

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.

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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)).

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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.

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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.

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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.

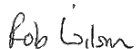
Independent auditors' report

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		<u>216,883</u>	<u>172,155</u>	<u>216,883</u>	<u>172,155</u>
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
	<u>600</u>	<u>950</u>

*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)	<u>3,139</u>	<u>13,691</u>
	<u>26,855</u>	<u>128,411</u>

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	<u>(47,255)</u>	<u>(108,011)</u>
Grant commitments carried forward	<u>-</u>	<u>20,400</u>

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	2,604	2,303	2,604	2,303
	<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	-	20,400	-	20,400
	<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	39,882	22,730
	<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.