



MEDIA FOR DEVELOPMENT INTERNATIONAL, INC

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Annual Report 1998

It has not been a super-active year, but 1999 should be a lot different.

In 1998, like the last couple years, our main activity has been the production of the Access to Credit Media Project videos. The videos are done now, and were broadcast on the American Public Broadcasting System (PBS). There are a couple follow-on distribution efforts still under way, but the project has been successfully completed. MFDI has only been the financial conduit on this, for which we got a 3-5% overhead or \$23,000 in all. Rob Rooy and his wife Sally Jones were the producers and did all the work. We handled a few bits of logistics and paperwork, and wrote checks every week, but that is about all. We are now distributing the videos in our catalog.

Besides this project in 1998, we've done a couple things:

1. We did a bit more on the Peace Film project. The script has been reworked, and we've found a couple interested donors, but no commitments have been received. Our hopes still remain with the World Bank for about \$100,000 and DANIDA/Uganda for about \$300,000. With those two amounts we could get it "in the can." In 1998, we spent an additional \$8,308 on this project. These funds came from non-designated funds, that is, either the donations from DSR or the overhead from the Credit Media project.
2. We have also been able to support the attendance of John and Louise Riber and Steve and Sally Smith at the 1999 FESPACO in Ouagadougou, Burkina Faso. This is the largest African film festival and takes place every other year. Steve and Sally have been to the last two FESPACOs in 1997 and 1995; and John Riber made it to the 1993 event. We've had films in the last five FESPACOs. In 1998, we spent \$400 on this project. About \$7,000 more will be spent in 1999. These funds came from non-designated funds.
3. We were able to provide \$40,000 for the purchase of a house in Harare that will become the new Media for Development Trust (MFD) office. This was a real bargain, as the Zimbabwean currency dipped very low against the US dollar. We set up MFD Property Trust in Zimbabwe that received the funds, then purchased the building. Then we set up an arrangement where MFD will pay the trust and in 11 or 12 years it will pay off the "mortgage" with interest at 6.5% per annum. Then the funds that accumulate in the Property Trust will be able to be spent again to fund projects and efforts that match with our communication for development goals. This funding came from non-designated DSR-donated funds.
4. Also over the last year, DSR, Inc turned over to MFDI the relationship with all the copyright holders of the 80 or so titles DSR distributes. We developed new contracts

for each title between the copyright holder and MFDI, and got them signed by the other party. This was no easy task and took dozens of letters and most of a year to do. Now MFDI sub-distributes these back to DSR, and DSR pays MFDI one-half the net profits, excluding overhead and personnel costs (which DSR donates). In early 1999, MFDI received \$5,663.27 from DSR for our share of the profits.

5. DSR, Inc is now re-structuring and has moved all African film activities to a new company, DSR2, Inc, and the relationship with MFDI has transferred and now is between DSR2 and MFDI. DSR2 is a wholly owned subsidiary of DSR. All the 40+ boxes of past files, about \$6,000 worth of inventory of VHS videos, hundreds of video and film masters, and all the African-film-related goods are now the property of DSR2. We have done this restructuring to separate the film side of our activities from the computer side.

As of the end of 1998, MFDI had \$14,480.86 in the bank, besides the Access to Credit Media Project accounts. These funds are not designated. This amount has covered the FESPACO costs (#2 above), the year-end taxes preparation, and as of March 1999, there is about \$6,200 left for Peace Film work, etc.

We have converted our accounting software over from DSR's package to Quick Books. This will help to separate MFDI from DSR a bit more.

The big project for 1999 for MFDI will be the production of a new film on teenage responsibility to be shot on 35mm in Harare in mid-1999 entitled "Yellow Card." The funding is almost lined up now coming via Pathfinder International.

We also will continue our efforts to find funding for the Peace Film in 1999.