly recognised. Rural Media Charity contributes creatively and critically to this major policy discourse. See ruralmedia.co.uk/POV.

5. Support arts & cultural organisations

Arts & culture act as R&D for the creative industries, encouraging experimentation and in turn driving innovation and commercial activity. Meanwhile, creative industries are increasingly recognised as potential drivers of economic growth in rural areas. Rural Media Charity advocates powerfully for cultural organisations and creative businesses to be recognised strategically as contributors to the economic and social wellbeing of rural counties.

Our in-depth local knowledge and understanding of rural communities feed into our own creative programming along with our role in local, regional, and national economic and cultural policy development. To sustain and grow this work, we continue to seek new partnerships and attract cross-sector investment for strategic revenue and capital projects. Our support for cultural enterprise development, especially within the creative technology sector contributes significantly towards regeneration of rural cities and market towns. See Rural Media Charity's leadership role with Herefordshire Cultural Partnership:

the-shire.co.uk/stories/new-report-looks-boost-herefordshires-creative-economy.

Public benefit

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the charity's aims and objectives. Rural Media Charity provides public benefit through its work with communities, schools and colleges, groups, and individuals to create issue-driven films, heritage and digital arts projects that raise awareness, influence change, and celebrate rural life. The charity's work with young people is designed to foster confidence and equip them with the flexible skillset to work in today's creative digital industries. The charity's education programme for young people includes the provision of nationally accredited courses, and its work with marginalised communities is internationally recognised. The charity publishes Travellers' Times, a bi-annual print magazine and daily website travellerstimes.org.uk to support Gypsies and Travellers to tell their stories, educate people and advocate for their communities.

Achievements and performance

Despite the challenges of the Covid pandemic Rural Media Charity's considerable outputs and outcomes were achieved throughout 2021-22 in no small way thanks to the financial and advisory support of Arts Council England (ACE), including investment from ACE's Cultural Recovery Fund Rounds 1&2, The National Lottery Community Fund (TNLCF), and a range of local and national trusts and foundation.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2022

During 2021-22 Rural Media Charity worked with more than 2,000 people and with our inclusive outreach programme and project portfolio many were from diverse or disadvantaged backgrounds. During the COVID-19 pandemic, in the earlier part of the year, due to our digital expertise and in house staff skills, we were able to move our workshops, training, and production online to ensure effective service delivery. We produced high-quality media resource training, increasing the skills of young talent in the Midlands. We were grateful for continued core support from The Elmley Foundation which enables us to use film, media and digital art to strengthen communities and give a platform to unheard voices, deliver much needed bespoke and accessible health & wellbeing advice and information directly to communities in crisis and support creative rural talent.

Our multi-faceted projects have bettered access to services and advice for Gypsy, Roma and Traveller communities nationally, expanded our community outreach across the most underserved areas of Herefordshire and strengthened creative networks and supported young talent right across the Midlands region. In doing so we created a portfolio of innovative creative media including films, moving image, animation, audio, educational resources, health and wellbeing resources, photography collections, websites and printed media. Through our broadcast and digital channels, we estimate our audience reach to be more than 20 million over the course of the year.

Project highlights were:

British Film Institute (BFI)

In the ninth year of BFI Film academy, Rural Media Charity trained 22 young people in filmmaking. Participants received a bespoke training schedule, notably producing practical workshops for hands-on experience. Delivered in hybrid format, the 2021-22 cohort devised, produced, and exhibited a suite of powerful short films all focused on topical themes including body image, mental health and drugs awareness. Participants also had the opportunity to gain an industry recognised NCFE qualification in Preparing to Work in The Film Industry. See ruralmedia.co.uk/bfi

Digital Culture Hub

Rural Media's proposal to develop a Digital Culture Hub (DCH) was included in Hereford's Stronger Towns Fund plan. The DCH will contribute to "levelling up" by creating a beacon of innovation and enterprise for Herefordshire and the rural West Midlands where creativity meets technology. It will aggregate in a single, fully accessible, contemporary space the creative technologies, tools, and expertise to inspire and raise the skill levels of creative and cultural entrepreneurs, SMEs, students, public, private and VCSE sectors in the county, enabling them to take advantage of the booming, post-Covid-19 digital economy. Rural Media Charity's successful application for £1.2m will enable the charity to purchase its current base at Packers House and through loan finance refurbish and equip the new centre.

Rural Studios

We re-branded Rural Media Charity's commercial trading arm as Rural Studios ruralstudios.co.uk From television and radio for national broadcasters to online social media films for charities and businesses Rural Studios sets out to change perspectives through film and audio and empower future talent through innovative storytelling and powerful visuals. Following the considerable success of work commissioned from Rural Studios by Booker Prize, BBC Arts commissioned Rural Studios to produce 4x60min. 'performance readings' of British iconic novels for broadcast on BBC Four in 2022-23.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2022

Herefordshire is a Great Place

Herefordshire is a Great Place was part of the national Great Place Scheme. Co-funded by Arts Council England and National Lottery Heritage Fund with support from Historic England and local partners including Herefordshire Council and the Elmley Foundation, the programme was delivered by Rural Media Charity on behalf of Herefordshire Cultural Partnership (HCP). Legacy activity informed by Great Place during 2021-22 includes: Leominster's High Street Heritage Action Zone; The Ford Collective delivered by 2Faced Dance; and HCP's ongoing development of an ACE supported Cultural Compact. Herefordshire is a Great Place was subsequently selected by DCMS as an exemplary project which illustrated many of the advantages and good practice of place-based arts and cultural development. The Great Place evaluations can be found online at ruralmedia.co.uk/charity/projects/herefordshires-great-place and the-shire.co.uk.

New Creatives

New Creatives, an Arts Council England and BBC Arts supported talent development scheme, offered commissioning opportunities for Midlands based emerging creatives to make new artistic works in film, audio or interactive media, designed for BBC channels and platforms. During 2021-22 the New Creatives team and BBC commissioning director commissioned 41 young artists and supported them to produce productions across film, audio and interactive. Commissioned artists have all benefitted from professional development, production and marketing and distribution training. See ruralmedia.co.uk/newcreatives.

Point of View

Supported by Esmée Fairbairn Foundation (EFF) through core funding, the P.O.V. programme has now reached 1,600 14-25 year-olds in Herefordshire, Shropshire and Worcestershire. Activity includes production of P.O.V. podcast series, launched March 2022; youth leadership course with Level 3 qualification; workshops on creative skills, activism and local campaigning. Support from Herefordshire Community Foundation enabled POV to continue its focussed participatory work with rural young people in the Teme Valley area of North Herefordshire. In-depth listening work has informed the development of several spin-off thematic projects (example themes: care experience; rural racial inequality; hyper-local place-based youth consultations). 2022-23 priorities include continuation strategy with EFF staff; developing skills and diversifying Boards through youth trustee programme; and piloting policy development/participatory democracy activity with rural local authorities. See pointofviewrural.com.

Travellers' Times - TT Vision

Funded by the National Lottery Community Fund, TT Vision builds on work of the last 20 years as Travellers' Times continues to improve lives through challenging negative media and amplifying Gypsy, Roma and Traveller voices. In 2021-22 we produced two full-page magazines and the website hosted over 150 co-produced news and feature articles and videos information on a huge range of subjects about the things that are important to Gypsy, Roma, and Traveller people. We worked specifically on films and reports for Macmillan Cancer Support and Worcestershire suicide prevention exploring barriers to engagement, recommending best practice and offering advice and support to the Gypsy, Roma and Traveller community.

Our main focus has been working with community members, consultants and stakeholders to develop a three-year paid training programme to transition Travellers' Times into an independent community led entity through work based training and continuing professional development. The new cohort of 15 trainees joined us in September 2022. See travellerstimes.org.uk/tt-vision.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2022

Financial review

The consolidated financial statements for the year to 31 March 2022 are for Rural Media Charity and its wholly-owned trading subsidiary, Rural Studios Ltd. The financial statements have been prepared according to the requirements of the Statement of Recommended Practice – Accounting by Charities (effective from January 2019) and have been prepared on the basis of funds accounting, rather than on an income and expenditure basis.

For the year to 31 March 2022 total income was £1,033,990 (2021: £1,087,708) of which unrestricted income was £589,712 (2021: £564,048). The deficit on unrestricted funds was £16,575 (2021: £54,356 surplus). Rural Studios Ltd contributed £17,650 (2021: £39,882) to unrestricted funds. Rural Studios Ltd donates all its profits to Rural Media Charity under a deed of covenant.

At 31 March 2022, £2,676 was transferred from the unrestricted general fund to the designated fixed asset fund, representing the value of fixed asset additions in the year, leaving a balance of £118,213 (2021: £112,082) on the unrestricted general fund and a balance of £45,264 (2021: £67,970) on the designated fixed asset fund.

The trustees recognise the importance of maintaining a realistic level of reserves in order to ensure that Rural Media Charity continues to be in a position to discharge its obligations to its beneficiaries, partners, creditors and staff. The reserves policy is reviewed annually by trustees to take into account risk and sustainability of the organisation.

At 31 March 2022 the trustees increased the reserves target such that unrestricted general funds, excluding designated funds, are required to provide at least 4 months' cover of core costs (being establishment and staff expenditure not attributable to project activity). The unrestricted general funds are to be held in the form of cash at bank in a specially designated bank deposit account. At 31 March 2022 the charity's unrestricted general fund target was £110,000 (4 months' core cost cover) and the actual unrestricted general fund was £118,213 (4.3 month's cover), all of which was held on bank deposit account at the year-end (2021: unrestricted reserves target £80,000 (3 months' cover), actual unrestricted reserves £112,082 (4.2 months' cover)).

The trustees have considered the major risks to which the charity is exposed and have implemented review systems to mitigate these risks.

The major risks are currently identified as:

- Reliance on charitable and other income to supplement earned income to meet the cost of the creative programme;
- Changes in the arts funding system; and
- Critical impact of the loss of key senior staff.

To mitigate these risks the charity:

- Ensures that it has a diverse funding profile without an over-reliance on any one source of funding;
- Reviews existing and potential ways of generating earned income and works towards financial sustainability;
- Maintains and enhances relationships with key funders and remains well informed about developments in the arts funding arena;
- Invests time and effort in the exploration of funding opportunities and financial partnerships; and
- Ensures that all staff, including key senior staff, are well supported and that there is a regular appraisal of skills, roles and responsibilities within the senior staff team.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2022

Going concern

The trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- At the year-end the charity holds unrestricted general reserves of £118,213 and cash balances of £251,705;
- The charity's key funders have confirmed that they will continue to support the charity for at least the next 12 months;
- The charity benefits from holding National Portfolio Organisation (NPO) status with Arts Council England (ACE). To support NPOs beyond the COVID-19 pandemic ACE extended the NPO funding period by a year to 31 March 2023; and
- In November 2022 ACE confirmed that Rural Media Charity would retain its NPO status with unrestricted NPO annual funding maintained at £251,036 for a further three years to 31 March 2026.

The trustees, therefore, consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(c) to the financial statements.

Plans for future periods

At 1 April 2022 Rural Media Charity entered into its fifth year as an organisation with National Portfolio Organisation (NPO) status with Arts Council England (ACE). In November 2022 ACE confirmed that Rural Media Charity would retain its NPO status for a further three years to 31 March 2026. With NPO status comes secured unrestricted funding to develop Rural Media Charity's digital arts portfolio. NPO status is the foundation upon which Rural Media Charity will build a more secure and sustainable financial position. As part of its business plan, Rural Media Charity's trading subsidiary, Rural Studios Ltd, will grow its income and surplus.

Employees

At Rural Media Charity we rely heavily on the excellence of our staff to help achieve and maintain the highest standards of our creative outputs. We support our staff through regular performance reviews and through training and development programmes that are tailored to the individual.

Structure, governance and management

Rural Media Charity is a charitable company limited by guarantee, incorporated on 17 July 1992 and registered as a charity on 7 October 1994. The organisation is constituted under a Memorandum of Association which sets out the objects and powers of the charitable organisation and is governed under the Articles of Association. Rural Media Charity wholly owns a subsidiary company, Rural Studios Ltd that commenced trading on 13 May 2016.

The directors are also its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The organisation does not have a membership and the voluntary Board of Trustees is responsible for the overall management of the charity. The trustees have power to set an upper limit to the number of trustees appointed to the Board, currently there is no upper limit. There must be a minimum of three trustees for the Board to be quorate. The trustees meet in full on a quarterly basis

The selection and recruitment of new trustees is the responsibility of the full Board, who appoint by invitation of the Board. New trustees are proactively recruited to meet any skills gaps as identified by trustees. All new trustees are invited to attend one full Board meeting, and activities associated to that meeting, before being formally nominated.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2022

Each new trustee receives an induction pack prior to nomination setting out their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, and minutes which capture the recent financial performance of the charity. Regular Board development sessions are held and each session following appointment of new trustees incorporates induction and orientation information for the newly appointed trustees.

The day-to-day running of the organisation is carried out by a Senior Management Team (SMT) members of which are appointed by the trustees. The SMT comprises: Chief Executive Officer, Creative Director & Deputy CEO, Head of Production, Head of Development and Finance & Operations Director. To facilitate effective operations, the Chief Executive Officer and the SMT have delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and programme related activity. Members of the SMT are not directors of the charitable company in the legal sense under Company Law.

The charity adopts the NJC pay structure and pay scales for all its staff, including key management personnel. NJC scales are local government pay scales that are a result of negotiations between trade unions (Unite, Unison and GMB) and the Local Government Association. NJC pay scales are used extensively in the voluntary sector.

Fundraising

The charity does not seek to raise funds from the public and therefore has nothing to report on its fundraising approach and standards.

Statement of responsibilities of the Trustees

The Trustees (who are also Directors of the charity 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the group and the incoming resources and application of resources, including the net income or expenditure, of the charity and the group for the year. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the group and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Rural Media Charity

Report of the Trustees

For the year ended 31 March 2022

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the group and parent charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 16 November 2022 and signed on their behalf by

David Holdsworth

David Holdsworth - Chair

Independent auditors' report

To the members of

Rural Media Charity

Opinion

We have audited the financial statements of Rural Media Charity (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, consolidated and parent charity balance sheets, consolidated statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the group and parent charity financial statements and our auditor's report thereon. Our opinion on the group and parent charity financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report

To the members of

Rural Media Charity

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charity and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us;
- the parent charity financial statements are not in agreement with the accounting records and returns;
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

As explained more fully in the Trustees' responsibilities statement set out in the Trustees' report, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditors' report

To the members of

Rural Media Charity

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- (1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.
- (2) We reviewed the charity's policies and procedures in relation to:
 - Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
 - Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.
- (3) We inspected the minutes of trustee meetings.
- (4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.
- (5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.
- (6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.
- (7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:
 - Testing the appropriateness of journal entries;
 - Assessing judgements and accounting estimates for potential bias;
 - Reviewing related party transactions; and
 - Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

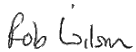
Independent auditors' report

To the members of

Rural Media Charity

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Date: 18 November 2022

Rob Wilson FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Rural Media Charity

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Restricted £	Unrestricted £	2022 Total £	2021 Total £
Income from:					
Donations	3	101,534	357,116	458,650	442,316
Charitable activities	4	342,314	231,466	573,780	645,348
Investments		-	122	122	44
Other income		430	1,008	1,438	-
Total income		<u>444,278</u>	<u>589,712</u>	<u>1,033,990</u>	<u>1,087,708</u>
Expenditure on:					
Raising funds		-	53,495	53,495	52,351
Charitable activities		386,317	552,792	939,109	989,311
Total expenditure	6	<u>386,317</u>	<u>606,287</u>	<u>992,604</u>	<u>1,041,662</u>
Net income / (expenditure)		57,961	(16,575)	41,386	46,046
Transfers between funds		-	-	-	-
Net movement in funds	7	57,961	(16,575)	41,386	46,046
Reconciliation of funds:					
Total funds brought forward		<u>36,831</u>	<u>180,052</u>	<u>216,883</u>	<u>170,837</u>
Total funds carried forward		<u><u>94,792</u></u>	<u><u>163,477</u></u>	<u><u>258,269</u></u>	<u><u>216,883</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 20 to the accounts.

Rural Media Charity

Consolidated balance sheets

As at 31 March 2022

	Note	The group 2022 £	The group 2021 £	The charity 2022 £	The charity 2021 £
Fixed assets					
Tangible assets	12	45,264	67,970	45,264	67,970
Investments	13	-	-	2	2
		<u>45,264</u>	<u>67,970</u>	<u>45,266</u>	<u>67,972</u>
Current assets					
Debtors	15	201,453	96,922	96,019	95,079
Cash at bank and in hand		<u>251,705</u>	<u>164,417</u>	<u>214,789</u>	<u>137,475</u>
		453,158	261,339	310,808	232,554
Liabilities					
Creditors: amounts falling due within 1 year	16	<u>(219,115)</u>	<u>(112,426)</u>	<u>(97,805)</u>	<u>(83,643)</u>
Net current assets		<u>234,043</u>	<u>148,913</u>	<u>213,003</u>	<u>148,911</u>
Total assets less current liabilities		279,307	216,883	258,269	216,883
Creditors: amounts falling due after more than 1 year	17	<u>(21,038)</u>	-	-	-
Net assets	19	<u>258,269</u>	<u>216,883</u>	<u>258,269</u>	<u>216,883</u>
Funds	20				
Restricted funds		94,792	36,831	94,792	36,831
Unrestricted funds					
Designated funds		45,264	67,970	45,264	67,970
General funds		<u>118,213</u>	<u>112,082</u>	<u>118,213</u>	<u>112,082</u>
Total charity funds		<u>258,269</u>	<u>216,883</u>	<u>258,269</u>	<u>216,883</u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees on 16 November 2022 and signed on their behalf by

David Holdsworth



David Holdsworth - Chair

John Bateman - Trustee

Rural Media Charity

Consolidated statement of cash flows

For the year ended 31 March 2022

	2022	2021
	£	£
Cash used in operating activities:		
Net movement in funds	41,386	46,046
Adjustments for:		
Depreciation charges	25,382	17,234
Interest from investments	(122)	(44)
Decrease / (increase) in debtors	(104,531)	168,282
Increase / (decrease) in creditors	101,430	(67,312)
Increase / (decrease) in provisions	-	(1,318)
Net cash provided by / (used in) operating activities	<u>63,545</u>	<u>162,888</u>
Cash flows from investing activities:		
Interest from investments	122	44
Purchase of tangible fixed assets	<u>(2,676)</u>	<u>(50,822)</u>
Net cash provided used in investing activities	<u>(2,554)</u>	<u>(50,778)</u>
Cash flows from financing activities:		
Cash inflows from new borrowings	<u>26,297</u>	<u>-</u>
Net cash provided used in financing activities	<u>26,297</u>	<u>-</u>
Increase / (decrease) in cash and cash equivalents in the year	87,288	112,110
Cash and cash equivalents at the beginning of the year	<u>164,417</u>	<u>52,307</u>
Cash and cash equivalents at the end of the year	<u><u>251,705</u></u>	<u><u>164,417</u></u>

Analysis of changes in net debt

	At 1 April			At 31 March
	2021	Cash flows	New loans	2022
	£	£	£	£
Cash	164,417	60,991	26,297	251,705
Loans falling due within 1 year	-	-	(5,259)	(5,259)
Loans falling due after 1 year	-	-	(21,038)	(21,038)
Total	<u><u>164,417</u></u>	<u><u>60,991</u></u>	<u><u>-</u></u>	<u><u>225,408</u></u>

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Rural Media Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b) Group accounts

These financial statements consolidate the results of the charitable company and its wholly-owned (controlled) subsidiary on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

c) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. At the year-end the group holds unrestricted general reserves of £118,213 and cash balances of £251,705. The charity's key funders have confirmed that they will continue to support the charity for at least the next 12 months. The charity benefits from holding National Portfolio Organisation (NPO) status with Arts Council England (ACE). To support NPOs beyond the COVID-19 pandemic ACE extended the NPO funding period by a year to 31 March 2023. In November 2022 ACE confirmed that Rural Media Charity would retain its NPO status with unrestricted NPO annual funding maintained at £251,036 for a further three years to 31 March 2026. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

Income received in advance of provision of services under contract is deferred until criteria for income recognition are met.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

e) Interest receivable

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

f) Funds accounting

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

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

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

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to expenditure on charitable activities which is deemed to be reflective of the activities of the charity in this period.

i) Grants payable

Grants payable are charged in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached have been fulfilled. Grants offered subject to conditions at the year end are noted as commitment but are not accrued as expenditure.

j) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Motor vehicles	25% straight line
Technical equipment	25% straight line
Fixtures and fittings	25% straight line

Items of equipment are capitalised where the purchase price exceeds £1,000.

k) Investment in subsidiary undertakings

The charitable company has one wholly owned subsidiary, Rural Studios Ltd, (registered company number 03751216). The subsidiary is used for non-primary purpose trading activities. The subsidiary undertaking is valued at cost less any cumulative impairment losses in the charitable company's accounts.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors

Creditors and provisions are recognised where there is a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

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

p) Pension costs

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

q) Redundancy payments

Where an employee receives a termination benefit the full cost is recognised at the date the employee is notified.

r) Accounting estimates and key judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key source of estimation uncertainty that has a significant effect on the amounts recognised in the financial statements is depreciation, as described in note 1j to the financial statements.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2021 Total £
Income from:			
Donations	125,000	317,316	442,316
Charitable activities	398,660	246,688	645,348
Investments	-	44	44
Total income	523,660	564,048	1,087,708
Expenditure on:			
Raising funds	-	52,351	52,351
Charitable activities	531,970	457,341	989,311
Total expenditure	531,970	509,692	1,041,662
Net income / (expenditure) and net movement in funds	(8,310)	54,356	46,046

3. Income from donations

	Restricted £	Unrestricted £	2022 Total £
Donations			
Individual donations	100	-	100
Grants			
Arts Council England	-	251,036	251,036
Cultural Recovery Fund	62,000	-	62,000
Elmley	12,000	-	12,000
Esmee Fairbairn Foundation	-	66,280	66,280
Herefordshire Community Foundation	20,200	-	20,200
Herefordshire Council	7,234	-	7,234
Lankelly Chase	-	32,000	32,000
Open Arms Kington CIC	-	7,800	7,800
Total income from donations	101,534	357,116	458,650

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

3. Income from donations (continued)

Prior period comparative:

	Restricted £	Unrestricted £	2021 Total £
Grants			
Arts Council England	-	251,036	251,036
Cultural Recovery Fund	125,000	-	125,000
Esmee Fairbairn Foundation	-	66,280	66,280
Total income from donations	125,000	317,316	442,316

4. Income from charitable activities

	Restricted £	Unrestricted £	2022 Total £
Grants and service level agreements			
National Lottery Heritage Fund	29,927	-	29,927
Arts Council England	55,000	-	55,000
National Lottery Community Fund	240,387	-	240,387
The British Film Institute	17,000	-	17,000
Earned income	-	231,466	231,466
Total income from charitable activities	342,314	231,466	573,780

Prior period comparative:

	Restricted £	Unrestricted £	2021 Total £
Grants and service level agreements			
National Lottery Heritage Fund	62,979	-	62,979
Arts Council England	198,000	-	198,000
National Lottery Community Fund	106,681	-	106,681
The British Film Institute	17,000	-	17,000
Herefordshire Council	13,000	-	13,000
Other <£5k	1,000	-	1,000
Earned income	-	246,688	246,688
Total income from charitable activities	398,660	246,688	645,348

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

5. Government grants

The charitable company receives government grants, defined as funding from Arts Council England, National Lottery Community Fund, National Lottery Heritage Fund, The British Film Institute and Herefordshire Council, to fund core services and charitable activities. The total value of such grants in the period ending 31 March 2022 was £662,584 (2021: £773,696). There are no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

6. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2022 Total £
Staff costs (note 10)	53,495	509,521	13,693	576,709
Training	-	3,234	-	3,234
Production costs	-	267,314	-	267,314
Travel and subsistence	-	1,278	-	1,278
Equipment hire	-	3,504	-	3,504
Grants payable (note 8)	-	1,350	-	1,350
Rent, rates and premises	-	31,621	-	31,621
Insurance	-	10,112	280	10,392
Heat, light and power	-	7,224	-	7,224
Motor expenses	-	4,734	-	4,734
Printing and stationery	-	2,251	-	2,251
Telephone and computer	-	18,411	-	18,411
Memberships and subscriptions	-	23,953	-	23,953
Marketing	-	5,473	-	5,473
Bank charges and interest	-	613	-	613
Depreciation	-	25,382	-	25,382
Professional fees	-	91	9,070	9,161
Sub-total	53,495	916,066	23,043	992,604
Allocation of support and governance costs	-	23,043	(23,043)	-
Total expenditure	53,495	939,109	-	992,604

Total governance costs were £9,350 (2021: £8,028).

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

6. Total expenditure (continued)

Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2021 Total £
Staff costs (note 10)	52,351	543,861	9,961	606,173
Training	-	1,237	-	1,237
Production costs	-	277,758	-	277,758
Travel and subsistence	-	1,167	-	1,167
Equipment hire	-	15,242	-	15,242
Grants payable (note 8)	-	26,855	-	26,855
Rent, rates and premises	-	31,521	-	31,521
Insurance	-	9,709	279	9,988
Heat, light and power	-	7,168	-	7,168
Motor expenses	-	1,724	-	1,724
Printing and stationery	-	2,010	-	2,010
Telephone and computer	-	17,410	-	17,410
Memberships and subscriptions	-	15,919	-	15,919
Marketing	-	475	-	475
Bank charges and interest	-	280	-	280
Depreciation	-	17,234	-	17,234
Professional fees	-	240	9,261	9,501
Sub-total	52,351	969,810	19,501	1,041,662
Allocation of support and governance costs	-	19,501	(19,501)	-
Total expenditure	52,351	989,311	-	1,041,662

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

7. Net movement in funds

This is stated after charging:

	2022 £	2021 £
Depreciation	25,382	17,234
Operating lease payments	19,600	30,370
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses*	26	Nil
Auditors' remuneration:		
▪ Statutory audit (including VAT)	8,110	7,710
▪ Other services	1,560	600
	<u>1,560</u>	<u>600</u>

*One trustee was reimbursed £26 for travel expenses during the year (2021: £Nil)

8. Grants payable

	2022 £	2021 £
Grants payable to organisations:		
Meadow Arts	-	3,000
Open Sky Theatre	1,350	3,000
Feral Productions	-	2,800
Aspire Living	-	2,000
The Big Skill CIC	-	2,000
Close House	-	2,000
Ledbury Poetry Festival	-	2,000
The Sidney Nolan Trust	-	2,000
Other (<£5k)	-	4,916
Grants payable to no individuals (2021: 11)	-	3,139
	<u>1,350</u>	<u>26,855</u>

9. Grant commitments

	2022 £	2021 £
Grant commitments brought forward	-	20,400
Grants committed during the period	1,350	26,855
Grants paid during the period	<u>(1,350)</u>	<u>(47,255)</u>
Grant commitments carried forward	<u>-</u>	<u>-</u>

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

10. Staff costs and numbers

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	513,647	537,652
Social security costs	49,655	50,724
Pension costs	12,319	17,797
Statutory redundancy costs	<u>1,088</u>	<u>-</u>
	<u>576,709</u>	<u>606,173</u>

One employee earned between £60,000 and £70,000 during the year (2021: Nil).

Redundancy costs comprise statutory redundancy payments made to one member of staff following a change in Rural Media's marketing strategy.

The key management personnel of the charitable company comprise the Trustees, the Chief Executive Officer, the Creative Director & Deputy CEO, the Head of Development, Head of Production and the Finance & Operations Director. The total employee benefits of the key management personnel were £259,859 (2021: £238,720).

	2022 No.	2021 No.
Average number of employees (headcount)	14.7	17.4
Average number of employees (full-time equivalent)	<u>13.4</u>	<u>15.0</u>

11. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

12. Tangible fixed assets

The charity and group

	Motor vehicles £	Technical equipment £	Fixtures and fittings £	Total £
Cost				
At 1 April 2021	27,270	197,286	5,215	229,771
Additions	-	2,676	-	2,676
At 31 March 2022	<u>27,270</u>	<u>199,962</u>	<u>5,215</u>	232,447
Depreciation				
At 1 April 2021	27,270	131,527	3,004	161,801
Charge for year	-	24,162	1,220	25,382
At 31 March 2022	<u>27,270</u>	<u>155,689</u>	<u>4,224</u>	187,183
Net book value				
At 31 March 2022	<u>-</u>	<u>44,273</u>	<u>991</u>	<u>45,264</u>
At 31 March 2021	<u>-</u>	<u>65,759</u>	<u>2,211</u>	<u>67,970</u>

13. Investments

Rural Studios Ltd

The charitable company owns the whole of the issued share capital (2 ordinary £1 shares) of Rural Studios Ltd (formerly Rural Media Productions Ltd), a company registered in England and Wales. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2022 £	2021 £
Turnover	184,268	191,090
Cost of sales	<u>(134,008)</u>	<u>(120,621)</u>
Gross profit	50,260	70,469
Administrative expenses	<u>(32,610)</u>	<u>(30,587)</u>
Profit on ordinary activities	<u>17,650</u>	<u>39,882</u>

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

13. Investments (continued)

The aggregate of the assets, liabilities and funds was:

	2022 £	2021 £
Assets	160,099	77,177
Liabilities	(160,097)	(77,175)
Funds	<u>2</u>	<u>2</u>

14. Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2022 £	2021 £
Gross income	881,472	963,842
Results for the year	<u>41,386</u>	<u>46,046</u>

15. Debtors

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	178,816	6,204	60,000	-
Accrued income	5,100	67,171	5,100	23,139
Rural Studios Ltd	-	-	17,749	48,393
Prepayments	17,082	20,943	12,715	20,943
Other debtors	455	2,604	455	2,604
	<u>201,453</u>	<u>96,922</u>	<u>96,019</u>	<u>95,079</u>

16. Creditors : amounts due within 1 year

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	35,535	42,103	16,449	35,352
Other taxation and social security	12,363	14,219	12,363	14,219
VAT	31,290	7,072	-	-
Accruals	30,242	37,773	28,192	31,013
Deferred income (see note 18)	104,125	8,200	40,500	-
Other creditors	301	3,059	301	3,059
Loans	5,259	-	-	-
	<u>219,115</u>	<u>112,426</u>	<u>97,805</u>	<u>83,643</u>

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

17. Creditors : amounts due after 1 year

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Loans	21,038	-	-	-

The group secured a Government backed Business Interruption Payment - Bounce Back Loan via Barclays Bank in a bid to secure future low interest loans should the organisation require additional cashflow. The loan was secured at 2.5% interest with no payments due within the first year of the loan.

18. Deferred income

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
At 1 April 2021	8,200	58,570	-	8,235
Deferred during the year	104,125	8,200	40,500	-
Released during the year	(8,200)	(58,570)	-	(8,235)
At 31 March 2022	104,125	8,200	40,500	-

Deferred income relates to income received in advance of delivery of services.

19. Analysis of net assets between funds

	Restricted funds	Designated funds	General funds	Total funds
	£	£	£	£
Tangible fixed assets	-	45,264	-	45,264
Current assets	94,792	-	358,366	453,158
Current liabilities	-	-	(219,115)	(219,115)
Non current liabilities	-	-	(21,038)	(21,038)
Net assets at 31 March 2022	94,792	45,264	118,213	258,269
Prior year comparative				
	Restricted funds	Designated funds	General funds	Total funds
	£	£	£	£
Tangible fixed assets	-	67,970	-	67,970
Current assets	56,145	-	205,194	261,339
Current liabilities	(19,314)	-	(93,112)	(112,426)
Net assets at 31 March 2021	36,831	67,970	112,082	216,883

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

20. Movements in funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2022 £
Restricted funds					
British Film Institute - Film Academy	-	17,430	(17,430)	-	-
Cultural Recovery Fund - CRF1	7,187	-	(4,595)	-	2,592
Cultural Recovery Fund - CRF2	-	62,000	(62,000)	-	-
Digital Culture Hub	-	7,234	(7,234)	-	-
Elmley Foundation	-	12,000	(12,000)	-	-
Herefordshire is a Great Place	(24,561)	29,927	(5,366)	-	-
National Lottery Community Fund - TT Connect	54,052	-	(54,052)	-	-
National Lottery Community Fund - TT Vision	-	240,487	(154,897)	-	85,590
New Creatives	153	55,000	(55,153)	-	-
POV - Teme Valley	-	20,200	(13,590)	-	6,610
Total restricted funds	36,831	444,278	(386,317)	-	94,792
Unrestricted funds					
<i>Designated funds</i>					
Fixed asset fund	67,970	-	(25,382)	2,676	45,264
General funds	112,082	589,712	(580,905)	(2,676)	118,213
Total unrestricted funds	180,052	589,712	(606,287)	-	163,477
Total funds	216,883	1,033,990	(992,604)	-	258,269

Purposes of restricted funds

British Film Institute - Film Academy

The annual BFI Film Academy provides an opportunity for young people aged 16-19 to access high quality film production training through a series of masterclasses and practical workshops and to gain an NCFE qualification.

Cultural Recovery Fund - CRF1

The CRF1 fund was managed by Arts Council England on behalf of the Government Department for Digital, Culture, Media and Sport. The funding enabled the charity to protect its creative programme by undertaking an agile, iterative restructure centered on technology, and to further develop, refine and consolidate outreach, engagement and remote production practices begun in lockdown.

Cultural Recovery Fund - CRF2

The CRF2 fund was managed by Arts Council England on behalf of the Government Department for Digital, Culture, Media and Sport. The funding enabled the charity to invest further in its project development capacity but also to facilitate more strategic, targeted development and core funding.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

20. Movements in funds (continued)

Purposes of restricted funds (continued)

Digital Culture Hub

In June 2021 Hereford Stronger Towns Partnership secured £22.4 million of Town Deal Funding from the Department for Levelling up, Housing and Communities (DLUHC) to deliver six capital projects which is anticipated will support the economic recovery and growth of Hereford. To support the development of the full business cases of these projects DLUHC has made available 5% of the total funding as Early Funding. Rural Media Charity has been allocated £55,000 of Early Funding to be used in the development of the full business case for a capital project that is expected to commence in 2022-23. At 31 March 2022 Rural Media Charity had received and applied £7,234 of Early Funding from Herefordshire Council, the accountable body for the Early Funding.

Elmley Foundation

Core funding in support of a Development Producer post for three years to 2023-24.

Herefordshire is a Great Place

'Herefordshire's a Great Place' is a cultural development project, co-funded by Arts Council England and National Lottery Heritage Fund and supported by Historic England. The project empowers communities to redefine what makes Herefordshire a great place, while championing and strengthening the vital role culture and heritage plays in a rural county's social and economic future.

TT Connect

A 15 month project funded by The National Lottery Community fund to continue the work of Travellers' Times and to conduct action based research into the development of a four year project to transition Travellers Times into an independent community led entity.

TT Vision

A four year training and career development project funded by National Lottery Community Fund to empower the upcoming generation of Gypsy, Roma and Travellers to take on the running and development of Travellers' Times as a sustainable 100% community-led project.

New Creatives

Arts Council England funded talent development scheme offering commissioning opportunities and training for emerging creatives, aged 16-30 based in the Midlands, to make new artistic works in film, audio or interactive media, designed for BBC channels and platforms.

POV - Teme Valley

Funded by Herefordshire Community Foundation Teme Valley Fund the project focusses on 14-18 year olds living in the Teme Valley region. The project aims are to collect impactful testimony of rural young people's lived experience and points of view and to amplify these through the production of creative content exploring these issues; to support young people to access new opportunities such as creative, cultural, social, educational, training or career opportunities; and to empower young people to independently create quality digital creative content that raises awareness of issues and themes that are important to rural young people.

Purposes of designated funds

Fixed assets fund

This fund represents the net book value of fixed assets.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

20. Movements in funds (continued)

Prior year comparative

	At 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2021 £
Restricted funds					
British Film Institute - Film Academy	-	17,000	(17,000)	-	-
Cultural Recovery Fund	-	125,000	(75,118)	(42,695)	7,187
Herefordshire is a Great Place	(9,121)	76,979	(92,419)	-	(24,561)
National Lottery Community Fund - TT Connect	91,442	67,131	(104,521)	-	54,052
National Lottery Community Fund - TT Connect Covid-19 Activity	-	39,550	(39,550)	-	-
New Creatives	5,515	198,000	(203,362)	-	153
Total restricted funds	<u>87,836</u>	<u>523,660</u>	<u>(531,970)</u>	<u>(42,695)</u>	<u>36,831</u>
Unrestricted funds					
<i>Designated funds</i>					
Fixed asset fund	-	-	-	67,970	67,970
General funds	<u>83,001</u>	<u>564,048</u>	<u>(509,692)</u>	<u>(25,275)</u>	<u>112,082</u>
Total unrestricted funds	<u>83,001</u>	<u>564,048</u>	<u>(509,692)</u>	<u>42,695</u>	<u>180,052</u>
Total funds	<u><u>170,837</u></u>	<u><u>1,087,708</u></u>	<u><u>(1,041,662)</u></u>	<u><u>-</u></u>	<u><u>216,883</u></u>

21. Operating lease commitments

The group and charity had operating leases at the year end with total future minimum lease payments as follows:

	The group and the charity	
	2022	2021
	£	£
Amount falling due:		
Within 1 year	-	30,271
Within 1 - 5 years	-	3,557
	<u>-</u>	<u>33,828</u>

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2022

22. Related party transactions

Rural Studios Ltd is a wholly owned subsidiary of Rural Media Charity. During the year the company paid the following amounts to the charity:

	2022 £	2021 £
Contribution to production costs, overheads and wages	14,100	27,342
Gift aid donation to parent	<u>17,650</u>	<u>39,882</u>
	<u>31,750</u>	<u>67,224</u>

At 31 March 2022 the subsidiary company owed the parent charity £17,749 (2021: £48,393).

Nic Millington, Chief Executive Officer of Rural Media Charity, is a director of Herefordshire Cultural Partnership. During the year, Rural Media Charity invoiced Herefordshire Cultural Partnership £20,000 for consultancy and research work. At 31 March 2022, £20,000 was outstanding and included in the charity's trade debtors.

There were no other related party transactions during the year.

Rob Wilson
Godfrey Wilson Limited
Chartered Accountants & Statutory Auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

16 November 2022

Dear Rob

Letter of Representations on the Financial Statements for the Year Ended 31 March 2022

This representation letter is provided in connection with your audit of the financial statements of the charity for the year ended 31 March 2022.

We confirm that the following representations are made on the basis of enquiries of the trustees, management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you:

1. We have fulfilled our responsibilities as trustees, as set out in the terms of your engagement letter dated 3 June 2020, under the Companies Act 2006 for preparing financial statements, in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

We confirm that in our opinion the financial statements give a true and fair view and in particular that where any additional information must be disclosed in order to give a true and fair view that information has in fact been disclosed. We confirm that the selection and application of the accounting policies used in the preparation of the financial statements are appropriate, and we approve these accounts for the year ended 31 March 2022.

2. We confirm that all accounting records have been made available to you for the purpose of your audit, in accordance with your terms of engagement, and that all the transactions undertaken by the charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management, trustees' and members' meetings, have been made available to you. We have given you unrestricted access to persons within the charity in order to obtain audit evidence and have provided any additional information that you have requested for the purposes of your audit.
3. We acknowledge that it is a criminal offence to make a false statement in this regard, and where any director either makes a false statement; is aware that the statement is false; is reckless in preventing this statement; or fails to take reasonable steps to prevent the trustees' report from being approved, we acknowledge that each director will be guilty of a criminal offence.
4. We confirm the charity has satisfactory title to all assets and there are no liens or encumbrances on the assets, except for those disclosed in the financial statements.

Company No: 02732325 | Registered Charity No: 1041335

5. We confirm that significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. We confirm that we have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
6. We confirm that the charity has no liabilities or contingent liabilities other than those disclosed in the financial statements.
7. We confirm that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the applicable financial reporting framework.
8. We confirm that there have been no events since the balance sheet date which require disclosing or which would materially affect the amounts in the financial statements, other than those already disclosed or included in the financial statements.
9. We confirm that we are aware that a related party of the charity is a person or organisation which either (directly or indirectly) controls, has joint control of, or significantly influences the charity or vice versa and as a result will include: trustees/directors, other key management, close family and other business interests of the previous. We confirm that the related party relationships and transactions set out in appendix I are a complete list of such relationships and transactions and that we are not aware of any further related parties or transactions.
10. We confirm that the charity neither had, at any time during the year, any arrangement, transaction or agreement to provide credit facilities (including advances and credits granted by the charity) for trustees, nor provided guarantees of any kind on behalf of the trustees.
11. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.
12. We confirm that the charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
13. We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charity conducts its activities and which are central to the charity's ability to conduct its activities, except as explained to you and as disclosed in the financial statements.
14. We acknowledge our responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud. We confirm that we have disclosed to you the results of our risk assessment of the risk of fraud in the organisation. There have been no deficiencies in internal control of which we are aware.
15. We confirm that there have been no actual or suspected instances of fraud involving trustees, management or employees who have a significant role in internal control or that could have a material effect on the financial statements. We also confirm that we are not aware of any allegations of fraud by trustees, former trustees, employees, former employees, regulators or others.

16. We confirm that, in our opinion, the charity's financial statements should be prepared on the going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. In reaching this conclusion, we have taken into account all relevant matters of which we are aware, and have considered a period of at least one year from the date on which the financial statements will be approved.
17. We confirm that in our opinion the effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is set out in the management letter.
18. We confirm that we are not aware of any matters of material significance that should be reported to regulators. We confirm that all correspondence with the Charity Commission has been made available to you.
19. We confirm that all grants, donations and other income, including those subject to special terms or conditions or received for restricted purposes, have been notified to you. There have been no breaches of terms or conditions during the period regarding the application of such income.
20. We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that: (a) so far as each trustee is aware, there is no relevant audit information of which you as auditors are unaware; and (b) each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that you are aware of that information.
21. We acknowledge that it is a criminal offence to knowingly or recklessly make you as an auditor, a statement (oral or written) that conveys, or purports to convey, information or explanations that you require in your capacity as auditor, or are entitled to require, that is misleading, false or deceptive in a material particular.

Yours sincerely

David Holdsworth

David Holdsworth – Chair
For and on behalf of the trustees of Rural Media Charity

Appendix I: Summary of Related Parties

Connected Organisation	Name	Nature of Connection
Rural Media Productions Limited	n/a	Wholly owned trading subsidiary
Harrison Clark Rickerbys	M Hayes	Trustee of the charity is a partner in the firm. The firm provides legal advice to the charity.

Accounts

Company no. 02732325
Charity no. 1041335

Rural Media Charity
Report and Audited Financial Statements
31 March 2021

Rural Media Charity

Reference and administrative details

For the year ended 31 March 2021

Company number	02732325
Charity number	1041335
Registered office and operational address	Packers House 25 West Street Hereford HR4 0BX
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Andrew Thorman, Chair Anne Dawson (appointed 10 August 2021) Beverley Gibbs (appointed 10 August 2021) David Holdsworth Elonka Soros (resigned 4 May 2021) Jane Daggers (appointed 10 August 2021) Joanna Davidson John Bateman Martin Hitchin Matthew Hayes Trudy Aspinwall (resigned 28 October 2020)
Chief executive officer	Nic Millington
Company secretary	Richard Deane
Key management personnel	Nic Millington, CEO Grant Black, Creative Director & Deputy CEO Rich Matthews, Head of Development Richard Deane, Finance & Operations Director
Bankers	Barclays Bank Plc 1 - 3 Broad Street Hereford HR4 9BA
Solicitors	Harrison Clark Rickerbys 5 Deansway Worcester Worcestershire WR1 2JG
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

Rural Media Charity

Report of the trustees

For the year ended 31 March 2021

The Trustees present their report and financial statements for the year ended 31 March 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives and activities

Rural Media Charity's mission statement is:

To use media and creativity as a catalyst for social impact and positive change for individuals, communities, organisations, cultures and society.

To deliver our mission we have identified five strategic priorities:

1. Champion underrepresented people & communities

Rural Media works with individuals of all ages and communities experiencing social, geographic, and material deprivation, with multiple and/or complex needs. Underrepresented communities we have provided participatory training, production opportunities, support, work experience, information and advice for include: young people experiencing domestic and relationship abuse; people with physical and learning disabilities; those in or at risk of entering the justice system; LGBTQ+; people experiencing mental health challenges; those in poverty or unemployed; people facing ethnic discrimination; elderly people both living independently and in residential settings; individuals and families experiencing geographical isolation and loneliness. For an example of our work see ruralmedia.co.uk/tvyp

2. Develop media skills & talent

New talent and diverse voices are at the heart of everything we do at Rural Media. Recent years have seen our talent development work increasingly take centre stage, whether working with school children of all ages right through to giving new creative talent their first commission with a national broadcaster. This mirrors the launch of the Government's Industrial Strategy with an emphasis on digital education and training, the BFI's five-year strategy with its emphasis on 'Future Learning and Skills' and a natural extension of our own work for ACE across the West Midlands. From 2022 on, we aim to expand our support for talented young people, professional artists and arts organisations to push the boundaries between digital arts and creative practice, giving access to inspirational industry professionals, digital facilities, creative spaces, training, and employment opportunities. See ruralmedia.co.uk/bfi

3. Celebrate place & heritage

Rural Media will continue to work with key stakeholders including National Lottery Heritage Fund, Historic England and National Trust, and, vitally, with communities to strengthen a sense of belonging and pride, share histories and memories, and celebrate what makes a place special. We will inspire and encourage communities locally, regionally and nationally to develop creative enterprises that breathe new life into the places and spaces where they live. More diverse and younger residents will be included in arts, heritage, and cultural activity. Through the creation and distribution of high-quality digital content and improved use and understanding of data, communities will retain younger generations, create employment and creative workspaces, and attract more visitors, increasing sustainability across sectors. See ruralmedia.co.uk/charity/projects/herefordshires-great-place

Rural Media Charity

Report of the trustees

For the year ended 31 March 2021

4. Raise awareness of rural issues & culture

Having worked closely with rural communities, service providers and policymakers for over 30 years Rural Media is highly regarded and trusted for its insight into rural culture. With 17% of England's residents living in the countryside yet so much of rural life is misunderstood and/or misrepresented, raising awareness of the issues facing rural communities is a key priority for Rural Media. Rural Media plays an active role in ACE Rural Stakeholders' Group and development of ACE 2020-30 Strategy, and other national policy forums, e.g. Rural Services Network (RSN), BBC Rural Affairs Committee etc. As we become a digital-first society with widening choice of where to live, work or study, the interdependence of rural and urban culture, economy and wellbeing are increasingly recognised. Rural Media will contribute creatively and critically to this major policy discourse. See ruralmedia.co.uk/thewillows

5. Support arts & cultural organisations

Rural Media's less visible but vital work at local and regional level involves supporting arts and cultural organisations to create innovative digital work that creates opportunities for new talent and reaches new audiences. We advocate powerfully for the role of creativity and culture social and economic development, leading or supporting local cultural organisations, and investing via our delegated funding schemes to create new creative partnerships or training for cultural leaders.

Our in-depth local knowledge and understanding of rural communities and their needs feed into our own creative programming as well as regional and national economic and cultural policy development. To sustain and grow this work, we will continue to seek new partnerships and attract cross-sector investment for strategic revenue and capital projects. Our support for cultural enterprise development, especially within the creative technology sector contributes significantly towards regeneration of rural cities and market towns. See ruralmedia.co.uk/charity/projects/invisible-arts-network

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the charity's aims and objectives. Rural Media Charity provides public benefit through its work with communities, schools, groups and individuals to create issue-driven films, heritage and digital arts projects that raise awareness, influence change and celebrate rural life. The charity's work with young people is designed to foster confidence and equip them with the flexible skillset to work in today's digital industries. The charity's education programme for young people includes the provision of a British Film Institute Film Academy course. Rural Media Charity's work with marginalised communities is nationally recognised. The charity publishes Travellers' Times, a bi-annual print magazine and daily website (www.Travellerstimes.org.uk), that also delivers media skills, news-writing courses and events to train and support Gypsies and Travellers to tell their stories, educate people and advocate for their communities.

Achievements and performance

During 2020-21 Rural Media Charity worked with more than 2,000 people and with our inclusive outreach programme and project portfolio many were from a diverse or disadvantaged background. During the COVID-19 pandemic, due to our digital expertise and in house staff skills, we were able to switch our workshops, training and production online to ensure that we were able to deliver our services effectively. We delivered high-quality media resourcing and training, increasing the skills of young talent in the Midlands. Using film, media and digital art to strengthen communities we were able to give a platform to unheard voices, deliver much needed bespoke and accessible health & wellbeing advice and information directly to communities in crisis and support creative rural talent.

Rural Media Charity

Report of the trustees

For the year ended 31 March 2021

Our multi-faceted projects have bettered access to services and advice for Gypsy, Roma and Traveller communities nationally, expanded our community outreach across the most underserved areas of Herefordshire and strengthened creative networks and supported young talent right across the Midlands region. In doing so we created a portfolio of innovative creative media including films, moving image, animation, audio, educational resources, health and wellbeing resources, photography collections, websites and printed media. Through our broadcast and digital channels, we estimate our audience reach to be in excess of one million over the course of the year.

Project highlights were:

British Film Institute (BFI)

In the eighth year of BFI Film academy, Rural Media trained 22 young people in filmmaking. Participants received a bespoke training schedule, notably producing practical workshops for hands-on experience. Delivered predominantly remotely, the participants had to create, produce and deliver their concepts via Zoom. The 2020-21 cohort produced four short films, all focused on topical themes including body image, mental health and the global pandemic. In being part of the project, the cohort also had the opportunity to gain an industry recognised NCFE qualification in Preparing To Work In The Film Industry. See ruralmedia.co.uk/bfi

Herefordshire is a Great Place

Herefordshire is a Great Place is part of the national Great Place Scheme, co-funded by Arts Council England and National Lottery Heritage Fund with support from Historic England and local partners including Herefordshire Council and the Elmley Foundation. The scheme, delivered by Rural Media Charity on behalf of Herefordshire Cultural Partnership, secured a 12-month activity extension to March 2021 which enabled Herefordshire is a Great Place to offer bespoke support to community groups and third-party organisations delivering public activity. Grant agreements were amended to allow revised activity to respond to Covid restrictions. In tandem, the scheme piloted two online First Friday exhibitions curated by a Young Creatives Board, delivered 6 online sessions in partnership with Allinteractive Inclusion to influence inclusive access to culture and heritage assets in the county, and began the development of legacy projects. The programme was also evaluated in order to share key findings and lessons with local, regional and national stakeholders involved in cultural place-making. See ruralmedia.co.uk/charity/projects/herefordshires-great-place

New Creatives

New Creatives, an Arts Council England and BBC Arts supported talent development scheme, offers commissioning opportunities for Midlands based emerging creatives to make new artistic works in film, audio or interactive media, designed for BBC channels and platforms. During 2020-21 the New Creatives team and BBC commissioning director commissioned 41 young artists and supported them to produce productions across film, audio and interactive. Commissioned artists have all benefitted from professional development, production and marketing and distribution training. See ruralmedia.co.uk/newcreatives

Point of View

Supported by Esmée Fairbairn Foundation through core funding, the P.O.V. programme reached 1,000 14-25 year-olds in Herefordshire through a seven month creative consultation and outreach programme. A widely shared survey was proactively backed by Herefordshire Council and in April 2021 we launched the first Young Leaders creative programmes. The current programme, which will be scaled up into Shropshire and Worcestershire in 2021-2023, involves 28 young people supported to explore youth issues, share lived experiences, gain digital and media skills while working towards a Level 3 accreditation and producing creative content that influences policy changes. See pointofviewrural.com

Rural Media Charity

Report of the trustees

For the year ended 31 March 2021

Travellers' Times - TT Connect and TT Connect Covid-19 Activity

Funded by the National Lottery Community Fund, TT Connect and TT Connect Covid-19 Activity continued the work of Travellers' Times as community led multi-media projects that seek to improve lives through challenging negative media and providing a platform for Gypsy and Traveller voices to be heard. We use co-production, consultation and training. In 2020-21 we produced two full-page magazines, four 'Covid Special editions' and over 50 short information and creative videos to provide positive news and features and information about health, wellbeing-education and employment. The magazine has a readership of approximately 100,000. The website hosted a further 150+ co-produced articles and short films and receives around 950,000 visitors a year.

Throughout the project we conducted action based research with our readers, stakeholders and the wider public to inform the development of a four-year project to transition Travellers' Times into an independent community-led entity through work-based training and continuing professional development. See travellerstimes.org.uk

Financial review

The consolidated financial statements for the year to 31 March 2021 are for Rural Media Charity and its wholly-owned trading subsidiary, Rural Media Productions Ltd. The financial statements have been prepared according to the requirements of the Statement of Recommended Practice – Accounting by Charities (effective from January 2019) and have been prepared on the basis of funds accounting, rather than on an income and expenditure basis.

For the year to 31 March 2021 total income was £1,087,708 (2020: £1,485,884) of which unrestricted income was £564,048 (2020: £437,916). The surplus on unrestricted funds was £54,356 (2020: £19,542). Rural Media Productions Ltd contributed £39,882 (2020: £22,729) to the surplus on unrestricted funds. Rural Media Productions Ltd donates all its profits to Rural Media Charity under a deed of covenant.

At 31 March 2021, a designated fund was created representing the net book value of fixed assets and £67,970 was transferred to that fund leaving a balance of £112,082 on the unrestricted general fund.

The trustees recognise the importance of maintaining a realistic level of reserves in order to ensure that Rural Media Charity continues to be in a position to discharge its obligations to its beneficiaries, partners, creditors and staff. The reserves policy is reviewed annually by trustees to take into account risk and sustainability of the organisation.

At 31 March 2021 the trustees redefined the reserves target such that unrestricted general funds, excluding designated funds, are required to be at least equal to 3 months' cover of core costs (being establishment and staff expenditure not directly attributable to project activity) to be held in the form of cash at bank in a specially designated bank deposit account. At 31 March 2021 the charity's unrestricted general fund target was £80,000 (3 months' core cost cover) and the actual unrestricted general fund was £112,082 (4.2 month's cover) of which £100,000 (3.8 months' cover) was held on bank deposit account (2020: unrestricted reserves target £70,000 (3 months' cover), actual unrestricted reserves £83,001 (3.6 months' cover), balance on bank deposit account, £40,000 (1.7 months' cover)).

Rural Media Charity

Report of the trustees

For the year ended 31 March 2021

The trustees have considered the major risks to which the charity is exposed and have implemented review systems to mitigate these risks.

The major risks are currently identified as:

- Reliance on charitable and other income to supplement earned income to meet the cost of the creative programme;
- Changes in the arts funding system; and
- Critical impact of the loss of key senior staff.

To mitigate these risks the charity:

- Ensures that it has a diverse funding profile without an over-reliance on any one source of funding;
- Reviews existing and potential ways of generating earned income and works towards financial sustainability;
- Maintains and enhances relationships with key funders and remains well informed about developments in the arts funding arena;
- Invests time and effort in the exploration of funding opportunities and financial partnerships; and
- Ensures that all staff, including key senior staff, are well supported and that there is a regular appraisal of skills, roles and responsibilities within the senior staff team.

COVID-19

The trustees have considered the impact that the COVID-19 pandemic will have on the charity's current and future financial position. The expected implications are:

- Production work was delayed throughout 2020-21 with increased costs of production arising from the implementation of Covid safety measures. Although to a lesser degree, the impact has continued into the first half of 2021-22; and
- There has been a shift towards working remotely with an emphasis on creating 'self-generated' outputs using digital methods of content production and distribution.

The charity is taking the following steps to mitigate the threat that COVID-19 may pose to the organisation by:

- Performing, monitoring and reviewing risk assessments for office, production and education delivery work; and
- Implementing controls and procedures to reduce the risk of the spread of COVID-19 amongst Rural Media Charity's workforce, partners and beneficiaries.

During 2020-21, in response to the Covid emergency, Rural Media Charity received funding of £39,550 from the National Lottery Community Fund. This funding enabled the charity to provide additional support to its beneficiaries in the form of positive news, features and information about health, wellbeing-education and employment that were of particular relevance to members of Gypsy, Roma and Traveller communities.

Also during 2020-21, Rural Media Charity received £125,000 of grant funding from the Cultural Recovery Fund (CRF1) managed by Arts Council England on behalf of the Government Department for Digital, Culture, Media and Sport. The CRF1 funding enabled the charity to protect its creative programme by undertaking an agile, iterative restructure centered on technology, and to further develop, refine and consolidate outreach, engagement and remote production practices begun in lockdown.

Rural Media Charity

Report of the trustees

For the year ended 31 March 2021

During the first half of 2021-22, Rural Media Charity received a further £62,000 of grant funding from the Cultural Recovery Fund (CRF2) which supports the charity's sustainability by building the charity's development capacity in order to develop an increased volume of project funding applications to trusts & foundations, build new organisation partnerships, and to increase on-the-ground community outreach.

The trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- The charity holds unrestricted general reserves of £112,082;
- The charity's key funders have confirmed that they will continue to support the charity for at least the next 12 months; and
- The charity benefits from holding National Portfolio Organisation (NPO) status with Arts Council England (ACE). To support NPOs through and beyond the COVID-19 pandemic ACE has extended the NPO funding period from four years to five. The unrestricted NPO funding from ACE is expected to be £251,036 for both 2021-22 and 2022-23.

The trustees, therefore, consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(c) to the financial statements.

Plans for future periods

At 31 March 2021 Rural Media Charity was entering into what would have been its fourth and final year as an organisation with National Portfolio Organisation (NPO) status with Arts Council England (ACE). As explained above, in response to the COVID-19 pandemic ACE has extended the NPO funding period by a year to include the financial year 2022-23. With NPO status comes secured unrestricted funding to develop Rural Media Charity's digital arts portfolio. NPO status is the foundation upon which Rural Media Charity will build a more secure and sustainable financial position. As part of its business plan, Rural Media Charity's trading subsidiary, Rural Media Productions Ltd, will grow its income and surplus.

Employees

At Rural Media Charity we rely heavily on the excellence of our staff to help achieve and maintain the highest standards of our creative outputs. We support our staff through regular performance reviews and through training and development programmes that are tailored to the individual.

Structure, governance and management

Rural Media Charity is a charitable company limited by guarantee, incorporated on 17 July 1992 and registered as a charity on 7 October 1994. The organisation is constituted under a Memorandum of Association which sets out the objects and powers of the charitable organisation and is governed under the Articles of Association. Rural Media Charity wholly owns a subsidiary company, Rural Media Productions Ltd that commenced trading on 13 May 2016.

The directors are also its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The organisation does not have a membership and the voluntary Board of Trustees is responsible for the overall management of the charity. The trustees have power to set an upper limit to the number of trustees appointed to the Board, currently there is no upper limit. There must be a minimum of three trustees for the Board to be quorate. The trustees meet in full on a quarterly basis.

The selection and recruitment of new trustees is the responsibility of the full Board, who appoint by invitation of the Board. New trustees are proactively recruited to meet any skills gaps as identified by trustees. All new trustees are invited to attend one full Board meeting, and activities associated to that meeting, before being formally nominated.

Rural Media Charity

Report of the trustees

For the year ended 31 March 2021

Each new trustee receives an induction pack prior to nomination setting out their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, and minutes which capture the recent financial performance of the charity. Regular Board development sessions are held and each session following appointment of new trustees incorporates induction and orientation information for the newly appointed Trustees.

The day-to-day running of the organisation is carried out by a Senior Management Team (SMT) members of which are appointed by the trustees. The SMT comprises: Chief Executive Officer, Creative Director & Deputy CEO, Head of Development and Finance & Operations Director. To facilitate effective operations, the Chief Executive Officer and the SMT have delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and programme related activity. Members of the SMT are not directors of the charitable company in the legal sense under Company Law.

The charity adopts the NJC pay structure and pay scales for all its staff, including key management personnel. NJC scales are local government pay scales that are a result of negotiations between trade unions (Unite, Unison and GMB) and the Local Government Association. NJC pay scales are used extensively in the voluntary sector.

Fundraising

The charity does not seek to raise funds from the public and therefore has nothing to report on its fundraising approach and standards.

Statement of responsibilities of the trustees

The trustees (who are also Directors of the charity 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the group and the incoming resources and application of resources, including the net income or expenditure, of the charity and the group for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the group and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Rural Media Charity

Report of the trustees

For the year ended 31 March 2021

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the group and parent charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 22 October 2021 and signed on their behalf by



Andrew Thorman - Chair

Independent auditors' report

To the members of

Rural Media Charity

Opinion

We have audited the financial statements of Rural Media Charity (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, consolidated and parent charity balance sheets, consolidated statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the group and parent charity financial statements and our auditor's report thereon. Our opinion on the group and parent charity financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report

To the members of

Rural Media Charity

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charity and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us;
- the parent charity financial statements are not in agreement with the accounting records and
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

As explained more fully in the Trustees' responsibilities statement set out in the Trustees' report, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditors' report

To the members of

Rural Media Charity

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

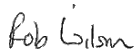
Independent auditors' report

To the members of

Rural Media Charity

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Date: 22 October 2021

Rob Wilson FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Rural Media Charity

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income from:					
Donations	3	125,000	317,316	442,316	252,500
Charitable activities	4	398,660	246,688	645,348	1,232,776
Investments		-	44	44	62
Other income		-	-	-	546
Total income		<u>523,660</u>	<u>564,048</u>	<u>1,087,708</u>	<u>1,485,884</u>
Expenditure on:					
Raising funds		-	52,351	52,351	49,808
Charitable activities		<u>531,970</u>	<u>457,341</u>	<u>989,311</u>	<u>1,360,456</u>
Total expenditure	6	<u>531,970</u>	<u>509,692</u>	<u>1,041,662</u>	<u>1,410,264</u>
Net income / (expenditure)		(8,310)	54,356	46,046	75,620
Transfers between funds		<u>(42,695)</u>	<u>42,695</u>	-	-
Net movement in funds	7	(51,005)	97,051	46,046	75,620
Reconciliation of funds:					
Total funds brought forward		<u>87,836</u>	<u>83,001</u>	<u>170,837</u>	<u>95,217</u>
Total funds carried forward		<u><u>36,831</u></u>	<u><u>180,052</u></u>	<u><u>216,883</u></u>	<u><u>170,837</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 20 to the accounts.

Rural Media Charity

Consolidated balance sheets

As at 31 March 2021

	Note	The group 2021 £	The group 2020 £	The charity 2021 £	The charity 2020 £
Fixed assets					
Tangible assets	12	67,970	34,382	67,970	34,382
Investments	13	-	-	2	2
		<u>67,970</u>	<u>34,382</u>	<u>67,972</u>	<u>34,384</u>
Current assets					
Debtors	15	96,922	265,204	95,079	196,919
Cash at bank and in hand		<u>164,417</u>	<u>52,307</u>	<u>137,475</u>	<u>48,089</u>
		261,339	317,511	232,554	245,008
Liabilities					
Creditors: amounts falling due within 1 year	16	<u>(112,426)</u>	<u>(179,738)</u>	<u>(83,643)</u>	<u>(107,237)</u>
Net current assets		<u>148,913</u>	<u>137,773</u>	<u>148,911</u>	<u>137,771</u>
Total assets less current liabilities		216,883	172,155	216,883	172,155
Provisions for liabilities	18	-	<u>(1,318)</u>	-	<u>(1,318)</u>
Net assets	19	<u>216,883</u>	<u>170,837</u>	<u>216,883</u>	<u>170,837</u>
Funds	20				
Restricted funds		36,831	87,836	36,831	87,836
Unrestricted funds					
Designated funds		67,970	-	67,970	-
General funds		<u>112,082</u>	<u>83,001</u>	<u>112,082</u>	<u>83,001</u>
Total charity funds		<u>216,883</u>	<u>170,837</u>	<u>216,883</u>	<u>170,837</u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees on 22 October 2021 and signed on their behalf by



Andrew Thorman - Chair



John Bateman - Trustee

Rural Media Charity

Consolidated statement of cash flows

For the year ended 31 March 2021

	2021 £	2020 £
Cash used in operating activities:		
Net movement in funds	46,046	75,620
Adjustments for:		
Depreciation charges	17,234	44,740
Interest from investments	(44)	(62)
Decrease / (increase) in debtors	168,282	(162,901)
Increase / (decrease) in creditors	(67,312)	120,104
Increase / (decrease) in provisions	(1,318)	(280)
Net cash provided by / (used in) operating activities	162,888	77,221
Cash flows from investing activities:		
Interest from investments	44	62
Purchase of tangible fixed assets	(50,822)	(28,421)
Net cash provided used in investing activities	(50,778)	(28,359)
Increase / (decrease) in cash and cash equivalents in the year	112,110	48,862
Cash and cash equivalents at the beginning of the year	52,307	3,445
Cash and cash equivalents at the end of the year	164,417	52,307

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Rural Media Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b) Group accounts

These financial statements consolidate the results of the charitable company and its wholly-owned (controlled) subsidiary on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

c) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. The COVID-19 pandemic has had a profound impact on the global economy, and in turn has affected the charity. The trustees have considered the impact of this issue on the charity's current and future financial position. The group holds unrestricted, general reserves of £112,082 and cash balances of £164,417. The charity's key funders have confirmed that they will continue to support the charity for at least the next 12 months. The charity benefits from holding National Portfolio Organisation (NPO) status with Arts Council England (ACE). To support NPOs through and beyond the COVID-19 pandemic ACE extended the NPO funding period from four years to five. The unrestricted NPO funding from ACE is expected to be £251,036 for each of the next two years to 2022-23. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

Income received in advance of provision of services under contract is deferred until criteria for income recognition are met.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

e) Interest receivable

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

f) Funds accounting

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

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

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

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to expenditure on charitable activities which is deemed to be reflective of the activities of the charity in this period.

i) Grants payable

Grants payable are charged in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached have been fulfilled. Grants offered subject to conditions at the year end are noted as commitment but are not accrued as expenditure.

j) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Motor vehicles	25% straight line
Technical equipment	25% straight line
Fixtures and fittings	25% straight line

Items of equipment are capitalised where the purchase price exceeds £1,000.

k) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

m) Creditors

Creditors and provisions are recognised where there is a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

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

o) Pension costs

Pension costs are payments to employees' personal pensions.

The charitable company also participated in a defined benefit contribution scheme. The scheme is a multi-employer scheme. In 2005 the scheme was closed to new and existing members. During the year, the charitable company made a payment to settle the debt due in full, under the terms of section 75 of the Pensions Act 1995 (as amended), in relation to the cessation of participation of the charitable company as an employer in the pension scheme operated by The Pensions Trust. There is no further liability due to the scheme.

p) Redundancy payments

Where an employee receives a termination benefit the full cost is recognised at the date the employee is notified.

q) Accounting estimates and key judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key source of estimation uncertainty that has a significant effect on the amounts recognised in the financial statements is depreciation, as described in note 1j to the financial statements.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2020 Total £
Income from:			
Donations	6,000	246,500	252,500
Charitable activities	1,041,968	190,808	1,232,776
Investments	-	62	62
Other income	-	546	546
Total income	1,047,968	437,916	1,485,884
Expenditure on:			
Raising funds	-	49,808	49,808
Charitable activities	991,890	368,566	1,360,456
Total expenditure	991,890	418,374	1,410,264
Net income / (expenditure) and net movement in funds	56,078	19,542	75,620

3. Income from donations

	Restricted £	Unrestricted £	2021 Total £
Grants			
Arts Council England	-	251,036	251,036
Cultural Recovery Fund	125,000	-	125,000
Esmee Fairbairn Foundation	-	66,280	66,280
Total income from donations	125,000	317,316	442,316

Prior period comparative:

	Restricted £	Unrestricted £	2020 Total £
Grants			
Arts Council England	-	246,500	246,500
Elmley Foundation	6,000	-	6,000
Total income from donations	6,000	246,500	252,500

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

4. Income from charitable activities

	Restricted £	Unrestricted £	2021 Total £
Grants and service level agreements			
National Lottery Heritage Fund	62,979	-	62,979
Arts Council England	198,000	-	198,000
National Lottery Community Fund	106,681	-	106,681
The British Film Institute	17,000	-	17,000
Herefordshire Council	13,000	-	13,000
Other <£5k	1,000	-	1,000
Earned income	<u>-</u>	<u>246,688</u>	<u>246,688</u>
Total income from charitable activities	<u><u>398,660</u></u>	<u><u>246,688</u></u>	<u><u>645,348</u></u>

Prior period comparative:

	Restricted £	Unrestricted £	2020 Total £
Grants and service level agreements			
National Lottery Heritage Fund	430,154	-	430,154
Arts Council England	264,000	-	264,000
National Lottery Community Fund	263,172	-	263,172
Herefordshire Community Foundation	20,000	-	20,000
The British Film Institute	17,000	-	17,000
Herefordshire Council	13,000	-	13,000
E F Bulmer Benevolent Foundation	10,000	-	10,000
Other <£5k	23,732	-	23,732
Earned income	<u>910</u>	<u>190,808</u>	<u>191,718</u>
Total income from charitable activities	<u><u>1,041,968</u></u>	<u><u>190,808</u></u>	<u><u>1,232,776</u></u>

5. Government grants

The charitable company receives government grants, defined as funding from Arts Council England, National Lottery Community Fund, National Lottery Heritage Fund, The British Film Institute and Herefordshire Council, to fund core services and charitable activities. The total value of such grants in the period ending 31 March 2021 was £773,696 (2020: £1,233,826). There are no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

6. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2021 Total £
Staff costs (note 10)	52,351	543,861	9,961	606,173
Training	-	1,237	-	1,237
Production costs	-	277,758	-	277,758
Travel and subsistence	-	1,167	-	1,167
Equipment hire	-	15,242	-	15,242
Grants payable (note 8)	-	26,855	-	26,855
Rent, rates and premises	-	31,521	-	31,521
Insurance	-	9,709	279	9,988
Heat, light and power	-	7,168	-	7,168
Motor expenses	-	1,724	-	1,724
Printing and stationery	-	2,010	-	2,010
Telephone and computer	-	17,410	-	17,410
Memberships and subscriptions	-	15,919	-	15,919
Marketing	-	475	-	475
Bank charges and interest	-	280	-	280
Depreciation	-	17,234	-	17,234
Professional fees	-	240	9,261	9,501
Sub-total	52,351	969,810	19,501	1,041,662
Allocation of support and governance costs	-	19,501	(19,501)	-
Total expenditure	52,351	989,311	-	1,041,662

Total governance costs were £8,028 (2020: £6,283).

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

6. Total expenditure (continued)

Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2020 Total £
Staff costs (note 10)	49,808	462,624	25,571	538,003
Training	-	2,126	-	2,126
Production costs	-	576,089	-	576,089
Travel and subsistence	-	2,822	-	2,822
Equipment hire	-	17,018	-	17,018
Grants payable (note 8)	-	128,411	-	128,411
Rent, rates and premises	-	31,589	-	31,589
Insurance	-	8,411	260	8,671
Heat, light and power	-	9,395	-	9,395
Motor expenses	-	1,459	-	1,459
Printing and stationery	-	5,398	-	5,398
Telephone and computer	-	23,852	-	23,852
Memberships and subscriptions	-	9,067	-	9,067
Marketing	-	1,946	-	1,946
Bank charges and interest	-	425	-	425
Depreciation	-	44,740	-	44,740
Professional fees	-	3,230	6,023	9,253
Sub-total	49,808	1,328,602	31,854	1,410,264
Allocation of support and governance costs	-	31,854	(31,854)	-
Total expenditure	49,808	1,360,456	-	1,410,264

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

7. Net movement in funds

This is stated after charging:

	2021 £	2020 £
Depreciation	17,234	44,740
Operating lease payments	30,370	30,370
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses*	Nil	14
Auditors' remuneration:		
▪ Statutory audit (including VAT)	7,710	5,520
▪ Other services	600	950

*No trustees were reimbursed any expenses during the year (2020: One trustee was reimbursed for travel costs).

8. Grants payable

	2021 £	2020 £
Grants payable to organisations:		
Meadow Arts	3,000	1,200
Open Sky Theatre	3,000	-
Feral Productions	2,800	1,200
Aspire Living	2,000	-
The Big Skill CIC	2,000	-
Close House	2,000	-
Ledbury Poetry Festival	2,000	-
The Sidney Nolan Trust	2,000	12,000
Everybody Dancing	-	12,000
Herefordshire Museum Service (Herefordshire Council)	-	12,000
MASH Cinema	-	12,000
Powerhouse	-	11,404
Wye Valley Learning Network	-	12,000
Other (<£5k)	4,916	40,916
Grants payable to 11 individuals (2020: 22)	3,139	13,691
	26,855	128,411

9. Grant commitments

	2021 £	2020 £
Grant commitments brought forward	20,400	-
Grants committed during the period	26,855	128,411
Grants paid during the period	(47,255)	(108,011)
Grant commitments carried forward	-	20,400

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

10. Staff costs and numbers

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	537,652	477,826
Social security costs	50,724	44,980
Pension costs	17,797	10,701
Statutory redundancy costs	-	4,496
	<u>606,173</u>	<u>538,003</u>

No employees earned more than £60,000 during the year (2020: Nil).

Redundancy costs comprise statutory redundancy payments made to three members of staff following the end of project funding.

The key management personnel of the charitable company comprise the Trustees, the Chief Executive Officer, the Creative Director & Deputy CEO, the Head of Development and the Finance & Operations Director. The total employee benefits of the key management personnel were £238,720 (2020: £227,877).

	2021 No.	2020 No.
Average number of employees (headcount)	17.4	15.4
Average number of employees (full-time equivalent)	<u>15.0</u>	<u>13.5</u>

11. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

12. Tangible fixed assets

The charity and group	Motor vehicles £	Technical equipment £	Fixtures and fittings £	Total £
Cost				
At 1 April 2020	27,270	146,464	5,215	178,949
Additions	-	50,822	-	50,822
At 31 March 2021	<u>27,270</u>	<u>197,286</u>	<u>5,215</u>	229,771
Depreciation				
At 1 April 2020	27,270	115,513	1,784	144,567
Charge for year	-	16,014	1,220	17,234
At 31 March 2021	<u>27,270</u>	<u>131,527</u>	<u>3,004</u>	161,801
Net book value				
At 31 March 2021	<u>-</u>	65,759	2,211	67,970
At 31 March 2020	<u>-</u>	<u>30,951</u>	<u>3,431</u>	<u>34,382</u>

13. Investments

Rural Media Productions Ltd

The charitable company owns the whole of the issued share capital (2 ordinary £1 shares) of Rural Media Productions Ltd, a company registered in England and Wales. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2021 £	2020 £
Turnover	191,090	190,348
Cost of sales	<u>(120,621)</u>	<u>(145,668)</u>
Gross profit	70,469	44,680
Administrative expenses	<u>(30,587)</u>	<u>(21,951)</u>
Profit on ordinary activities	39,882	<u>22,729</u>

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

13. Investments (continued)

The aggregate of the assets, liabilities and funds was:

	2021 £	2020 £
Assets	77,177	80,211
Liabilities	(77,175)	(80,209)
Funds	<u>2</u>	<u>2</u>

14. Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £	2020 £
Gross income	963,842	1,338,266
Results for the year	<u>46,046</u>	<u>75,622</u>

15. Debtors

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	6,204	78,003	-	9,885
Accrued income	67,171	177,323	23,139	169,448
Rural Media Productions Limited	-	-	48,393	7,708
Prepayments	20,943	7,575	20,943	7,575
Other debtors	<u>2,604</u>	<u>2,303</u>	<u>2,604</u>	<u>2,303</u>
	<u>96,922</u>	<u>265,204</u>	<u>95,079</u>	<u>196,919</u>

16. Creditors : amounts due within 1 year

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	42,103	65,188	35,352	61,065
Other taxation and social security	14,219	10,533	14,219	10,533
VAT	7,072	17,093	-	-
Accruals	37,773	7,954	31,013	7,004
Deferred income (see note 17)	8,200	58,570	-	8,235
Other creditors	3,059	-	3,059	-
Grants payable	<u>-</u>	<u>20,400</u>	<u>-</u>	<u>20,400</u>
	<u>112,426</u>	<u>179,738</u>	<u>83,643</u>	<u>107,237</u>

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

17. Deferred income

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
At 1 April 2020	58,570	3,050	8,235	-
Deferred during the year	8,200	58,570	-	8,235
Released during the year	(58,570)	(3,050)	(8,235)	-
At 31 March 2021	<u>8,200</u>	<u>58,570</u>	<u>-</u>	<u>8,235</u>

Deferred income relates to income received in advance of delivery of services.

18. Provisions for liabilities

	The group and the charity	
	2021	2020
	£	£
Defined benefit pension scheme	<u>-</u>	<u>1,318</u>

The charitable company participated in The Pensions Trust - The Growth Plan defined benefit multi-employer scheme. During the year, payment was made in full to settle the debt due, as described in note 1(o).

19. Analysis of net assets between funds

	Restricted funds	Designated funds	General funds	Total funds
	£	£	£	£
Tangible fixed assets	-	67,970	-	67,970
Current assets	56,145	-	205,194	261,339
Current liabilities	(19,314)	-	(93,112)	(112,426)
Net assets at 31 March 2021	<u>36,831</u>	<u>67,970</u>	<u>112,082</u>	<u>216,883</u>
Prior year comparative				
	Restricted funds	Designated funds	General funds	Total funds
	£	£	£	£
Tangible fixed assets	-	-	34,382	34,382
Current assets	149,048	-	168,463	317,511
Current liabilities	(61,212)	-	(118,526)	(179,738)
Provisions for liabilities	-	-	(1,318)	(1,318)
Net assets at 31 March 2020	<u>87,836</u>	<u>-</u>	<u>83,001</u>	<u>170,837</u>

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

20. Movements in funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2021 £
Restricted funds					
British Film Institute - Film Academy	-	17,000	(17,000)	-	-
Cultural Recovery Fund	-	125,000	(75,118)	(42,695)	7,187
Herefordshire is a Great Place	(9,121)	76,979	(92,419)	-	(24,561)
National Lottery Community Fund - TT Connect	91,442	67,131	(104,521)	-	54,052
National Lottery Community Fund - TT Connect Covid-19 Activity	-	39,550	(39,550)	-	-
New Creatives	5,515	198,000	(203,362)	-	153
Total restricted funds	87,836	523,660	(531,970)	(42,695)	36,831
Unrestricted funds					
<i>Designated funds</i>					
Fixed asset fund	-	-	-	67,970	67,970
General funds	83,001	564,048	(509,692)	(25,275)	112,082
Total unrestricted funds	83,001	564,048	(509,692)	42,695	180,052
Total funds	170,837	1,087,708	(1,041,662)	-	216,883

Purposes of restricted funds

British Film Institute - Film Academy

The annual BFI Film Academy provides an opportunity for young people aged 16-19 to access high quality film production training through a series of masterclasses and practical workshops and to gain an NCFE qualification.

Cultural Recovery Fund - CRF1

The CRF1 fund was managed by Arts Council England on behalf of the Government Department for Digital, Culture, Media and Sport. The funding enabled the charity to protect its creative programme by undertaking an agile, iterative restructure centered on technology, and to further develop, refine and consolidate outreach, engagement and remote production practices begun in lockdown.

Herefordshire is a Great Place

'Herefordshire's a Great Place' is a cultural development project, co-funded by Arts Council England and National Lottery Heritage Fund and supported by Historic England. The project empowers communities to redefine what makes Herefordshire a great place, while championing and strengthening the vital role culture and heritage plays in a rural county's social and economic future. The Herefordshire is a Great Place fund was £24,561 in deficit at the year-end (2020: deficit £9,121) however the charity has a total of £29,928 in confirmed future funding from National Lottery Heritage Fund, which it was not yet entitled to recognise at year end.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

20. Movements in funds (continued)

Purposes of restricted funds (continued)

TT Connect

A 15 month project funded by The National Lottery Community fund to continue the work of Travellers' Times and to conduct action based research into the development of a four year project to transition Travellers Times into an independent community led entity.

TT Connect Covid-19 Activity

In response to the Covid emergency National Lottery Community Fund funding was provided to enable the charity to provide additional support to its beneficiaries in the form of positive news, features and information about health, wellbeing-education and employment that were of particular relevance to members of Gypsy, Roma and Traveller communities.

New Creatives

Arts Council England funded talent development scheme offering commissioning opportunities and training for emerging creatives, aged 16-30 based in the Midlands, to make new artistic works in film, audio or interactive media, designed for BBC channels and platforms.

Purposes of designated funds

Fixed assets fund

This fund represents the net book value of fixed assets.

Transfer between funds

The transfer between funds represents the movement of the net book value of the assets purchased using the restricted cultural recovery fund income. There are no restrictions on the ongoing use of these assets so a transfer has been made between restricted funds and unrestricted reserves to reflect this.

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

20. Movements in funds (continued) Prior year comparative

	At 1 April 2019 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2020 £
Restricted funds					
British Film Institute - Film Academy	-	17,000	(17,000)	-	-
Carnegie UK Trust	-	3,000	(3,000)	-	-
Herefordshire is a Great Place	(33,481)	432,736	(419,473)	11,097	(9,121)
National Lottery Heritage Fund - Big Wig	-	61,150	(61,150)	-	-
National Lottery Community Fund - It's Kushti to Rokker	-	44,493	(44,493)	-	-
National Lottery Community Fund - Travellers' Times 2017-20	25,650	118,695	(144,345)	-	-
National Lottery Community Fund - TT Connect	-	100,894	(9,452)	-	91,442
New Creatives	1,714	264,000	(260,199)	-	5,515
The Elmley Foundation	-	6,000	(6,000)	-	-
	(6,117)	1,047,968	(965,112)	11,097	87,836
Capital asset funds	26,778	-	(26,778)	-	-
Total restricted funds	<u>20,661</u>	<u>1,047,968</u>	<u>(991,890)</u>	<u>11,097</u>	<u>87,836</u>
Unrestricted funds					
General funds	74,556	437,916	(418,374)	(11,097)	83,001
Total unrestricted funds	<u>74,556</u>	<u>437,916</u>	<u>(418,374)</u>	<u>(11,097)</u>	<u>83,001</u>
Total funds	<u>95,217</u>	<u>1,485,884</u>	<u>(1,410,264)</u>	<u>-</u>	<u>170,837</u>

21. Operating lease commitments

The group and charity had operating leases at the year end with total future minimum lease payments as follows:

	The group and the charity	
	2021	2020
	£	£
Amount falling due:		
Within 1 year	30,271	29,520
Within 1 - 5 years	3,557	33,828
	<u>33,828</u>	<u>63,348</u>

Rural Media Charity

Notes to the financial statements

For the year ended 31 March 2021

22. Related party transactions

Rural Media Productions Limited is a wholly owned subsidiary of Rural Media Charity. During the year the company paid the following amounts to the charity:

	2021 £	2020 £
Contribution to production costs, overheads and wages	27,342	20,000
Gift aid donation to parent	<u>39,882</u>	<u>22,730</u>
	<u>67,224</u>	<u>42,730</u>

At 31 March 2021 the subsidiary company owed the parent charity £48,393 (2020: £7,708).

There were no other related party transactions during the year.

M Hayes, a trustee, is a partner in the firm Harrison Clark Rickerbys ("the firm"). During the year Rural Media Charity paid the firm £Nil (2020: £1,410) for legal advice. The transactions were carried out at arms length.