

BBC Media Action (India) Limited

Annual Report 2016/17



Registered number: 2746733

Charity number: 1121665

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STRATEGIC REPORT & BOARD OF TRUSTEES' REPORT

The Trustees are pleased to present their annual report and audited financial statements of BBC Media Action (India) Limited for the year ended 31 March 2017. The Trustees' report also contains the information required in a strategic report.

Overview

BBC Media Action (India) Limited (company number 2746733) is a subsidiary company of BBC Media Action, the BBC's international development charity. BBC Media Action (India) Limited is a company limited by shares of which the sole member is BBC Media Action. BBC Media Action (India) Limited was awarded charitable status on 22 November 2007. BBC Media Action (India) Limited was known as BBC WST Limited until 12 September 2013.

BBC Media Action (India) Limited uses the power of media and communication to support people to shape their own lives. Working in partnership with broadcasters, government departments, non-governmental organisations (NGOs) and donors, we provide information, strengthen the capacity of the media and other actors, and stimulate positive change.

Modern India has made great progress in improving the health and well-being of its citizens but millions still live in poverty and face significant challenges including accessing healthcare and understanding their rights.

In 2016–2017, BBC Media Action (India) Limited focused on two priority themes to guide its work: health, and governance and rights.

Health: We share life-saving maternal and child health information with rural families through mobile phone information services, street theatre, and face-to-face interaction. We boost the skills of rural health workers, engage with policy-makers and share our knowledge with other organisations in the sector. We are now using our expertise to expand our mobile phone-enabled maternal and child health projects across India, in partnership with the Bill & Melinda Gates Foundation, USAID, the Barr Foundation and the central and state governments. We also advise on governmental communication strategy and create multimedia content aimed at improving sanitation.

Governance and rights: In 2016-17 our governance and rights work included the launch of Adhahull (Half Full) a youth-focused project helping to challenge gender stereotypes, breaking taboos around issues such as gender-based violence and encouraging young people to stand up for their rights. The strategic objective of this project is to empower adolescents and create an environment in which they feel able to choose a future that is right for them.

Capacity strengthening: We supported initiatives aimed at boosting the ability of governments to design, implement and evaluate health communication and frontline health workers' face-to-face

communication. During the year, we provided strategic media and communication advice to the state Government of Bihar to help it design and deliver communication on reproductive, maternal, neonatal, child and adolescent health issues. We also have worked with the Ministry of Drinking Water and Sanitation and the Ministry of Urban Sanitation on supporting media and communication activities focused on sanitation.

BOARD OF TRUSTEES' REPORT

The Trustees present their Trustees' report and financial statements for the year ended 31 March 2017.

OBJECTS AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of BBC Media Action (India) Limited are:

- The education and training of journalists and all others engaged in the broadcast media in the principles and practice of journalism, programme production, broadcasting and related media skills, including ethics and codes of conduct, technical presentation and writing skills, interviewing techniques, news conferences, relevant law and newsroom roles and responsibilities, so as to promote high standards of balance, fairness, integrity and professionalism.
- Informing the public in the arts and sciences, including health, law, social policy, public administration, history, politics, economics, environmental protection, languages and in the availability of education, and in particular through the production, broadcasting and other dissemination of educational programming on film, radio and television, mobile and mobile based platforms, BTL (below the line) activities and the publication of other educational material for the benefit of the public.

BBC Media Action (India) Limited carries out these objects by:

- Delivering projects that transform lives through media – using media and communication to help reduce poverty and support people in understanding their rights.
- We reach our target audiences and help achieve our objectives through radio and television programmes, digital and social media community outreach and interpersonal communication, using a range of different types of programming: drama, magazine programmes and public service announcements among others. We also train journalists and health practitioners.

- To progress towards our mission, BBC Media Action (India) Limited works with other development actors, the international development community, and with academic institutions in India and internationally to explore the role of media from a policy perspective. BBC Media Action (India) Limited also works with civil society organisations, local media organisations, state and central government ministries and the private sector.
- Our approach to gender is cross-cutting and encompasses all areas of our work, reflecting how we, as an employer, champion diversity and equality, and how we integrate it into our work. Across our themes, we aim to be inclusive and seek to be aware of gender and diversity, and to design and implement our strategies accordingly to reach beneficiaries across India.

The beneficiaries of our work are the audiences who hear, watch or interact with our radio, television, mobile phone and social media outputs. They also include audiences who join our outreach activities, such as street theatre and listeners' groups, and partners including civil society organisations, media professionals and government departments who receive training and mentoring. In most cases, people receive our services without charge. Occasionally, we charge for a service so that it can continue and be sustainable beyond the life of the project.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of BBC Media Action (India) Limited and in planning future activities. BBC Media Action (India) Limited is committed to strengthening the media in developing countries and using media and communication to reduce poverty and promote human rights globally.

REVIEW OF 2016/17 OBJECTIVES

At BBC Media Action (India) Limited, we followed BBC Media Action's Forward Plan 2014–2019, which was approved by the Board of Trustees in April 2014. In line with this plan, over the year BBC Media Action (India) Limited has focused on the three aims outlined below.

1. *Aim: We will effectively deliver our portfolio of work and increase our influence.*

- We continued to scale up our innovative mobile phone-enabled ("mHealth") services during the year, with support from the Government of India, Bill and Melinda Gates Foundation, USAID and the Barr Foundation. Kilkari (*Baby's Gurgle*), an interactive voice response service that delivers weekly advice about pregnancy, childbirth and childcare directly to families' mobile phones is now live across ten states (Bihar, Chhattisgarh, Haryana, Himachal Pradesh, Jharkhand, Madhya Pradesh, Odisha, Rajasthan, Uttarakhand and Uttar Pradesh). By February 2017 it was reaching 1.59 million subscribers every week.

- A telephone survey of 4,514 *Kilkari* subscribers (pregnant women and new mothers) revealed that 48% could recall information they had been given about child nutrition, 33% could recall information about immunisation and just over a fifth could remember information related to pregnancy. In addition 95% of those surveyed said that *Kilkari's* content was clear, easy to understand, easy to adopt and had been delivered at the right pace.

"Only after I started using the Mobile Academy service did I realise how much it helped me enhance my knowledge"

Neetu Patel, Accredited Social Health Activist (ASHA), Sagar district, Madhya Pradesh

- Mobile Academy, an interactive voice response training course for community health workers designed to improve their ability to communicate with pregnant women and their families, is now live across seven states (Bihar, Jharkhand, Madhya Pradesh, Odisha, Rajasthan, Uttarakhand and Uttar Pradesh). More than 66,000 health workers graduated in the last year and a total of 144,880 health workers have successfully graduated from the course since it started in 2012.
- We worked with the government of Bihar, one of India's poorest states, to provide information services and communication aids to support women to have safer pregnancies and deliveries and healthier babies. In 2016/17 health workers in Bihar were able to access two mobile phone-based health information services: *Mobile Kunji* ("mobile guide or key") a mobile based audio visual aid for frontline health workers used during home visits and *GupShup Potli* ("Bagful of Laughter") a mobile-phone-based information service used by health workers at community health information days. In addition we introduced a number of communication "toolkits" to encourage and equip women and their families to have safer pregnancies and births and to improve the health of young children. The toolkit *Khoon ka Rishta* ("Bloodline") which encourages women to take folic acid in pregnancy won a prestigious Abby Award from the Advertising Club of India.
- In 2016/17 we secured funding to supply Mobile Kunji sets to rural health workers in a further 14 districts in the state of Bihar as well as training them to use these aids to improve the health of pregnant women and new mothers. We successfully secured free airtime from mobile phone operators, enabling rural health workers to dial up information services on behalf of their clients free of charge. By March 2017 more than 4.2 million people in Bihar had accessed health information via *Mobile Kunji* and more than 100,000 health workers had been trained to use the service.

- In 2016 we launched an initiative to stress the importance of breastfeeding during World Breastfeeding Week. We created two TV and radio public service advertisements – one showing the importance of breastfeeding immediately after giving birth and another on the importance of exclusive breastfeeding in the first six months of life. They were launched at a high profile event by the Minister of Health and Family Welfare as part of a national awareness-raising campaign and aired nationally in 10 languages. Analysis of the initiative showed a significant increase in the usage of breastfeeding content by community health workers during the World Breastfeeding Week.
 - Open defecation poses a major health hazard in India. Nearly 350 million people, more than the population of United States, continue to defecate in the open. Of the 1.7 million people worldwide who die from unsafe water, sanitation, and hygiene each year, more than 600,000 are in India. Last year we created a range of films and multimedia to encourage people to improve their health through better sanitation and promoted them with the help of our partners, the Bill and Melinda Gates Foundation and the Ministry for Drinking Water and Sanitation. They included five films about people who had acted as 'sanitation champions' in their communities by encouraging people to use toilets and stop the practice of open defecation and a multimedia presentation on the need for sanitation in public places. The short films were shown in cinemas in Delhi and Mumbai and aired on the national television networks Doordarshan and NDTV. We reached an estimated 68 million people through media coverage of the films and associated launch events and a further 11 million impressions on social media.
 - India's 243 million adolescents make up roughly a fifth of the population but little attention has been given to their health, educational and social needs. Our youth-focused drama AdhaFULL (Half Full), launched last year with support from UNICEF, addressed a wide range of issues facing young people in India - adolescent health and child marriage – education - nutrition and gender and gender-based violence. It was the national public broadcaster's most-watched series in January 2017 attracting an average audience of a million people an episode.
2. *Aim: We will play a leading role in the sector, making the case for media and communication in development. We will secure funding to support our work and ensure that we provide value for money.*
- We were invited to steer several prominent health initiatives, enabling us to make the case for media and communication in development. We published a briefing "Rethinking communication for maternal and child health: lessons for the Shaping Demand and Practices project in Bihar, northern India" and a briefing that detailed lessons learned from our project to

prevent bonded labour. We also presented findings from our health projects at conferences in India and internationally.

- The Bill and Melinda Gates Foundation approved a new grant for us to establish a Strategic Communications Unit on sanitation communications. It will enable us to continue our work with the Indian government to design communication to help end the practice of open-defecation and promote safe sanitation practices.
- We received additional funds from UNICEF to extend our youth-focused AdhaFULL project, allowing us to expand the project to include social media outputs, graphic novels, as well as producing DVDs and accompanying discussion guides for use in community outreach activities.

Aim 3: We will ensure we are creative, flexible and able to apply the best new ideas and technologies to our work. We will learn from our technologically innovative projects (and from others in the sector and beyond), and apply that learning where appropriate across our work.

- We hosted NEEDLE 2017: The Communications Conclave on women and girls. More than 320 people from the development sector, academic institutions, government and the private sector attended a one-day conference to explore the role of media and communications in giving voice to and representing women and girls. Speakers included representatives from television, advertising, film, digital platforms, journalism, donors, UN agencies and the development sector, as well as young people who spoke about their own experiences of change.
- We began work with the Digital Impact Alliance (DIAL) based at the UN Foundation in Washington DC to produce a guide for global development practitioners to use when designing and implementing digital interventions at scale – drawing on our five years of experience designing and delivering of mHealth projects.
- We continued to review and improve a number of our business practices and we shared our plans with staff members. This included communication and PR, collaboration with other organisations, competitive pricing, thought leadership, fundraising and talent management, among others.
- We increased our social media activity on Facebook and Twitter in line with an organisation-wide social media plan which included plans for online promotion of our participation in conferences, our projects and our research. Our NEEDLE 2017 event trended on Twitter reaching a potential 10 million users.

LOOKING AHEAD: OUR AIMS FOR 2017/18

In the coming year, BBC Media Action (India) Limited will focus on the following three objectives:

1. We will deliver each agreed project effectively to achieve maximum impact and value for money, measuring what it has achieved and learning from what has and has not worked. We will share the learning from each project widely to inform the work of others and our own policy work.
2. We will work to a new Strategic Plan, which articulates the contribution we will make to the international Strategic Development Goals and sets parameters for our work over the coming three years.
3. We will implement a set of actions to make BBC Media Action (India) Limited more efficient and cost-effective and produce plans to carry this work further over the next couple of years.

FINANCIAL REVIEW

The income and expenditure account for the year ended 31 March 2017 shows a breakeven result (2016: breakeven). Total income was £3,965,735 compared to £3,716,579 in 2016. Total expenditure was £3,965,735 (2016: £3,716,579).

Projects are delivered in collaboration with BBC Media Action (parent entity). The main funders of the project activities in the year were: the Bill and Melinda Gates Foundation, the BARR Foundation, UNICEF and USAID.

The balance sheet at 31 March 2017 had net assets of £20,771 (2016: £20,771).

FINANCIAL POLICIES

Reserves

During the year the Board of Trustees reviewed the reserves policy. The review was carried out in the context of the review of risks and opportunities for BBC Media Action (India) Limited. At 31 March 2017 unrestricted reserves, which are all considered to be free reserves, were £20,771 (2016: £20,771). The Board of Trustees considers that the level of unrestricted reserves, and therefore of free reserves, are at a reasonable level in the context of BBC Media Action (India) Limited's legal structure, the financial support of its parent, BBC Media Action, described in the 'Going concern' section below, the financial risks faced by BBC Media Action (India) Limited, the stability, levels and types of future income and the impact of future plans and commitments. The Board of Trustees considers that the reserves should be maintained at this target level. The reserves policy is reviewed by the Board of Trustees on an annual basis.

Going concern

On 10th July 2017 the Board of Trustees of BBC Media Action (India) Limited received confirmation from the Board of Trustees of its parent, BBC Media Action, that BBC Media Action would provide financial support to BBC Media Action (India) Limited, if the need should arise, in order for BBC Media Action (India) Limited to continue as a going concern.

The Board of Trustees of BBC Media Action (India) Limited is of the opinion that BBC Media Action (India) Limited has adequate resources to continue in operational existence for the foreseeable future. The Board of Trustees have identified no material uncertainties that cast significant doubt about the ability of the company to continue as a going concern as is further explained in Note 1 of the financial statements.

The Board of Trustees of BBC Media Action (India) Limited is looking at the option of transferring branch office registration in India to its parent entity BBC Media Action. If this were to happen this would end the activities of BBC Media Action (India) Limited. This process is likely to take more than 12 months and does not affect the financial statements as presented.

OUR ORGANISATION

Staff and volunteers

The quality and creativity of our outputs are directly attributable to the calibre and expertise of our staff. In 2016/17 BBC Media Action (India) Limited employed an average of 102 staff (2015/16: 100).

Legal structure

BBC Media Action (India) Limited (company number 2746733) is a company limited by shares of which the sole member is BBC Media Action. Its governing documents are a Memorandum and Articles of Association. The financial statements are filed annually with the Registrar of Companies.

Governance

Trustees are recruited and appointed after consultation with the Board of Trustees of BBC Media Action. All Trustees of BBC Media Action (India) Limited are currently also Trustees of BBC Media Action. The induction for Trustees to outline our work in the context of their responsibilities in relation to BBC Media Action (India) Limited takes place at the same time as the induction for BBC Media Action. Regular knowledge sharing sessions provide Trustees with the opportunity to gain up to date information on particular issues as part of ongoing training.

The Board of Trustees confirms that a risk review was carried out in the year and confirms that the Trustees consider the controls in place sufficient to mitigate key risks. The risk register is reviewed by Trustees on an annual basis. The Finance and Audit Committee of BBC Media Action reviews the

issues of the consolidated group as a whole, which includes BBC Media Action (India) Limited. BBC Media Action (India) Limited audit committee formally meets once a year to review the accounts.

Risk Management

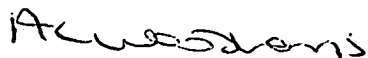
BBC Media Action (India) Limited has identified the major risks affecting its work and has ranked these by likelihood and impact. The Trustees have assessed these risks and are satisfied that reasonable steps are being taken to mitigate exposure to them. Principal risks are identified below:

RISK	MITIGATION
<p>Compliance with local laws</p> <p>Failure to keep across changes in local laws across the many countries we work in could result in significant financial penalties.</p>	<ul style="list-style-type: none"> - Local staff in place responsible for ensuring compliance with local requirements including registration, tax and statutory reporting. - Support from third party advisors used.
<p>Business model and changes in funding environment</p> <p>Funding is primarily funding for specific projects. If donors become less willing to fund the full cost of projects or put increased risk on the recipient there is a risk that BBC Media Action could not secure funding for an appropriate level of support costs and investment in systems.</p>	<ul style="list-style-type: none"> - Budgets to donors for grants are reviewed through a methodology to ensure that project budgets cover a fair share of support costs. - Contracts for delivery are priced appropriately, reflecting the full cost and risk of proposals.
<p>Reputation</p> <p>Events or incidents result in negative coverage in the UK and in India, with consequent impact on areas including delivery, funding and safety.</p>	<ul style="list-style-type: none"> - Clear lines of accountability are in place. - BBC Editorial Guidelines are followed. - Reactive lines in place for known risks and staff prepared to handle hostile press coverage.

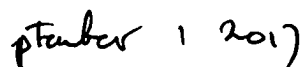
Disclosure of information to auditors

The Trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditors are unaware; and each trustee has taken all the steps that he ought to have taken as a trustee to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The strategic report and the annual report are approved by the Board of Trustees in their capacity as directors and signed on its behalf by:



Alison Woodhams, Trustee



STATEMENT OF TRUSTEES RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Annual Report (incorporating the Strategic Report and the Director's 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 they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 charitable company and of the excess of income over expenditure for that period. 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

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

TRUSTEES AND ADVISORS

Trustees

Michael C. McCulloch*

Alison Woodhams*

* All trustees are also directors of the company

Company secretary

Lindsey North

Auditors

Ernst & Young LLP, 1 More London Place, London SE1 2AF, United Kingdom

Bankers

Barclays Bank Plc, 1 Churchill Place, London, E14 5HP

Registered Office

Broadcasting House, Portland Place, London W1A 1AA

BBC Media Action (India) Limited is a company limited by shares with company registration number 2746733 and registered charity number 1121665

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BBC MEDIA ACTION (INDIA) LIMITED

We have audited the financial statements of BBC Media Action for the year ended 31 March 2017 which comprise of the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "Reduced Disclosure Framework" applicable in the UK and Republic of Ireland

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 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, including FRS 101 "Reduced Disclosure Framework"; and
- ▶ have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

- ▶ the information given in the Strategic Report and Trustees' Annual Report is consistent with the financial statements.
- ▶ The Strategic Report and the Trustees' Annual Report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Strategic Report and Trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Ernst & Young LLP

Richard Wilson (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

London

September 4 2017

FINANCIAL STATEMENTS

BBC Media Action (India) Limited Statement of Financial Activities

(including the income and expenditure account) for the year ended 31 March 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total 2017 £	Total 2016 £
Income from charitable activities:					
Grant funding for specific charitable activities	2	320,266	3,645,469	3,965,735	3,716,579
Total income and endowments		320,266	3,645,469	3,965,735	3,716,579
Expenditure on:					
<i>Charitable activities</i>					
Changing lives through media and communication	3	(320,266)	(3,645,469)	(3,965,735)	(3,716,579)
Total charitable activities		(320,266)	(3,645,469)	(3,965,735)	(3,716,579)
Total expenditure	3	(320,266)	(3,645,469)	(3,965,735)	(3,716,579)
Net income for the year	4	-	-	-	-
Reconciliation of funds					
Total funds brought forward		20,771	-	20,771	20,771
Total funds carried forward	10	20,771	-	20,771	20,771

The statement of financial activities includes all gains and losses recognised during the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 19 to 26 form part of these financial statements.

FINANCIAL STATEMENTS *(continued)*

BBC Media Action (India) Limited Balance Sheet

at 31 March 2017

	<i>Note</i>	2017 £	2016 £
Fixed assets			
Investments		-	-
		<u>-</u>	<u>-</u>
Current assets			
Debtors	7	418,075	39,516
Cash at bank and in hand		164,485	622,680
		<u>582,560</u>	<u>662,196</u>
Liabilities			
Creditors: amounts falling due within one year	8	(561,789)	(641,425)
Net current assets		20,771	20,771
Net assets		<u>20,771</u>	<u>20,771</u>
Funds			
Share capital	9	3	3
Unrestricted funds		20,768	20,768
Total funds	10	<u>20,771</u>	<u>20,771</u>

The notes on pages 19 to 26 form part of these financial statements.

These financial statements on pages 17 to 26 were approved by the Board of Trustees

and were signed on its behalf by:

Alison Woodhams

Alison Woodhams

September 1 2017

Notes (forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

a) Basis of preparation

The financial statements have been prepared in accordance with the Companies Act 2006 and applicable UK accounting standards and under historical cost accounting rules, and in compliance with FRS 102 as it applies for the year ended 31 March 2017.

The accounts have been prepared in accordance with the Statement of Recommended Practice (FRS 102) 'Accounting and Reporting by Charities' (January 2015) and on a going concern basis.

The Financial Review in the Trustees Report reviews the finances of BBC Media Action (India) Limited in the year ended 31 March 2017 in comparison to the prior year. The cash balance is set out in the balance sheet.

The company shares banking arrangements with its parent BBC Media Action. The Trustees, having received confirmation of financial support from BBC Media Action (as described in the 'Going concern' section of the Trustees Report), have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of BBC Media Action (India) Limited to continue as a going concern.

On the basis of their assessment of the company's financial position and the enquiries made of the Board of Trustees of BBC Media Action, the company's trustees have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The company is exempt under Companies Act 2006 s400 from the preparation of consolidated financial statements as it is a wholly-owned subsidiary of BBC Media Action, the ultimate parent which prepares consolidated financial statements (Companies Act 2006 s400) and is publicly available. These financial statements thus present information about the company as an individual undertaking and not as a Group.

Notes (continued)

1. Accounting policies (continued)

b) Fund accounting

The charity has various types of funds for which it is responsible and for which separate disclosure is required as follows:

Restricted income funds

Grants which are earmarked by the funder for specific purposes. Such purposes are within the overall aims of the charity.

Unrestricted funds

Funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity.

Change to charity status

The reserves of the BBC Media Action (India) Limited at the time of the change to a charity on 22 November 2007 have been treated as unrestricted funds. Any tax liabilities at the time of the change are included in these reserves.

c) Income

Income from charitable activities includes income earned both from the supply of goods or services under contractual arrangements and from performance-related grants which have conditions that specify the provision of particular goods or services to be provided by the charity. To fall within this analysis heading, the activities specified by the contractual terms or grant conditions must be undertaken for the charitable purposes of the charity (paragraph 4.33 of SORP FRS 102). This income is usually subject to donor imposed conditions which specify the time period in which expenditure of resources can take place and so income is recognised in line with this.

These grants or contract income less the management fee (for indirect costs) are credited to restricted income within the SOFA, with unspent balances being carried forward to subsequent years within the relevant fund. Where funding allows a management fee to be earned the management fee is credited to unrestricted income within the SOFA. Specific debts are recognised where approved grant expenditure exceeds grant income received to date and the charity can demonstrate entitlement to the income. Similarly, where entitlement to income is in a future period, the income has been deferred.

Activities for generating funds are the activities where BBC Media Action (India) Limited provides goods, services or entry to events in order to generate incoming resources to

Notes (continued)

1. Accounting policies (continued)

undertake charitable activities. Where income is received in advance, recognition is deferred and included in creditors and where entitlement arises before income is received, the income is accrued.

d) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the categories: charitable activities and governance.

e) Foreign currency

Transactions denominated in foreign currencies are recorded in sterling at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rates ruling at the balance sheet date and any exchange differences arising are taken to the statement of financial activities.

f) Cash flow statement

The company is exempt from the requirement to prepare a cash flow statement as a consolidated cash flow statement is produced by the parent company, BBC Media Action.

g) Fixed assets and depreciation

Tangible fixed assets are normally stated at cost less accumulated depreciation. Assets costing more than £2,000 with an expected useful life of more than one year are capitalised. Depreciation is provided in order to write off the cost of tangible fixed assets over their estimated useful economic lives, on a straight line basis, as follows:

Fixtures and equipment 3 years

Motor vehicles 4 years

h) Taxation

BBC Media Action (India) Limited is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly BBC Media Action (India) Limited is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Notes (continued)

1. Accounting policies (continued)

i) Leases

Operating lease rentals are charged to the income and expenditure account on a straight line basis over the period of the lease.

j) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. During the year there were no judgements or estimates which have had a significant effect on amounts recognised in the financial statements.

2. Donations and legacies

	Total 2017	Total 2016
	£	£
<i>Grant funding for specific charitable activities</i>		
Bill and Melinda Gates Foundation	1,959,649	2,520,598
Department for International Development	-	548,205
UNICEF	1,344,634	-
Other grants	661,452	647,776
	3,965,735	3,716,579

3. Expenditure

	Direct project costs 2017 £	Project staff costs 2017 £	Total 2017 £	Total 2016 £
Changing lives through media and communication	2,689,853	1,275,882	3,965,735	3,716,579
Total expenditure	2,689,853	1,275,882	3,965,735	3,716,579

All activities were carried out in India.

Notes (continued)

3. Expenditure (continued)

In 2016/17 all costs charged relate to costs incurred to India and therefore are considered direct project costs rather than support costs.

	2017	2016
	£	£
Amounts receivable by the company's auditor and its associates in respect of Audit of the financial statements of India branch office	8,893	9,254
	<u>8,893</u>	<u>9,254</u>

4. Notes to the SOFA

Net income for the year is stated after charging:

	2017	2016
	£	£
Hire of other assets - operating leases	217,179	195,802
	<u>217,179</u>	<u>195,802</u>

5. Trustees and employees

Members of the Board of Trustees (who are all directors within the meaning of the Companies Act 2006) received no remuneration for their services in the current or prior year. No trustees' expenses were paid (2016: £nil).

Staff costs referred to in note 6 are either incurred in the form of payments to the BBC for these staff members or payments made internationally by project based payrolls.

6. Staff costs

	2017	2016
	£	£
Costs of staff are split out by:		
Wages and salaries	1,275,882	1,089,621
	<u>1,275,882</u>	<u>1,089,621</u>

There were no employees with emoluments of £60,000 and over.

Notes (continued)

6. Staff costs (continued)

The average number of employees calculated on a full-time equivalent basis, by function was:

	2017	2016
Programme activities (charitable)	102	100
	<u>102</u>	<u>100</u>

The average number of persons, including part time staff, employed across the year on UK contracts in the UK and overseas was 0 (2016: 0). The number of staff employed locally on overseas contracts was 102 (2016: 100) at a cost of £1,275,882 (2016: £1,089,621).

7. Debtors

	2017	2016
	£	£
Amounts due from BBC Media Action	306,146	-
Other debtors and prepayments	111,929	39,516
	<u>418,075</u>	<u>39,516</u>

8. Creditors

	2017	2016
	£	£
Trade creditors	131,903	-
Other creditors	145,443	95,980
Amounts due to BBC Media Action	-	383,551
Accruals	284,443	161,894
	<u>561,789</u>	<u>641,425</u>

9. Share capital

	2017	2016
	£	£
<i>Allotted, called up and fully paid</i>		
3 ordinary shares of £1 each	3	3
	<u>3</u>	<u>3</u>

Notes (continued)

9. Share capital (continued)

BBC Media Action (India) Limited was awarded charity status on 22 November 2007. Company law requires share capital to be shown separately in the balance sheet. The share capital forms part of the unrestricted funds of the charity.

10. Funds analysis

	Restricted Funds £	Unrestrict ed Funds £	Total £
Balance at 1 April 2016	-	20,771	20,771
Incoming resources	3,645,469	320,266	3,965,735
Outgoing resources	(3,645,469)	(320,266)	(3,965,735)
Balance at 31 March 2017	-	20,771	20,771

11. Commitments

a) Capital

There were no capital commitments at the end of the current or prior financial years.

b) Financial

BBC Media Action (India) Limited had committed the following amount in sub-grants to partners working on international projects which will form part of the grants allocated in future years:

	2017 £	2016 £
Sub-grants which expire:		
Within one year	248,276	-
Within two - five years	102,506	-
	350,782	-

Notes (continued)

11. Commitments (continued)

c) Operating Leases

Annual commitments under non-cancellable operating leases are as follows:

	2017	2016
	£	£
Land and buildings		
Operating leases which expire:		
Within one year	<u>58,909</u>	<u>17,909</u>
	<u>58,909</u>	<u>17,909</u>

At 31 March 2017, total amounts payable in the future on non-cancellable operating leases were £58,909 relating to land and buildings (2016: £17,909).

BBC Media Action (India) Limited is involved in various tax claims arising in the normal course of business. Management does not expect this to have a material adverse effect on BBC Media Action (India) Limited's financial position, changes in net assets or cash flow.

12. Ultimate parent company

The ultimate parent undertaking, ultimate controlling party and parent of the only group in which the results of the charity are consolidated is BBC Media Action, a charitable company limited by guarantee, incorporated in the United Kingdom and registered in England and Wales.

Copies of the financial statements for BBC Media Action can be obtained from BBC Media Action, Broadcasting House, Portland Place, London W1A 1AA.

13. Related party transactions

At 31 March 2017, an amount of £306,146 was owed to BBC Media Action (India) Limited by BBC Media Action (2016: £383,551 owed to BBC Media Action by BBC Media Action (India) Limited).