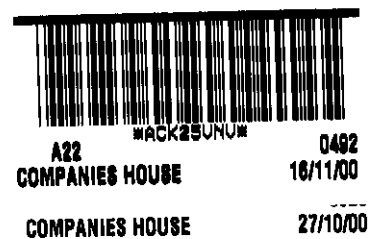


**THE MEDIA TRUST**  
**(Limited by Guarantee)**

**Company Reg No. 2895790**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED**  
**31st MARCH 2000**



**THE MEDIA TRUST****DIRECTORS' REPORT****LEGAL AND ADMINISTRATIVE DETAILS**

The Media Trust was incorporated as a company limited by guarantee, on 8th February 1994. The company was registered as a charity with the Charity Commission on 12th December 1994. The governing instrument is the Memorandum and Articles of Association.

Reg. Charity No.	1042733
Reg. Company No.	2895790
Reg. Office	Cheapside House 138 Cheapside London EC2V 6BB

The directors of the company who are also the charity trustees are:

M. Green (Chairman)  
J. Snow (Deputy Chairman)  
D.J. Carrington  
P. Coulter  
S. Davies  
L. Forgan  
D. Norgrove  
T.J. Simpson  
J. Tewson

Company Secretary:

S. Lloyd

**PROFESSIONAL ADVISORS****Solicitors:**

Bates, Wells and Braithwaite  
Cheapside House  
138 Cheapside  
London EC2V 6BB

**Bankers:**

Co-operative Bank  
City of London Business  
Centre, 9 Prescott Street,  
London E1 8SG

**Auditors:**

Knox Cropper  
16 New Bridge Street  
London, EC4V 6AX.

**OBJECTS**

The charitable objects of The Media Trust, as approved by the Charity Commission, are:-

- (a) to advance or promote the efficiency of organisations established for charitable purposes by educating such organisations in all matters relating to all forms of communication media.
- (b) to advance the education of the public in, and by, the utilisation of all forms of media communication.

**THE MEDIA TRUST****DIRECTORS' REPORT (Continued)****ACTIVITIES AND DEVELOPMENTS DURING THE YEAR**

In the last year The Media Trust both expanded its core services and developed its plans for a television channel.

**Media Resource** : Our volunteer matching service is now thriving across the UK. Over a hundred organisations were matched with communications professionals. Expertise was provided in public relations, design, video production and, increasingly, new media. Demand for the service continues to grow as voluntary groups recognise the importance of a clear communications strategy.

**Events and Information** : We have had a very successful year in our events team, running more than 20 events ranging from small surgeries on the do's and don'ts of design to a series of three conferences in partnership with BSkyB on the impact of the New Media age on the media and the voluntary sector. All events are backed up with briefing papers, and all support materials form part of our expanding online information service.

**Production** : The second series of Voluntary Matters was broadcast on BBC Learning Zone in December 1999 and watched by over 100,000 people. In the same month 24 one-minute Visions films on key social issues were broadcast at peak times on Channel 5. We have also had a successful year in video production, increasing the number of voluntary groups assisted.

**Community Channel**: The Trust initially developed the Community Channel project and during the year the project was transferred to a wholly owned trading subsidiary, The Community Channel Limited. Backed by BSkyB, the National Lotteries Charities Board, the Home Office Active Community Unit and the department for International Development, the Community Channel will be launched in September 2000 providing a window onto the work of the voluntary and community sector.

**FINANCIAL POSITION**

Income has increased by approximately fifty per cent largely as a result of major funding from NLCB for the Media Resource and the Community Channel. We are carrying a significant proportion of Media Resource income forward as restricted funding.

We have had a successful year in increasing the number of corporate supporters of our work and as part of our three year plan to move our events and production teams towards self-funding have increased the proportion of their income from product sales.

**THE MEDIA TRUST****DIRECTORS' REPORT (Continued)****FINANCIAL POSITION (Continued)****GRANTS, DONATIONS AND SPONSORSHIP**

Support in the form of grants, donations and sponsorship was received, during the year, from the following organisations:

BAA 21<sup>st</sup> Century Communities Trust  
BAA plc  
Baring Foundation  
Birmingham Post and Mail Ltd  
BMW (GB) Ltd  
BSkyB Ltd  
Carlton Communications  
Channel 4 Television  
City Parochial Foundation  
Commission For Racial Equality  
Department For International Development  
Discovery Networks Europe  
Flextech - the content division of Telewest  
Granada Media plc  
Guardian Media Group plc  
GWR Group plc  
Home Office Active Community Unit  
London Boroughs Grants  
Marks & Spencer  
National Lottery Charities Board  
Newcastle Chronicle and Journal Ltd  
News International Newspapers Ltd  
Panavision  
Pearson Television  
Powergen UK plc  
The Grand Charity  
The Goldsmiths' Company's Charities  
The Paul Hamlyn Foundation  
UNISON  
White and Wilson Insurance Brokers Ltd  
Yorkshire Post Newspapers Ltd

**DONATED FACILITIES & EQUIPMENT**

Support in the form of donated facilities and equipment was received, during the year, from the following organisations:

BBC  
British Land plc  
ITN  
London Business Television  
Mentorn Barraclough Carey

**THE MEDIA TRUST**

**DIRECTORS' REPORT (Continued)**

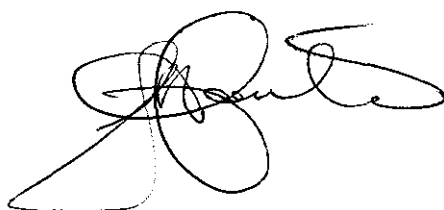
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are required 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 income and expenditure of the Company for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to be 'A. S. S. S.', written over a horizontal line.

**REPORT OF THE AUDITORS**  
**TO THE MEMBERS OF**  
**THE MEDIA TRUST**

We have audited the financial statements set out on pages 6 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 4, the Directors 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 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 of the state of affairs of the Company and of the Group as at 31st March 2000 and of the income and expenditure of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**16 New Bridge Street**  
**London EC4V 6AX**

*21<sup>st</sup> September 2000*

*Knox Cropper*  
**Knox Cropper**  
**Chartered Accountants**  
**Registered Auditor**

**THE MEDIA TRUST****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES****FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2000**

		----- 2000 -----			1999
	Notes	Unrestricted Funds	Restricted Funds	Total Fund	Total Fund
		£	£	£	£
<b>INCOMING RESOURCES</b>					
Grants and Donations	2	351,698	421,966	773,664	487,844
Sponsorship		10,000	50,532	60,532	37,000
Production Fees		102,925	48,910	151,835	70,766
Conference and Seminars		34,210	-	34,210	20,892
Donations in Kind	1(d):3	25,600	-	25,600	66,360
Other Income		12,944	-	12,944	14,715
<b>TOTAL INCOME</b>		<u>537,377</u>	<u>521,408</u>	<u>1,058,785</u>	<u>697,577</u>
<b>RESOURCES EXPENDED</b>					
<b>Direct Charitable Expenditure</b>					
Production Costs	4	349,874	312,873	662,747	242,167
Information, Training and Media Resource		<u>35,979</u>	<u>338,790</u>	<u>374,769</u>	<u>247,361</u>
		<u>385,853</u>	<u>651,663</u>	<u>1,037,516</u>	<u>489,528</u>
<b>Other Expenditure</b>					
Fundraising & Publicity		66,251	-	66,251	49,190
Management and Administration		21,368	-	21,368	15,033
<b>TOTAL EXPENDITURE</b>		<u>473,472</u>	<u>651,663</u>	<u>1,125,135</u>	<u>553,751</u>
Net Incoming Resources	5	63,905	(130,255)	(66,350)	143,826
Fund balances brought forward		56,680	231,069	287,749	143,923
Fund balances carried forward		<u>120,585</u>	<u>100,814</u>	<u>221,399</u>	<u>287,749</u>

All recognised gains and losses are included in the above Statement of Financial Activities.

**THE MEDIA TRUST****CONSOLIDATED AND COMPANY BALANCE SHEET****AS AT ENDED 31<sup>ST</sup> MARCH 2000**

	Notes	Group 2000 £	Group 1999 £	Company 2000 £	Company 1999 £
<b>FIXED ASSETS</b>	7	<u>23,795</u>	<u>40,001</u>	<u>23,795</u>	<u>40,001</u>
<b>CURRENT ASSETS</b>					
Debtors	8	152,025	154,546	95,159	154,546
Cash at Bank and in Hand		<u>477,853</u>	<u>182,262</u>	<u>262,246</u>	<u>182,262</u>
		629,878	336,808	357,405	336,808
<b>CREDITORS</b>					
Amounts falling due within one year	9	<u>(432,274)</u>	<u>(89,060)</u>	<u>(162,781)</u>	<u>(89,060)</u>
<b>NET CURRENT ASSETS</b>		<u>197,604</u>	<u>247,748</u>	<u>194,624</u>	<u>247,748</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>£221,399</u>	<u>£287,749</u>	<u>£218,419</u>	<u>£287,749</u>
<b>FUNDS</b>					
Unrestricted					
General Reserve		117,605	56,680	117,605	56,680
Funds retained by subsidiary		<u>2,980</u>	<u>-</u>	<u>-</u>	<u>-</u>
		120,585	56,680	117,605	56,680
Restricted		<u>100,814</u>	<u>231,069</u>	<u>100,814</u>	<u>231,069</u>
		<u>£221,399</u>	<u>£287,749</u>	<u>£218,419</u>	<u>£287,749</u>

Approved by the Board of Directors on 21<sup>st</sup> September 2000 and signed on their behalf by :-

*David Coyle*

*[Signature]*



**THE MEDIA TRUST****NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2000****1. ACCOUNTING POLICIES**

- (a) The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting and Financial Reporting Standards and the Statement of Recommended Practice : Accounting by Charities.
- (b) Depreciation is calculated to write off the cost of fixed assets on a straight line basis over the useful economic lives of the assets concerned which are predominantly 3 years.
- (c) Grants and Donations : Where a regular annual grant is receivable from a donor over a specified number of years, an accrual is made for the grant if it has not been received by the year end. All other donations and grants are accounted for on a received basis.
- (d) Donations in Kind are included in the income and expenditure account at their economic value to the Company.
- (e) Overhead costs are allocated to Direct Charitable Expenditure, to Fundraising and Publicity and to Management and Administration by reference to the percentage of time spent by employees on the various projects and activities.
- (f) Under Financial Reporting Standard No. 1 the company is not required to produce a Cash Flow Statement.
- (g) Consolidation: The Community Channel Limited is a subsidiary of The Media Trust and is consolidated in accordance with Financial Reporting Standard No. 2. The statement of financial activities is consolidated on a line by line basis.

**2. GRANTS AND DONATIONS**

	<b>Group</b>	
	<b>2000</b>	<b>1999</b>
	£	£
Media Trust	484,141	487,844
Community Channel	515,740	-
	<u>999,881</u>	<u>487,844</u>
Less: Deferred Income	(226,217)	-
	<u>£773,664</u>	<u>£487,844</u>

Included above are grants received from the Home Office Active Community Unit (£250,000) the Department for International Development (£129,440) and the National Lottery Charities Board (£470,566).

**3. DONATIONS IN KIND**

Seconded	-	33,000
Production Facilities	7,600	30,360
Other Facilities	18,000	3,000
	<u>£ 25,600</u>	<u>£ 66,360</u>

**4. PRODUCTION COSTS**

Media Trust	376,204	242,167
Community Channel	286,543	-
	<u>£662,747</u>	<u>£242,167</u>

**5. NET INCOMING RESOURCES IS STATED AFTER CHARGING :**

Depreciation	<u>£ 21,265</u>	<u>£ 21,143</u>
Audit Fee	<u>£ 2,000</u>	<u>£ 750</u>

**THE MEDIA TRUST****NOTES TO THE ACCOUNTS (Continued)****FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2000****6. STAFF COSTS**

	<b>Group</b>	
	<b>2000</b>	<b>1999</b>
	£	£
Salaries and Wages	410,355	249,286
Social Security Costs	41,034	24,565
	<u>£451,389</u>	<u>£273,851</u>

The average number of staff employed during the period was: 17 12

No director received remuneration or expenses in the period.

**7. FIXED ASSETS**

<b>Group and Company</b>	<b>Equipment</b>	
	<b>2000</b>	<b>1999</b>
	£	£
Cost :		
Balance brought forward	67,016	24,877
Additions	5,059	52,139
Disposals	-	(10,000)
Balance carried forward	<u>72,075</u>	<u>67,016</u>
Depreciation:		
Balance brought forward	27,015	11,872
Charge for year	21,265	21,143
Eliminated in disposals	-	(6,000)
Balance carried forward	<u>48,280</u>	<u>27,015</u>
Net Book Value at 31 March	<u>£ 23,795</u>	<u>£ 40,001</u>

**8. DEBTORS**

	<b>Group</b>		<b>Company</b>	
	<b>2000</b>	<b>1999</b>	<b>2000</b>	<b>1999</b>
	£	£	£	£
Trade Debtors	54,502	61,232	54,502	61,232
Grants Receivable	54,551	93,314	10,625	93,314
Prepayments and Accrued Income	9,193	-	7,160	-
Amounts due from groups undertakings	-	-	22,872	-
Other Debtors	33,779	-	-	-
	<u>£152,025</u>	<u>£154,546</u>	<u>£ 95,159</u>	<u>£154,546</u>

**9. CREDITORS**

Trade Creditors	80,648	42,122	44,324	42,122
Other Creditors including taxation and social security	70,382	26,921	68,055	26,921
Accruals	55,027	20,017	50,402	20,017
Deferred Income	226,217	-	-	-
	<u>£432,274</u>	<u>£ 89,060</u>	<u>£162,781</u>	<u>£ 89,060</u>

**THE MEDIA TRUST****NOTES TO THE ACCOUNTS (Continued)****FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2000****10. RESTRICTED FUNDS**

	<b>Brought Forward</b>	<b>Movement in Year</b>		<b>Carried Forward</b>
		<b>Income</b>	<b>Expenditure</b>	
	£	£	£	£
Production	132,829	183,184	312,873	3,140
Information, Training & Media Resources	98,240	338,224	338,790	97,674
	<u>£231,069</u>	<u>£521,408</u>	<u>£651,663</u>	<u>£100,814</u>

**11. ANALYSIS OF NET ASSETS  
BETWEEN FUNDS**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds</b>
	£	£	£
Fixed Assets	23,795	-	23,795
Net Current Assets	96,790	100,814	197,604
	<u>£120,585</u>	<u>£100,814</u>	<u>£221,399</u>

**12. TAXATION**

The company as a registered charity, is not liable for Income Tax or Corporation Tax because its income falls within the various exemptions available to registered charities.

**13. CAPITAL COMMITMENTS**

There were no capital commitments at the period end.

**14. RELATED PARTY TRANSACTIONS**

The Chairman of the Media Trust, Michael Green, is also chairman of Carlton Communications which made donations to the Media Trust of £10,000.

**15. SUBSIDIARY COMPANY**

The Media Trust is the ultimate parent company of The Community Channel Limited which is a company limited by guarantee incorporated in the United Kingdom.