

Registered number: 04886768  
Charity number: 1110263

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## **MEDIA DIVERSITY**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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## MEDIA DIVERSITY

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## MEDIA DIVERSITY

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

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**Trustees**                      Julian Blake, Trustee  
                                     Paresch Solanki, Trustee  
                                     Joy Francis, Trustee (resigned 30 September 2022)  
                                     Christina Pribichevich - Zoric, Trustee

**Company registered  
number**                      04886768

**Charity registered  
number**                      1110263

**Registered office**                      85-87 Bayham Street  
                                     London  
                                     NW1 0AG

**Company secretary**                      Julian Blake

**Chief executive officer**                      Milica Pesic

**Independent auditors**                      Desaur LLP  
                                     Chartered Certified Accountants  
                                     Statutory Auditor  
                                     CEME Campus  
                                     Marsh Way  
                                     Rainham  
                                     Essex  
                                     RM13 8EU

**Bankers**                      Barclay Bank Plc  
                                     15 Great Portland Street  
                                     London  
                                     W1W 8QA

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## MEDIA DIVERSITY

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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The Trustees present their annual report together with the audited financial statements of the company for the 1 January 2022 to 31 December 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Welcome to our 2022 Annual Report. The Media Diversity Institute (MDI; official name Media Diversity) is a charity that works internationally to encourage accurate and nuanced reporting on race, religion, ethnicity, class, disability, gender, and sexual identity issues in media landscapes around the world. While our work is grounded in the principles of freedom of expression and the values of diversity and inclusion, our day-to-day work focuses on cultivating practical skills to combat negative stereotypes and disinformation and to improve media and information literacy.

#### Objectives and activities

##### a. Policies and objectives

The policies adopted in the furtherance of objectives are to provide the education and training of persons who are or who may be engaged in such conflict or potential conflict environments through the activities of the media or otherwise. In addition, the charity advances the education of the public through research, monitoring and analysing the causes and effects of such conflicts, the best means of promoting their prevention, management, amelioration and resolution and the best means of educating and training persons in relation thereto and disseminating the useful results of such research, monitoring and analysis. There have been no changes in the year.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.



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## MEDIA DIVERSITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Objectives and activities (continued)

##### b. Our Key challenges and highlights

The year 2022 was marked by several challenges and highlights. The main challenge was of a programmatic nature: the further growth of populism, nativism, the far-right, antisemitism, Islamophobia, and, related to all of these, expanding conservatism and conspiracy theories massively shared by, primarily, social media. And while in previous years the worsening media ecosystem caused by the above-mentioned challenges made MDI's work more relevant and MDI more sought after as an implementer of programmes dealing with these challenges, in 2022 we had to fight for the clarification of the basic terms we use, such as diversity which was linked to the woke movement, one of the far-right's targets.

After two years of working remotely due to the pandemic we opted for a new modus operandi: a combination of remote and office work which led to renting a new office space.

We are pleased that the results of the Governance Review which lasted for 9 months were satisfactory. Its main outcomes: revised MDI policies put together into an updated MDI Staff Handbook; adjusted employment contracts, and a decision to recruit new Trustees in 2023. The MDI Board and the Executives looked into the following MDI work:

- Personnel
- Finance
- Board Governance and delegation and Executive Management
- International Offices
- Personnel Consultation
- Finalisation of Governance Review

The year also marked a return to the Middle East and North Africa, with a 36-month programme funded by the US State Department.

In 2022, the eleventh generation of students from across the world enrolled in the **Diversity and the Media MA Course** at the University of Westminster. It was the year when, together with the University of Westminster, we also marked the MA course's 10th Anniversary, which, due to the pandemic was moved from 2021 to 2022.

Support was provided to our new Deputy Executive Director, who joined MDI on March 1, 2022.

The year 2022 was also devoted to the following activities:

- a) The continual implementation, finalisation, and setting up of new programmes.
- b) Preparations for and co-hosting of the Diversity and the Media MA Course's 10th Anniversary.
- c) The financial solidification of MDI in 2022 and beyond. In total, 16 applications were submitted to various donors. Most of them were related to the countries and regions where MDI has already been operating.
- d) Raising the profile of MDI in the UK and abroad.

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## MEDIA DIVERSITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Objectives and activities (continued)

##### c. Fundraising and implementation of the grants

In 2022, a total of 3 grants were obtained, one of which, **SALAM ONLINE** (36 months; US\$1m) came from the US State Department, while the other two - **Erasmus** and **CoachMIL** - came from the EC to MDI WB.

With the existing funding obtained before 2022, MDI's annual turnover in this given year was £1,545,235 (2021 - £2,167,631).

Listed below are projects whose implementation began in earlier years, but continued throughout 2022, as well as projects whose implementation started in 2022:

- a) Implementing Phase 4 of the '**Get the Trolls Out**' project, 2021-2023.
- b) Finalising the '**Media Literacy**' programme in China, 2018-2022.
- c) Finalising the implementation of the '**MLADI**' project in Serbia, 2019-2022.
- d) Implementing and finalising the **GERIS** project, 2020-2022.
- e) Implementing the **RDN2.0** project, 2020-2024.
- f) Implementing the **Inclusive Media, Cohesive Society** project, Lebanon, 2020-2023.
- g) Implementing the '**Get the Trolls Out!**' Sri Lanka project, 2020-2023.
- h) Implementing the **MEDIADELCOM** project, 2021-2024.
- i) Implementing the **MAGIC** project, 2021-2023.
- j) Implementing the **COVINFORM** project, 2021-2024.
- k) Setting up and implementing the **SALAM ONLINE** project, 2022-2025.
- l) Co-running an **MA in Diversity and the Media** at the University of Westminster.



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## MEDIA DIVERSITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Objectives and activities (continued)

##### d. MDI'S Challenges in 2022

The following challenges were faced in 2022:

- Support for our Brussels-based sister organisation, Media Diversity Institute Global (MDIG), so it becomes as financially stable as possible, with the aim of having enough funds to hire a full-time Head of Operations.
- Applying for the **Negotiated Indirect Cost Rate Agreement (NICRA)**. At the invitation of the US State Department, one of the MDI funders, we applied for NICRA – the indirect cost rate to be negotiated between the US State Department and a Grantee's organisation which reflects the indirect costs (facilities and administrative costs) and fringe benefit expenses incurred by the organisation. This complex and time-consuming process started in September 2022 to be finished in the following year.
- Continuation of the EC's programmatic and financial auditing of the EC-funded MDI Reporting Diversity Network 2.0 programme. Another complex and time-consuming job needing the engagement of three of the MDI team members and continued into the following year.

##### e. Management Decisions

Several personnel changes occurred this year.

For the first time in MDI history, it hired a Deputy Executive Director, who started on March 1, 2022. Her major role was to help MDI on a programmatic level and assist with updating MDI staff-related policies.

Also, for the first time in its history, MDI organised an away day. It was MDI's way of celebrating the end of the pandemic with the team but also for team bonding between new and old staff. The experience was so positive for all team members, and for the MDI Executives who attended, that, if possible, we plan to organise an away day every year, particularly if NICRA is obtained.

The Head of Operations at MDI Global left MDI due to the lack of funds to offer him a full-time job. However, we plan to bring him back as soon as MDIG's financial situation improves.

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## MEDIA DIVERSITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Objectives and activities (continued)

##### f. Raising the profile of MDI in the UK and abroad

Representatives of MDI were invited to join several high-level events, as speakers, trainers, jurors, or contributors. Some of the most important events attended were the following:

- a) Asia-Pacific Institute for Broadcasting Development's Conference on Inclusive and Gender-sensitive Reporting, 23- 26 MAY 2022, KUALA LUMPUR, MALAYSIA. Speaker.
- b) European Commission's EDMO Conference, 13 – 14 June 2022. Brussels. Speaker.
- c) Egypt Media Forum, November 27-28, Cairo. Speaker.
- d) Fetisov Journalism Award, Juror.
- e) International Ministerial Conference on Religious Freedom, July 5-6, London. Contributor.
- f) KAICIID'S European Dialogue International Conference, November 9-10, Barcelona. Moderator.
- g) KAICIID's Religion and civil society workshop. June 28-30, Stockholm. Speaker.
- h) British Parliament, BELLWETHER INTERNATIONAL RELIGIOUS FREEDOM AND MEDIA GALA, October 27, London. Invitee.
- i) International Journalism Festival, April 6-10. Perugia. MDI Panel.
- j) EJTA Annual Conference, November 7-8. Poznan. Keynote speaker.
- k) SEMO Annual Journalism Conference, November 14-18, Sarajevo. Speaker.
- l) South Korean Press Foundation Annual Conference, November 9-11. Online. Speaker.
- m) WJEC Conference, June 30. Online. Two panels by MDI.

#### Achievements and performance

##### a. Main achievements of the company

The Charity's achievements and performance are fully detailed in the section above.

##### b. Review of activities

The Statement of Financial Activities shows grants received of £1,535,908 (2021: £2,163,706) and expenditure of £1,524,037 (2021: £1,497,300). This has resulted in a net surplus of £21,198 (2021: £670,331) after taking into account the amounts received as investment and other income. It is the policy of the charity that funds are sought well in advance of its activities in order to ensure that it will be able to continue the charity's current objectives while consideration is given to ways in which additional funds may be raised.



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## **MEDIA DIVERSITY**

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **Financial review**

##### **a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

##### **b. Reserves policy**

The Trustees have examined the charity's requirements for reserves needed to meet the working capital requirements of the charity and they are confident that the charity is able to continue the current charitable activities.

#### **Structure, governance and management**

##### **a. Constitution**

Media Diversity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

##### **b. Methods of appointment or election of Trustees**

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

##### **c. Financial risk management**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.



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## MEDIA DIVERSITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Plans for future periods

##### Key 2023 Objectives:

- a) Organising MDI's 25th anniversary
- b) Publishing a book about MDI's first 25 years
- c) Making full use of NICRA
- d) Development of MDI's 5-year Development Strategy
- e) Development of MDI's 5-year Communication Strategy
- f) Further support to MDI Global and MDI WB
- g) Continuation of efforts to return to the South Caucasus
- h) The search for a Communications Director
- i) Building contacts within the FCDO

#### Members' liability

The Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the company in the event of winding up.

#### Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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## MEDIA DIVERSITY

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

#### Auditors

The auditors, Desaur LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 22 September 2023 and signed on their behalf by:



.....  
**Julian Blake**  
(Trustee)



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## MEDIA DIVERSITY

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEDIA DIVERSITY

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#### Opinion

We have audited the financial statements of Media Diversity (the 'charitable company') for the Year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 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 charitable company's affairs as at 31 December 2022 and of its 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 Charities Act 2011.

#### 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company'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.

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## MEDIA DIVERSITY

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEDIA DIVERSITY (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 the Trustees 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.



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## MEDIA DIVERSITY

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEDIA DIVERSITY (CONTINUED)

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#### Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company and industry, we identified the principal risks of non-compliance with laws and regulations. We also considered those laws and regulations that have both a direct and non-direct impact on the financial statements.

Audit procedures performed included:

- Enquiring with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

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. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



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MEDIA DIVERSITY

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEDIA DIVERSITY (CONTINUED)

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**Desaur LLP**  
Chartered Certified Accountants  
Statutory Auditor  
CEME Campus  
Marsh Way  
Rainham  
Essex  
RM13 8EU

22 September 2023

Desaur LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

## MEDIA DIVERSITY

### STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations and legacies	3	532,752	1,003,156	1,535,908	2,163,706
Investments	4	89	-	89	361
Other income	5	9,238	-	9,238	3,564
<b>Total income</b>		<b>542,079</b>	<b>1,003,156</b>	<b>1,545,235</b>	<b>2,167,631</b>
<b>Expenditure on:</b>					
Raising funds	6	111,597	-	111,597	43,435
Charitable activities		722,989	689,451	1,412,440	1,453,865
<b>Total expenditure</b>		<b>834,586</b>	<b>689,451</b>	<b>1,524,037</b>	<b>1,497,300</b>
<b>Net (expenditure)/income</b>		<b>(292,507)</b>	<b>313,705</b>	<b>21,198</b>	<b>670,331</b>
Transfers between funds	14	420,618	(420,618)	-	-
<b>Net movement in funds</b>		<b>128,111</b>	<b>(106,913)</b>	<b>21,198</b>	<b>670,331</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		954,993	658,121	1,613,114	942,783
Net movement in funds		128,111	(106,913)	21,198	670,331
<b>Total funds carried forward</b>		<b>1,083,104</b>	<b>551,208</b>	<b>1,634,312</b>	<b>1,613,114</b>

The Statement of Financial Activities includes all gains and losses recognised in the Year.

The notes on pages 18 to 31 form part of these financial statements.

**MEDIA DIVERSITY**  
**REGISTERED NUMBER: 04886768**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	11	2,653	635
		<u>2,653</u>	<u>635</u>
<b>Current assets</b>			
Debtors	12	85,079	35,209
Cash at bank and in hand		1,613,828	1,597,177
		<u>1,698,907</u>	<u>1,632,386</u>
Creditors: amounts falling due within one year	13	(67,248)	(19,907)
<b>Net current assets</b>		<u>1,631,659</u>	<u>1,612,479</u>
<b>Total assets less current liabilities</b>		<u>1,634,312</u>	<u>1,613,114</u>
<b>Net assets excluding pension asset</b>		<u>1,634,312</u>	<u>1,613,114</u>
<b>Total net assets</b>		<u><u>1,634,312</u></u>	<u><u>1,613,114</u></u>
<b>Charity funds</b>			
Restricted funds	14	551,208	658,121
Unrestricted funds	14	1,083,104	954,993
<b>Total funds</b>		<u><u>1,634,312</u></u>	<u><u>1,613,114</u></u>

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the Year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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**MEDIA DIVERSITY**  
**REGISTERED NUMBER: 04886768**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2022**

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The financial statements were approved and authorised for issue by the Trustees on 22 September 2023 and signed on their behalf by:



.....  
**Julian Blake**  
(Trustee)

The notes on pages 18 to 31 form part of these financial statements.

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**MEDIA DIVERSITY**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	16,651	545,393
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Net cash provided by investing activities	-	-
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the Year</b>	16,651	545,393
Cash and cash equivalents at the beginning of the Year	1,597,177	1,051,784
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the Year</b>	<u>1,613,828</u>	<u>1,597,177</u>

The notes on pages 18 to 31 form part of these financial statements



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## MEDIA DIVERSITY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1. General information

Media Diversity is a private company limited by guarantee incorporated in England and Wales. The registered office is 85-87 Bayham Street, London, NW1 0AG.

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

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Media Diversity 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.

##### 2.2 Going concern

At the time of approving the accounts, the trustees have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Despite the impact of COVID-19, the charity continues to generate income and plans on continuing business as normal following the gradual return to operations after the national lockdown period. On this basis, the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

##### 2.3 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income from grants is recognised when the charity has entitlements to the funds, any performance conditions attached to the grants have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably..

Other income includes reimbursed expenses and rental income which are recognised in the period in which it is receivable.

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## MEDIA DIVERSITY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 2. Accounting policies (continued)

##### 2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs include governance costs incurred directly in support of expenditure and administration of the company in connection for compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

##### 2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Plant and machinery	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance

##### 2.6 Debtors

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

##### 2.7 Cash at bank and in hand

Cash at bank and 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.



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## MEDIA DIVERSITY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 2. Accounting policies (continued)

##### 2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

##### 2.9 Financial instruments

The 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 measured at amortised cost using the effective interest method.

##### 2.10 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the Year.

##### 2.11 Fund accounting

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

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

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

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**MEDIA DIVERSITY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**3. Income from donations and legacies**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Grants	532,752	1,003,156	1,535,908	2,163,706
	<u>532,752</u>	<u>1,003,156</u>	<u>1,535,908</u>	
<i>Total 2021</i>	<u>773,627</u>	<u>1,390,079</u>	<u>2,163,706</u>	

**4. Investment income**

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Bank interest	89	89	361
	<u>89</u>	<u>89</u>	
<i>Total 2021</i>	<u>361</u>	<u>361</u>	

**5. Other incoming resources**

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Other operating income	9,238	9,238	3,564
	<u>9,238</u>	<u>9,238</u>	
<i>Total 2021</i>	<u>3,564</u>	<u>3,564</u>	

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**MEDIA DIVERSITY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**6. Expenditure on raising funds**

**Costs of raising voluntary income**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Consultation costs	111,597	111,597	43,435
	<u>111,597</u>	<u>111,597</u>	<u>43,435</u>
<i>Total 2021</i>	<u>43,435</u>	<u>43,435</u>	

**7. Analysis of expenditure by activities**

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Training workshops and conferences	1,092,375	320,065	1,412,440	1,453,865
	<u>1,092,375</u>	<u>320,065</u>	<u>1,412,440</u>	<u>1,453,865</u>
<i>Total 2021</i>	<u>1,045,974</u>	<u>407,891</u>	<u>1,453,865</u>	

**Analysis of direct costs**

	Total funds 2022 £	Total funds 2021 £
Project expenses	1,092,375	1,045,974
	<u>1,092,375</u>	<u>1,045,974</u>



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**MEDIA DIVERSITY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	258,643	258,643	241,270
Depreciation	885	885	211
Audit fees	2,500	2,500	2,500
Rental expense	9,645	9,645	3,072
Consultancy fees	4,707	4,707	3,227
IT Costs	2,094	2,094	4,027
Finance costs	2,912	2,912	3,567
Office costs	97,423	97,423	112,201
Exchange differences	(58,744)	(58,744)	37,816
	<u>320,065</u>	<u>320,065</u>	<u>407,891</u>
<i>Total 2021</i>	<u>407,891</u>	<u>407,891</u>	

**8. Auditors' remuneration**

	2022 £	2021 £
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>2,500</u>	<u>2,500</u>

**9. Staff costs**

	2022 £	2021 £
Wages and salaries	229,822	219,227
Social security costs	25,211	19,027
Contribution to defined contribution pension schemes	3,610	3,016
	<u>258,643</u>	<u>241,270</u>

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## MEDIA DIVERSITY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 9. Staff costs (continued)

The average number of persons employed by the company during the Year was as follows:

	2022 No.	2021 No.
Executive Director and Co-ordinator	1	1
Project Manager	1	1
Fundraising and charitable activities	4	2
	<hr/> 6	<hr/> 4

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £60,001 - £70,000	-	1
In the band £90,001 - £100,000	1	-

#### 10. Trustees' remuneration and expenses

During the Year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the Year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

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**MEDIA DIVERSITY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**11. Tangible fixed assets**

	Plant and machinery £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 January 2022	2,305	6,283	8,588
Additions	-	2,903	2,903
At 31 December 2022	<u>2,305</u>	<u>9,186</u>	<u>11,491</u>
<b>Depreciation</b>			
At 1 January 2022	2,084	5,869	7,953
Charge for the Year	55	830	885
At 31 December 2022	<u>2,139</u>	<u>6,699</u>	<u>8,838</u>
<b>Net book value</b>			
At 31 December 2022	<u>166</u>	<u>2,487</u>	<u>2,653</u>
At 31 December 2021	<u>221</u>	<u>414</u>	<u>635</u>

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MEDIA DIVERSITY

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

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12. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	79,315	35,209
Prepayments and accrued income	5,764	-
	<u>85,079</u>	<u>35,209</u>

13. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	15,028	4,834
Other creditors	46,833	5,102
Accruals and deferred income	5,387	9,971
	<u>67,248</u>	<u>19,907</u>



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**MEDIA DIVERSITY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**14. Statement of funds**

**Statement of funds - current Year**

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2022 £
<b>Unrestricted funds</b>					
General Funds	954,993	542,079	(834,586)	420,618	1,083,104
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Restricted funds</b>					
European Union	552,962	384,036	(439,633)	(190,069)	307,296
ICFJ - Infotainment	-	-	-	-	-
US State Department	94,866	619,120	(249,818)	(230,549)	233,619
Others	10,293	-	-	-	10,293
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	658,121	1,003,156	(689,451)	(420,618)	551,208
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total of funds</b>	<u>1,613,114</u>	<u>1,545,235</u>	<u>(1,524,037)</u>	<u>-</u>	<u>1,634,312</u>

**MEDIA DIVERSITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**14. Statement of funds (continued)**

**Statement of funds - prior Year**

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2021 £</i>
<b>Unrestricted funds</b>					
General Funds	599,298	777,552	(951,807)	529,950	954,993
<b>Restricted funds</b>					
European Union	363,911	437,761	(128,924)	(119,786)	552,962
ICFJ - Infotainment	(30,719)	42,982	(32,512)	20,249	-
US State Department	-	909,336	(384,057)	(430,413)	94,866
Others	10,293	-	-	-	10,293
	<u>343,485</u>	<u>1,390,079</u>	<u>(545,493)</u>	<u>(529,950)</u>	<u>658,121</u>
<b>Total of funds</b>	<u>942,783</u>	<u>2,167,631</u>	<u>(1,497,300)</u>	<u>-</u>	<u>1,613,114</u>

**15. Summary of funds**

**Summary of funds - current Year**

	<i>Balance at 1 January 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2022 £</i>
General funds	954,993	542,079	(834,586)	420,618	1,083,104
Restricted funds	658,121	1,003,156	(689,451)	(420,618)	551,208
	<u>1,613,114</u>	<u>1,545,235</u>	<u>(1,524,037)</u>	<u>-</u>	<u>1,634,312</u>

## MEDIA DIVERSITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 15. Summary of funds (continued)

##### Summary of funds - prior Year

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2021 £</i>
General funds	599,298	777,552	(951,807)	529,950	954,993
Restricted funds	343,485	1,390,079	(545,493)	(529,950)	658,121
	<u>942,783</u>	<u>2,167,631</u>	<u>(1,497,300)</u>	<u>-</u>	<u>1,613,114</u>

#### 16. Analysis of net assets between funds

##### Analysis of net assets between funds - current year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	2,653	-	2,653
Current assets	1,147,699	551,208	1,698,907
Creditors due within one year	(67,248)	-	(67,248)
<b>Total</b>	<u>1,083,104</u>	<u>551,208</u>	<u>1,634,312</u>

##### Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	635	-	635
Current assets	974,265	658,121	1,632,386
Creditors due within one year	(19,907)	-	(19,907)
<b>Total</b>	<u>954,993</u>	<u>658,121</u>	<u>1,613,114</u>

## MEDIA DIVERSITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 17. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	21,198	670,331
<b>Adjustments for:</b>		
Depreciation charges	885	211
Increase in debtors	(44,106)	(12,596)
Increase/(decrease) in creditors	38,674	(112,553)
<b>Net cash provided by operating activities</b>	<b>16,651</b>	<b>545,393</b>

#### 18. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	1,613,828	1,597,177
<b>Total cash and cash equivalents</b>	<b>1,613,828</b>	<b>1,597,177</b>

#### 19. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	1,597,177	16,651	1,613,828
	<b>1,597,177</b>	<b>16,651</b>	<b>1,613,828</b>

#### 20. Contingent liabilities

The accounts do not include any provision in respect of a rent review increase claimed by MDI's previous landlord, which was challenged by MDI and remains unresolved.

The company is also waiting for the outcome of a fraud investigation where funds remitted were not received by the associated partner.



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## MEDIA DIVERSITY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 21. Pension commitments

"The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £3,610 (2021: £3,016) were payable to the fund. At the balance sheet date the amount payable was £nil (2021: £511) and is included in creditors.

#### 22. Operating lease commitments

The company had no commitments under non-cancellable operating leases at 31 December 2022.

#### 23. Related party transactions

	2020 £	2021 £
MDI Global	35,269	35,209
	<u>35,269</u>	<u>35,209</u>

#### 24. Controlling party

The charity is under the control of its trustees.