

ARIEL TRUST LIMITED
REPORT AND FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 MARCH 2008

Company Number: 2113575
Charity Number: 519688

Presented by:

Harvey Guinan

**Chartered Certified Accountants,
Registered Auditors**

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ARIEL TRUST LIMITED

REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2008

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ARIEL TRUST LIMITED
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2008

Constitution

Ariel Trust Limited is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. Charity number:519688
 Company Number : 2113575.

Directors and Trustees

The directors of the charitable company "the charity" are its trustees for the purpose of charity law and throughout the report are collectively referred to as the trustees. The trustees serving during the year and since the year end were as follows:

DIRECTORS AND TRUSTEES

Stephen Ferguson (Chair)
 Maurice Bessman
 Mark Hewitson
 Michael Kipling (Treasurer) (resigned
 2 September 2008)
 Paulette Lappin
 Avis Lundberg
 Peter Mearns
 Angela Pinnington
 Yaqub Rahman
 Yinka Yesufu

SECRETARY

Yaqub Rahman

EXECUTIVE DIRECTOR

Paul Ainsworth

REGISTERED OFFICE

6th Floor
 Gostins Building
 Hanover Street
 Liverpool
 L1 3DY

AUDITORS

Harvey Guinan
 Chartered Certified Accountants
 Registered Auditors
 310/311 Vanilla Factory
 39 Fleet Street
 Liverpool L1 4AR

BANKERS

Natwest Bank Plc
 Liverpool City Office
 PO BOX 138
 22 Castle Street
 Liverpool
 L69 2BE

ARIEL TRUST LIMITED**TRUSTEES' ANNUAL REPORT/DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2008**

The Trustees intend that this Annual Report also serves as the Statutory Directors' Report.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are provided in these accounts on page 1.

STRUCTURE GOVERNANCE AND MANAGEMENT

The Charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association and on the winding up of the Charity each member will contribute £1.

Ariel Trust Limited has a Committee of Trustees, which normally meets every six weeks. The Board sets out and approves the policies to be adopted to achieve the Charity's objectives. The policies and the day to day management of the Charity are implemented by the Executive Director. The Charity has a Development Plan, which it is using to focus on immediate, medium and long term aims. The work programme as detailed in the plan is developed and delivered by the director and the staff team and up to 5 Professional Support Workers.

Recruitment of Trustees is based upon diversity and equal opportunities. As a Board the Trustees represent the voluntary, public and private sectors. The Trustees are from wide ranging professional backgrounds including education, human resources, administration, legal, actuarial, writing, journalism and marketing. The Charity has access to the Business in the Arts Board Bank and Adviser scheme from which it can identify potential Trustees.

Induction of new Trustees involves a detailed introductory programme where the new Trustee receives copies of Strategic and Business Planning documents, the financial statements and all other relevant policies and issues of the organisation and has time to discuss these with the Board and Executive Management. Board Away Days are normally held at least once per year when strategy is on the agenda. The Away Day is also an opportunity for training and updating Trustees on important matters. When training needs are identified an action plan is put in place and appropriate training delivered.

The staff team has grown significantly during the past two years. The Executive Director works with two full time administrators, 2 full time Schools Project Officers, 2 full time Post 16 Co-ordinators and a full time Development Officer.

This core team works alongside freelance support staff who deliver the adult training courses.

Equal Opportunities:

The company is committed to the principle of equal opportunities, and is striving to become an equal opportunities employer and service provider.

Ariel recognises that it is necessary to take positive steps to ensure that all people benefit from equal opportunities, whether when acting as an employer, providing services or working with people as individuals or in groups.

Ariel is committed to the development and expansion of positive policies to promote equal opportunities in employment regardless of workers' colour, age, class, employment status,

ARIEL TRUST LIMITED**TRUSTEES' ANNUAL REPORT/DIRECTORS' REPORT FOR THE YEAR ENDED 31****MARCH 2008****Equal Opportunities: (Continued)**

disability, gender, marital status, nationality, parental status, religious beliefs and sexual orientation. This principle will apply in respect of all conditions of work including rates of pay, hours of work, holiday entitlement, work allocation, guaranteed earning, sick pay, maternity pay, paternity pay, recruitment, training, promotion and redundancy.

Ariel has committed itself to adopting work practices which would enable people to attain a quality of life which is consistent with being equal members of society.

Ariel requires that all of its staff and Trustees promote this equal opportunities policy through its work and services.

Trustees:

The names of the present trustees and all who held office during the year are shown on page 1.

In accordance with the provisions of the Charity's Articles of Association, at the forthcoming Annual General Meeting of the Charity, the following trustees retire by rotation and being eligible, offer themselves for re-election:

Avis Lundberg
Angela Pinnington
Yaqub Rahman

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure of Information to Auditors

The trustees of the charity who held office at the date of approval of this annual report confirm that:

- So far as they are aware, there is no relevant audit information, information needed by the charity's auditors in connection with preparing their report, of which the charity's auditors are unaware; and
- They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

ARIEL TRUST LIMITED**TRUSTEES' ANNUAL REPORT/DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2008****Board Structure:**

The following sub committees have been established with the intention that they will take advantage of the specialist skills of a number of the trustees and allow for more focused work on these areas between board meetings.

Finance

Human Resources

Board Development:

The Charity has worked with Business in the Arts North West to identify gaps in skills on the board and recruit suitable specialists.

Risk Management:

The major risks to which the Charity is exposed concern business risk and operating risk and in particular raising adequate funds or generating sufficient income to cover costs. The Board confirms that the day to day reporting systems and controls operated and regularly monitored by the organisation are designed to mitigate those risks. The Charity regularly reviews and updates a schedule of risks.

OBJECTIVES AND ACTIVITIES

The Objects of the Charity are:

- To promote for the benefit of the public the furtherance of education, training, knowledge and understanding of all members of the public (with emphasis on the members of the public who are young or disadvantaged) in all aspects of sound, television and multi-media production.
- To promote for the benefit of the public and enable best practice and high standards in all aspects of sound, television and multi-media production which is of cultural, artistic or educational value.

Ariel supplies up to date skills to all members of the public (with emphasis on the members of the public who are young or disadvantaged), responds to demand in the media industry, builds partnerships and helps to deliver employment and economic growth.

Ariel Trust offers services to members of the public, with the emphasis on the members of the public who are young or disadvantaged to promote their knowledge and understanding of broadcasting in order to increase their chances of becoming economically active. The organisation does this by:-

- i) Operating a programme of training courses
- ii) Providing information and advice to unemployed people and others
- iii) Making equipment, studio space and resources available to unemployed people and others
- iv) Liaising with broadcasters and others in order to increase opportunities for unemployed people
- v) Organising conferences, work placements and other initiatives
- vi) Delivering education projects to young people.
- vi) Developing new ways to deliver education, training and media production.

In delivering the activities the Charity is supported by a voluntary Board of Trustees. The Charity does not have any other volunteer programme.

ARIEL TRUST LIMITED
TRUSTEES' ANNUAL REPORT/DIRECTORS' REPORT FOR THE YEAR ENDED 31
MARCH 2008 CONTINUED
ACHIEVEMENTS AND PERFORMANCE
Key Developments During 2007/8

Ariel has continued to deliver face-to-face radio training for two important client groups this year:

- Young people at risk of exclusion from school
- Young adults currently outside the labour market

Both areas of work have been funded through the European Social Fund and have been delivered in a way that meets our contractual targets during the year.

Esmée Fairbairn have again provided us with support for our staff costs, funding the salary cost of our Development Officer for 12 months, beginning July 2007.

We have been successful in winning a substantial award from the Big Lottery Reaching Communities Fund. This grant, £486,000 over 4 years, will enable us to redesign our programme for 16-24 year olds and continue delivering to this key beneficiary group.

During the year we have worked with a total of 997 young and excluded people in a range of face-to-face projects. This is an increase of 267% on the previous year and results largely from a new project area, Enterprise Education. We delivered a contract for Woodchurch High School, Wirral which involved us working with full year groups in years 7, 10 and 11.

Our work with Liverpool Culture Company has continued to develop with a further learning resource, Senseless, produced during the financial year. We have also continued work in relation to the Plastered and Street Heat resources. In addition to this work we have won a contract to co-ordinate part of the Culture Company's flagship education programme for 2008, Generation 21. Contracts with the Culture Company amounted to £47,000.

FINANCIAL REVIEW

Details of the Statement of Financial Activities appear on page 9. Total incoming resources were £296,786 (2007 £255,805) and total resources expended were £323,676 (2007 £268,980) giving rise to a net movement in funds of £26,890 net outgoing resources (2007 £13,175 net outgoing resources). The net movement in funds for 2007/8 is split between net outgoing resources of £43,991 (2007 excess incoming resources £3,556) on the unrestricted fund and £17,101 net incoming resources on the restricted funds (2007 net outgoing resources of £16,731).

The mix of income continued to change in 2007/8 in line with diversification and increase in activity. Post 16 income increased by 91% whilst schools income fell by 35% as a result of business development. Ariel now has a wide variety of income streams from a more diverse range of organisations. Statutory investment particularly from the European Social Fund has been maintained but income includes funding from trusts and foundations, corporate donations and income from educational services, as well as £28,600 from the Big Lottery. Inter Active Radio income more than trebled to £72,525. The development project was completed during 2006/7 but a new project, E Learning commenced with income of £47,767.

At 31 March 2008 the position on the Funds on the Balance Sheet was a total of £45,173 (2007 £72,063) made up of £22,574 unrestricted funds (including £7,696 designated funds and a balance on general unrestricted funds of £14,878) and £22,599 restricted Funds.

ARIEL TRUST LIMITED**TRUSTEES' ANNUAL REPORT/DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2008 CONTINUED****Political Contributions**

During the year there were no political or charitable donations.

Fixed Assets:

The movements on fixed assets are shown in the notes to the accounts.

Reserves Policy:

The organisation is run on a not for profit basis but for prudent management and in accordance with the Statement of Recommended Practice "Accounting by Charities" the Board aims to maintain a level of free reserves (that is those funds not tied up in designated or restricted funds) to establish a sustainable entity and guard against contingencies. The actual free reserves at 31 March 2008 were £14,878 (2007 £15,000) representing a small decrease. The Charity is working towards diversification and aims to increase the free reserves to £25,000, achieving target within the next 3 to 5 years. The business plan indicates that the level of reserves of £14,878 is sufficient to support current activities.

PLANS FOR FUTURE PERIODS**Key Issues in Next Period**

Ariel will continue to deliver face-to-face programmes in schools and for young adults with support from the European Social Fund (ESF). However this programme will end in July 2008. We will therefore continue our strategy of diversifying our income streams and developing new project areas.

We have now launched three learning resources, 'Plastered', 'Street Heat' and 'Senseless' in the Merseyside area. A key challenge in the next period will be marketing these resources and the related Continuing Professional Development training to a wider geographical market. We are in the process of updating our website in a way that is more targeted at potential customers and that will allow online purchasing.

We continue to develop our strategic partnerships, particularly with Merseyside Fire and Rescue Service and Merseyside Police. We will work in partnership with them to deliver projects on a local basis and to enable us to raise our profile nationally.

Strategy for Long-Term Sustainability

Ariel recognises that providing vocational training programmes of the type we have previously delivered is not sustainable in isolation. We are committed, in the short-term, to continuing this provision because there is dramatic growth in the radio industry at this time. However we recognise that in order to remain sustainable as an organisation we need to develop additional sources of income to support this work.

The investment from Future Builders continues to support the process of change within the organisation and the ongoing development of distance learning and e-learning resources and the marketing of Continuing Professional Development training targeted at teachers, youth workers and other agencies.

The investment from the Big Lottery is enabling us to refocus our work with 16-24 year olds in line with the Citizenship focus of our other work. This change will lead to increased linkages between our project areas and enable co-ordinated delivery around particular issues. This co-ordination will enable projects to add value to each other and will increase the profile of our work.

ARIEL TRUST LIMITED
TRUSTEES' ANNUAL REPORT/DIRECTORS' REPORT FOR THE YEAR ENDED 31
MARCH 2008 CONTINUED

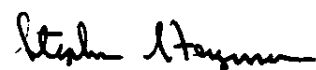
SMALL COMPANY RULES

These accounts have been prepared in accordance with Part VII of the Companies Act 1985 as applicable to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

AUDITORS

Harvey Guinan have indicated their willingness to remain in office and a resolution will be proposed for their re-appointment at the forthcoming Annual General Meeting in accordance with section 384 of the Companies Act 1985.

ON BEHALF OF THE TRUSTEES AND THE DIRECTORS



Stephen Ferguson (Chair)

Trustee/Director

Date:- 3, December 2008

ARIEL TRUST LIMITED**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARIEL TRUST LIMITED**

We have audited the financial statements of Ariel Trust Limited for the year ended 31 March 2008 on pages 9 to 16. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The trustees' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charity's affairs as at 31 March 2008 and of its incoming resources and resources expended for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.



Harvey Guinan

Chartered Certified Accountants

Registered Auditors

310/311 Vanilla Factory

39 Fleet Street

Liverpool L1 4AR

Date:- 3, December 2008

ARIEL TRUST LIMITED**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2008**

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS 31/3/2008	TOTAL FUNDS 31/3/2007
Incoming Resources (note 4)				
Incoming Resources from generated funds:				
Voluntary Income	-	-	-	200
Investment Income	6,254	-	6,254	1,489
Incoming Resources from Charitable Activities:				
Post 16 Training and Services	4,003	97,031	101,034	52,991
Schools Training and Services	26,422	42,784	69,206	106,712
Development Project	-	-	-	67,614
Mersey Broadband	-	-	-	1,405
Core Activity-Inter Active Radio	21,033	51,492	72,525	23,187
E Learning	42,715	5,052	47,767	-
CPD Training	-	-	-	2,207
Total Incoming Resources	100,427	196,359	296,786	255,805
Resources Expended				
Charitable Activities: (note 5)				
Post 16 Training and Services	35,310	79,749	115,059	52,991
Schools Training and Services	33,228	41,585	74,813	116,712
Development Project	-	-	-	67,614
Mersey Broadband	-	5,498	5,498	3,672
Core Activity –Inter Active Radio	24,400	47,374	71,774	25,491
E Learning	48,480	5,052	53,532	-
	141,418	179,258	320,676	266,480
Governance Costs	3,000	-	3,000	2,500
Total Resources Expended	144,418	179,258	323,676	268,980
Net movement in funds	(43,991)	17,101	(26,890)	(13,175)
Balances B/F 1 April 2007	66,565	5,498	72,063	85,238
Balances C/F 31 March 2008 (note 10/11)	22,574	22,599	45,173	72,063
	=====	=====	=====	=====

The notes on pages 11 to 16 form part of these financial statements.

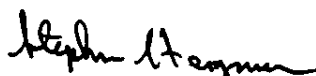
ARIEL TRUST LIMITED**BALANCE SHEET**
AS AT 31 MARCH 2008

NOTE		2008	2007
	<u>FIXED ASSETS</u>		
7	Tangible Assets	7,010	8,774
	<u>CURRENT ASSETS</u>		
8	Debtors	41,281	53,652
	Cash at Bank and in Hand	171,553	156,199
		212,834	209,851
9	<u>CREDITORS - AMOUNTS</u>		
	<u>FALLING DUE WITHIN ONE YEAR</u>	(130,942)	(27,812)
	<u>NET CURRENT ASSETS</u>	81,892	182,039
	<u>TOTAL ASSETS LESS CURRENT</u>		
	<u>LIABILITIES</u>	88,902	190,813
9	<u>CREDITORS- AMOUNTS</u>		
	<u>FALLING DUE AFTER MORE THAN ONE YEAR</u>	(43,729)	(118,750)
	<u>NET ASSETS</u>	45,173	72,063
		=====	=====
	<u>FUNDS</u>		
10	Unrestricted funds	22,574	66,565
11	Restricted Funds Invested in Fixed Assets	4,030	5,498
11	Restricted Revenue Funds	18,569	-
		45,173	72,063
		=====	=====

The notes on pages 11 to 16 form part of these accounts.

The accounts have been drawn up in accordance with the provisions of part VII of the Companies Act 1985 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

These accounts were approved by the Board of Trustees on 3 December 2008 and were signed on their behalf by:


Stephen Ferguson
Chair/Trustee/Director

ARIEL TRUST LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2008

1 ACCOUNTING POLICIES
ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007). The accounts have been drawn up where appropriate in accordance with the Statement of Recommended Practice "Accounting by Charities".

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives at the following rates:

Equipment	15% Straight Line
Fixtures and Fittings	15% Straight Line
Computers	33 1/3% Straight Line

INCOMING RESOURCES

Income from continuing operations comprised revenue grant funding received and receivable, donations, income received and receivable against contracts with government agencies, schools and other establishments to deliver education and training and bank interest and sundry income. The charity is not registered for VAT.

Income from donations and grants is included in incoming resources when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred to those periods
- When donors impose conditions which must be fulfilled before the charity becomes entitled to use such income, and there is uncertainty as to whether the charity can meet these conditions, the income is deferred and not included in incoming resources until there is certainty that those pre-conditions for use can be met.

CHARITABLE EXPENDITURE AND EXPENDITURE ON GOVERNANCE COSTS

All expenditure of the charity relates to the delivery of its objects and is therefore considered as direct charitable expenditure as detailed on the Statement of Financial Activities. Audit and legal and professional costs have been shown separately in governance costs.

GRANTS

Grants of both a revenue and capital nature are credited to income in the period in which they are due and when the principles of measurement, certainty and entitlement are met. Capital grants are treated as restricted income and depreciation charged against the restricted funds. Where revenue grants are given for a specific purpose then the income is shown as restricted on the Statement of Financial Activities.

TAXATION

No taxation is provided due to the company's charitable status.

ARIEL TRUST LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2008
(Continued)
ACCOUNTING POLICIES CONTINUED

FUND ACCOUNTING

Funds held by the charity are either:

- Unrestricted general funds which can be used in accordance with the charitable objectives at the discretion of the trustees.
- Restricted funds which can only be used for a specific purpose either specified by the donor or raised for the specific purpose.
- Designated Funds which have been set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

2 NET MOVEMENT ON FUNDS

	2008	2007
This is stated after charging/(crediting):		
- Auditors' Remuneration	3,000	2,500
- Depreciation of Tangible Fixed Assets	8,013	8,235
- Release of Capital Grant for Depreciation	(7,124)	(6,731)
	=====	=====

3 STAFF COSTS

- Wages and Salaries	178,262	140,789
- Social Security Costs	17,650	14,284
- Pension	6,641	6,355
	-----	-----
	202,553	161,428
	=====	=====

No director/trustee received fees, remuneration or expenses for their services as a director/trustee.

The average number of full time equivalent employees (including casual and part time staff) during the year was made up as follows:

Manager	1	1
Administration and Finance	2	2
Development	1	1
Project Officer – Schools	2	2
Project Officer – Post 16	2	1
	-----	-----
	8	7
	===	===

The company contributes to individual employee defined contribution pension schemes with assets held separately from the company managed by an insurance company.

4 INCOMING RESOURCES FROM DELIVERY OF TRAINING AND EDUCATION

	Unrestricted Funds	Restricted Funds	Total 2008	Total 2007
Voluntary Income				
Sundry Donations	-	-	-	200
	-----	-----	-----	-----
	-	-	-	200
Investment Income				
Bank Interest receivable	6,254	-	6,254	1,489

ARIEL TRUST LIMITED
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2008

4 INCOMING RESOURCES FROM DELIVERY OF TRAINING AND EDUCATION (cont'd)

	Unrestricted Funds	Restricted Funds	Total 2008	Total 2007
Charitable Activities				
Post 16 Public Authority Service				
Agreements:				
ELECT	4,003	-	4,003	-
ESF	-	49,735	49,735	50,991
ACME	-	-	-	2,000
Big Lottery	-	47,296	47,296	-
	4,003	97,031	101,034	52,991
Schools Training and Services				
Project Education Services	26,422	-	26,422	34,463
ESF	-	16,754	16,754	12,086
Future Builders	-	-	-	15,000
Liverpool Culture Company Project	-	-	-	16,763
MSEI	-	-	-	17,400
Private Commercial Donation	-	-	-	11,000
Knowsley CVS Grant	-	9,702	9,702	-
Tesco Grant	-	2,500	2,500	-
Lloyds TSB	-	13,828	13,828	-
	26,422	42,784	69,206	106,712
Development Project				
Esmee Fairbairn Foundation	-	-	-	30,331
ERDF	-	-	-	34,248
Project - Other	-	-	-	3,035
	-	-	-	67,614
Mersey Broadband Fund				
Mersey Broadband	-	-	-	1,405
	-	-	-	1,405
Core Activity Income				
Local Authority SLA	17,861	-	17,861	17,425
Other Services	3,172	-	3,172	5,762
Future Builders	-	22,500	22,500	-
Esmee Fairbairn	-	28,992	28,992	-
	21,033	51,492	72,525	23,187
CPD Training	-	-	-	2,207
E Learning Project				
Project Services	42,715	-	42,715	-
Lloyds TSB	-	5,052	5,052	-
	42,715	5,052	47,767	-
Total Charitable Activities	94,173	196,359	290,532	254,116
TOTAL INCOMING RESOURCES	100,427	196,359	296,786	255,805
	=====	=====	=====	=====

ARIEL TRUST LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2008
(Continued)
5 DIRECT CHARITABLE EXPENDITURE

All expenditure of the charity relates to the delivery of its objects and is therefore considered as direct charitable expenditure as detailed on the Statement of Financial Activities on Page 9 with the exception of governance costs shown separately (audit statutory and legal). Costs directly attributable to activities are shown below together with the costs incurred to support the activity, allocated based upon management time.

Activity	Direct Activity Costs	Support Costs	Total 2008	Total 2007
Post 16	57,498	57,561	115,059	52,991
Schools	38,406	36,407	74,813	116,712
Development	-	-	-	67,614
Core- Radio	-	71,774	71,774	25,491
Broadband	5,498	-	5,498	3,672
E Learning	10,323	43,209	53,532	-
Total	111,725	208,951	320,676	266,480

6 SUPPORT COSTS

Support costs	Post16	Schools	Core Radio	E Learning	Total 2008	Total 2007
Staff	40,868	25,849	49,986	30,678	147,381	91,263
Finance	289	182	347	216	1,034	1,297
Premises	6,331	4,005	8,194	4,753	23,283	18,070
Organisation	4,893	3,095	6,215	3,673	17,876	24,228
Web/Marketing	5,180	3,276	7,032	3,889	19,377	-
	57,561	36,407	71,774	43,209	208,951	134,858

Organisation costs include depreciation, telephone, insurance, printing postage and stationery, subscriptions and equipment repairs.

7 TANGIBLE FIXED ASSETS	Computers	Equipment	Fixtures and Fittings	Total
At 1 April 2007	62,944	39,644	3,630	106,218
Additions	4,246	1,411	592	6,249
	=====	=====	=====	=====
At 31 March 2008	67,190	41,055	4,222	112,467
	=====	=====	=====	=====
Depreciation:				
At 1 April 2007	57,422	38,124	1,898	97,444
Charge for Year	6,907	619	487	8,013
	=====	=====	=====	=====
At 31 March 2008	64,329	38,743	2,385	105,457
	=====	=====	=====	=====
Net Book Value:				
At 31 March 2008	2,861	2,312	1,837	7,010
	=====	=====	=====	=====
At 31 March 2007	5,522	1,520	1,732	8,774
	=====	=====	=====	=====

ARIEL TRUST LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2008

8	DEBTORS	2008	2007
	Amounts falling due within one year:		
	Trade Debtors	6,905	21,298
	Other Debtors – Grants	32,719	30,687
	Prepayments	1,657	1,667
		-----	-----
		41,281	53,652
		=====	=====

9	CREDITORS	2008	2007
	Amounts falling due within one year:		
	Trade Creditors	6,890	2,057
	Taxation and Social Security Costs	4,628	4,740
	Accruals	3,626	2,500
	Deferred Income	40,381	17,265
	Other Creditor	92	-
	Loan – Future Builders	75,325	1,250
		-----	-----
		130,942	27,812
		=====	=====

Deferred income represents amounts received during the year to be spent on projects in future accounting periods.

Amounts falling due after more than one year:

Loan – Future Builders	43,729	118,750
	=====	=====

The loan is unsecured and repayable within 10 years from the initial draw down date 9 March 2006. There is a capital and interest repayment holiday for the first 24 months after which interest is payable at 6% per annum with repayments initially at £1,550 per month including interest. The charity made an additional single repayment of £60,000 in May 2008.

10 UNRESTRICTED FUNDS

	General Fund £	Designated Fund £	Total 2008
Balance 1.4.07	15,000	51,565	66,565
Movement in Funds for the Year	(43,991)	-	(43,991)
Transfer from Post 16 Designated Fund	31,307	(31,307)	-
Transfer from Schools Designated Fund	6,797	(6,797)	-
Transfer from E Learning Designated Fund	5,765	(5,765)	-
Balance 31.3.08	14,878	7,696	22,574

The funds are designated for the delivery of the respective activity to secure the development of the charity's activities and services to beneficiaries in accordance with the Business Plan outlined in the Annual Report (£7,228 Schools and £468 Pack Sales).

ARIEL TRUST LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 MARCH 2008 (Continued)****11 RESTRICTED FUNDS**

	01/04/07	Incoming Resources	Resources Expended	31/3/08
Schools	-	42,784	(41,585)	1,199
Mersey Broadband	5,498	-	(5,498)	-
E Learning	-	5,052	(5,052)	-
Post 16 Training and Services	-	97,031	(79,749)	17,282
Core Radio Activity	-	51,492	(47,374)	4,118
	-----	-----	-----	-----
Restricted Funds	5,498	196,359	(179,258)	22,599
	=====	=====	=====	=====
Unspent for Projects				18,569
				=====
Spent and Invested in Fixed Assets				4,030
				=====

Schools Project –Delivering innovative radio training within education in schools. The balance at 31 March 2008 is invested in equipment.

Mersey Broadband Asset Fund – Funding to purchase IT equipment for projects

E Learning Funds were used towards the costs of an alcohol awareness project "Plastered".

Post 16 Radio Training Fund-Funds for the delivery of interactive radio training to post 16 year olds, including European Social Fund monies and matched funds. The balance of funds at 31 March 2008 comprise £14,451 unspent Lottery revenue funds and £2,831 Lottery funds invested in fixed assets.

Core Radio – Funds the post of a development officer with funds from Esmee Fairbairn Trust and capacity building for the organisation with funds from Future Builders to increase internal capacity to deliver a portfolio of linked education projects within Merseyside purchased by public agencies under contract agreement.

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	2008 Total
Tangible fixed assets	2,980	4,030	7,010
Net current assets	63,323	18,569	81,892
Creditors due after more than one year	(43,729)	-	(43,729)
	-----	-----	-----
	22,574	22,599	45,173
	=====	=====	=====

13 CAPITAL AND FINANCIAL COMMITMENTS

There were no capital commitments as at 31 March 2008 (2007 £nil).

The charity has a commitment under a rental lease on its offices of £21,385 for the year to 31 March 2009.