

ARIEL TRUST LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2000

Registered Number: 2113575

Charity Number: 519688



MITCHELL CHARLESWORTH
Chartered Accountants

ARIEL TRUST LIMITED
FINANCIAL STATEMENTS
For the year ended 31st March 2000

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ARIEL TRUST LIMITED
COMPANY INFORMATION

31st March 2000

Incorporated in England on 20th March 1987

COMPANY NUMBER: 2113575

CHARITY NUMBER: 519688

CHAIRMAN: Steve Ferguson

DIRECTORS AND TRUSTEES: Steve Ferguson
Paulette Lappin
Yaqub Rahman
Avis Lundberg
Fi Kellett
Maurice Bessman

SECRETARY: Paulette Lappin

REGISTERED OFFICE: Floor Three,
Graphic House,
Duke Street,
Liverpool,
L1 4JR.

BANKERS: National Westminster Bank Plc.,
Liverpool City Office,
P.O. Box No. 138,
22 Castle Street,
Liverpool,
L69 2BE.

AUDITORS: Mitchell Charlesworth,
Chavasse Court,
24 Lord Street,
Liverpool,
L2 1TA.

ARIEL TRUST LIMITED

REPORT OF THE DIRECTORS AND TRUSTEES

For the year ended 31st March 2000

The Directors and Trustees present their report and accounts for the year ended 31st March 2000.

Objects of the Charity, principal activities and organisation of our work

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

Objects of the Charity are:-

To promote the furtherance of education, knowledge and understanding of young persons aged 14 to 25 years in Merseyside without discrimination of sex, race or creed in all aspects of sound and broadcasting production.

The objects of the Association are:-

- i) 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.
- ii) to promote 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.

Principal activities

Ariel Trust offers services to unemployed people principally living in Merseyside 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 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.

ARIEL TRUST LIMITED

REPORT OF THE DIRECTORS AND TRUSTEES

For the year ended 31st March 2000

(Continued)

Organisation of our work

Ariel Trust Limited has a Committee of Trustees which meets at least every six weeks. The staff consists of:-

- 1 Director
- 1 Projects Manager
- 1 Administrator

The work programme is developed and delivered by the staff team and up to 5 sessional tutors/support workers are brought in to deliver our projects.

Development, activities and achievements this year

1. Training

Ariel continued operating three radio production training courses, each over-subscribed making the selection of up to 39 unemployed Merseyside residents a difficult task. The area of growth continues to be 'Commercial Production' which has been actively supported by the creative service teams at Radio City, M.F.M. and Key 103 F.M. The increased number of partners this year reflects the demand in the industry for people with skills relevant to this area of work.

A new team of sessional tutors now delivers the majority of our radio production courses because members of the team moved onto full time jobs in the radio industry. The teaching resources developed and piloted with support from the National Lottery charities Board made this transition easy.

Ariel's digital recording and mixing equipment is now being used to full capacity, all courses are now totally digital.

2. Other activities

Staff, freelance tutors and students are embarked on N.V.Q. qualifications. Ariel is successfully operating as an N.V.Q. assessment centre for radio production, approved by The National Training Organisation for broadcasting in the U.K. This confirms Ariel's success in delivering quality support and training to national standards.

Ariel continues to work towards Investors in People status. The staff development programme has this year been supported by Ropewalks, an area regeneration agency. Staff have begun working towards M.Sc. Management as well as N.V.Q.'s.

ARIEL TRUST LIMITED

REPORT OF THE DIRECTORS AND TRUSTEES

For the year ended 31st March 2000

(Continued)

Future developments

Ariel is developing a network of senior staff within the radio industry as N.V.Q. assessors. This network is a crucial element in our plans to regionalise the organisation, in the coming year the aim is to place trainees in stations right across the North West.

Transactions and financial position

Ariel has had success in attracting investment from European Funds. Funding was also secured from Employment links, Liverpool City Council Arts Unit and National Lottery Charities Board.

Funds available

Ariel will be advocating the media as a growth area to new funding agencies coming on stream during 2000/2001. These will include the revised Objective One Monies applied to Merseyside. It is hoped that bids concerning more than year on year can be granted.

As the organisation develops its delivery footprint beyond Liverpool it is planned to raise money from local authorities across the regional as well as regional agencies, including North West Development Agency. We believe that our high quality training will also attract investment from the new Learning and Skills Councils as they emerge.

ARIEL TRUST LIMITED

REPORT OF THE DIRECTORS AND TRUSTEES

For the year ended 31st March 2000

(Continued)

Directors and Trustees

All Directors of the company are also Trustees of the Charity, there are no other Trustees.

The Directors and Trustees of the company during the year were as follows:

Steve Ferguson
Paulette Lappin
Yaqub Rahman
Avis Lundberg
Fi Kellett
Maurice Bessman

The board has the power to appoint additional Trustees as it considers fit to do so.

In accordance with the Articles of Association, Paulette Lappin retires by rotation and offers herself for re-election.

Year 2000

No problems have been encountered with the company's equipment and systems.

Auditors

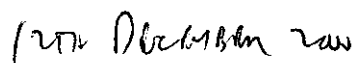
A resolution to re-appoint Mitchell Charlesworth will be proposed at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD



P. Lappin

Secretary



ARIEL TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

31st March 2000

The Trustees are required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements they are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards 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 also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

Mitchell Charlesworth

Chartered Accountants

Chavasse Court . 24 Lord Street . Liverpool L2 1TA

AUDITORS' REPORT TO THE MEMBERS OF

ARIEL TRUST LIMITED

We have audited the financial statements on pages 8 to 14 which have been prepared under the accounting policies set out on page 10.

Respective responsibilities of Trustees and Auditors

As described on page 6 the company's Trustees are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 error or other irregularity. 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 of the charitable company's state of affairs as at 31st March 2000 and of its incoming resources and application of reserves including its income and expenditure, in the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



MITCHELL CHARLESWORTH

Registered Auditor

13th December 2000

ARIEL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31st March 2000

Income and expenditure	Notes	Unrestricted funds	Restricted funds	2000	1999
Incoming resources					
Grants	4	74,983	8,523	83,506	124,660
Donations					-
Other income	5	<u>1,016</u>	<u>-</u>	<u>1,016</u>	<u>5</u>
Total incoming resources		<u>75,999</u>	<u>8,523</u>	<u>84,522</u>	<u>124,665</u>
Resources expended					
Direct charitable expenditure	6	68,879	12,260	81,139	81,579
Management and administration	7	<u>22,739</u>	<u>-</u>	<u>22,739</u>	<u>20,635</u>
Total resources expended		<u>91,618</u>	<u>12,260</u>	<u>103,878</u>	<u>102,214</u>
Net outgoing incoming resources		(15,619)	(3,737)	(19,356)	22,451
Net movement of funds					
Fund balances brought forward at 1 st April 1999		<u>50,711</u>	<u>14,705</u>	<u>65,416</u>	<u>42,965</u>
Fund balances carried forward at 31st March 2000		<u><u>£ 35,092</u></u>	<u><u>£ 10,968</u></u>	<u><u>£ 46,060</u></u>	<u><u>£ 65,416</u></u>

The notes on pages 10 to 14 form part of these accounts.

ARIEL TRUST LIMITED

BALANCE SHEET

At 31st March 2000

Fixed assets	Notes	2000	1999
Tangible assets	9	10,619	12,225
Current assets			
Debtors	10	8,947	65,598
Cash at bank and in hand		<u>49,853</u>	<u>18,724</u>
		58,800	84,322
Creditors: Amounts falling due within one year	11	<u>(23,359)</u>	<u>(31,131)</u>
<i>Net current assets</i>		<u>35,441</u>	<u>53,191</u>
<i>Total assets less current liabilities</i>		<u>£ 46,060</u>	<u>£ 65,416</u>
Capital			
Unrestricted funds	12	35,092	50,711
Restricted funds	12	<u>10,968</u>	<u>14,705</u>
		<u>£ 46,060</u>	<u>£ 65,416</u>

Approved by the Board of Directors and Trustees
on 12th December 2000 and signed on its behalf by:

Director and Trustee Yaqub Khan

Director and Trustee [Signature]

The notes on pages 10 to 14 form part of these accounts.

ARIEL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2000

1. Accounting policies

(a) Accounting convention

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention and include the results of the Charity's operations which are described in the Directors' and Trustees' report, all of which are continuing.

The accounts have been prepared in accordance with Statement of Recommended Practice No. 2 - Accounting by Charities.

(b) Depreciation

Depreciation is provided on fixed assets at rates calculated to write off the cost evenly over their anticipated useful lives at the following rates:

Equipment	- 15% straight line
Fixtures and fittings	- 15% straight line
Computer	- Over 3 years

(c) Income

Voluntary income and donations are accounted for as received by the Charity.

(d) Expenditure on management and administration of the Charity

Administration expenditure includes a proportion of expenditure not directly related to the charitable activity. This includes cost of renting and running office premises, staff salaries for administration staff and audit fees.

(e) Grants

Grants of both a revenue and capital nature are credited to income in the period in which they are due. Capital grants are treated as restricted income and matched against the depreciation charge.

ARIEL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2000

(Continued)

2. Operating loss	2000	1999
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Operating loss is stated after charging:

Staff costs (note 3)	£ 61,406	£ 52,446
Auditors remuneration	£ 1,498	£ 1,410
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Depreciation of tangible fixed assets (note 9)		
owned assets	£ 7,092	£ 7,454
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3. Staff costs	2000	1999
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Wages and salaries	56,196	47,780
Social security costs	<u>5,210</u>	<u>4,666</u>

	£ 61,406	£ 52,446
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	Number	Number
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Average number employed	3	3
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No remuneration was paid to Trustees in the year.

4. Grants	Unrestricted funds	Restricted funds	2000	1999
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Employment Link	37,176	-	37,176	24,653
E.S.F.	34,161	-	34,161	59,926
National Lottery Charities Board	-	8,523	8,523	26,640
North West Arts Board	-	-	-	2,500
Liverpool City Council	5,200	-	5,200	5,000
Merseyside T.E.C.	<u>(1,554)</u>	<u> </u>	<u>(1,554)</u>	<u>5,941</u>
	£ 74,983	£ 8,523	£ 83,506	£ 124,660
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ARIEL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2000

(Continued)

5. Other income	2000	1999
Bank interest	4	5
Sundry income	<u>1,012</u>	<u>-</u>
	<u>£ 1,016</u>	<u>£ 5</u>

6. Direct charitable expenditure	Unrestricted funds 2000	Restricted funds 2000	1999
Salaries and wages	46,055	-	39,335
Training and sessional tutors	2,498	2,160	5,757
Support staff	1,266	-	5,281
Trainee travel expenses	2,066	3,218	7,009
Membership fees	1,910	-	203
Childcare	638	-	473
Consultancy fees	3,665	-	3,316
Rates, rents and service charges	1,696	1,550	6,273
Other costs	7,504	1,595	7,159
Depreciation	<u>1,581</u>	<u>3,737</u>	<u>6,773</u>
	<u>£ 68,879</u>	<u>£ 12,260</u>	<u>£ 81,579</u>

7. Management and administration	Unrestricted funds 2000	1999
Salaries and wages	15,352	13,111
Rates, rent and service charges	1,082	2,091
Other costs	3,033	2,395
Audit and accountancy	1,498	2,357
Depreciation	<u>1,774</u>	<u>681</u>
	<u>£ 22,739</u>	<u>£ 20,635</u>

The split between direct charitable expenditure and management and administration for 1999 has been restated to show the true position with more information becoming available.

8. Taxation

The company is a registered Charity and is exempt from corporation tax.

ARIEL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2000

(Continued)

9. Tangible fixed assets

Cost	Computer	Equipment	Fixtures & Fittings	Total
1 st April 1999	8,033	34,440	967	43,440
Additions	<u>2,508</u>	<u>2,978</u>	<u>-</u>	<u>5,486</u>
31 st March 2000	<u>10,541</u>	<u>37,418</u>	<u>967</u>	<u>48,926</u>
Depreciation				
1 st April 1999	7,104	23,510	601	31,215
Charge for year	<u>1,299</u>	<u>5,611</u>	<u>182</u>	<u>7,092</u>
31 st March 2000	<u>8,403</u>	<u>29,121</u>	<u>783</u>	<u>38,307</u>
Net book amount				
31 st March 2000	<u>£ 2,138</u>	<u>£ 8,297</u>	<u>£ 184</u>	<u>£ 10,619</u>
1 st April 1999	<u>£ 929</u>	<u>£ 10,930</u>	<u>£ 366</u>	<u>£ 12,225</u>

10. Debtors **2000** **1999**

Amounts falling due within one year:

Other debtors	6,814	64,555
Prepayments and accrued income	<u>2,133</u>	<u>1,043</u>
	<u>£ 8,947</u>	<u>£ 65,598</u>

11. Creditors: Amounts falling due within one year **2000** **1999**

Other creditors	19,456	15,496
Other taxation and social security	-	2,457
Accruals and deferred income	<u>3,903</u>	<u>13,178</u>
	<u>£ 23,359</u>	<u>£ 31,131</u>

ARIEL TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2000

(Continued)

12. (a) Restricted funds	01/04/99	Incoming resources	Resources expended	31/03/00
Investment grant	4,800	-	(1,800)	3,000
Lottery Grant	<u>9,905</u>	<u>8,523</u>	<u>(10,460)</u>	<u>7,968</u>
	£ 14,705	£ 8,523	£ (12,260)	£ 10,968
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

12. (b) Analysis of fund balances between the net assets	Unrestricted 2000	Restricted 2000	Unrestricted 1999	Restricted 1999
Tangible fixed assets	31	10,588	1,668	10,588
Net current assets	<u>35,061</u>	<u>380</u>	<u>49,043</u>	<u>4,117</u>
	£ 35,092	£ 10,968	£ 50,711	£ 14,705
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

13. Capital commitments

There were no capital commitments as at 31st March 2000 (1999 - £NIL).

14. Limited liability

The company is limited by guarantee and has no share capital.