

THE MEDIA TRUST
(A Charitable Company Limited by Guarantee)

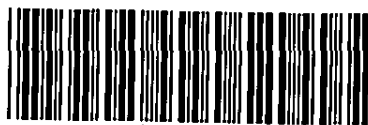
Annual Report and Financial Statements

For the year ended

31st March 2009

Company Reg. No. 2895790
Registered Charity No. 1042733

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THE MEDIA TRUST

Annual Report and Financial Statements

Reference and Administrative Information

Charity name : The Media Trust

Registered Charity number : 1042733

Registered Company number : 2895790

Registered Office : 2 - 6 Cannon Street London EC4M 6YH

Principal Office : Riverwalk House 157-161 Millbank London SW1P 4RR

Trustees

Andy Duncan (Chairman)

Jon Snow (Deputy Chairman)

Dawn Airey

Anthony Ball

Scott Cormack - appointed 12 March 2009

Paddy Coulter

Sarah Davies - resigned 9 December 2008

Rupert Howell - appointed 14 October 2008

Jane Reed

Mark Thompson

Andrew Whyte - resigned 15 July 2008

Honorary Treasurer:

Rachel Yasue - resigned 9 December 2008

Scott Cormack – appointed 9 December 2008

Company Secretary:

Kate Stanley - resigned 10 March 2009

Scott Cormack - appointed 10 March 2009

Chief Executive:

Caroline Diehl

Auditors: Knox Cropper, 8/9 Well Court, London EC4M 9DN

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

Solicitors: Bates, Wells and Braithwaite 2 - 6 Cannon Street, London EC4M 6YH

THE MEDIA TRUST

TRUSTEES' REPORT

The Trustees present their annual report and audited financial statements of the charity for the year ended 31st March 2009.

Our objects

The objects for which the company is established, as set out in the Memorandum of Association, are:

- a. To promote the efficient and effective application of resources for charitable purposes by the provision of advice on the use of all forms of communication media; and
- b. To advance the education and training of the public and in particular members of charitable and non-charitable voluntary organisations in all forms of communication media.

Our Vision

We want to see a world in which all people can have a voice, be seen and heard, to enhance their lives and their communities: a voice for all.

Our Mission

Media Trust is the bridge between the media industry and the voluntary and community sector, and a creative resource for both.

We harness the skills, resources and creativity of the media industry to enable voluntary organisations and charities to make a difference to people's lives and communities.

Our values: we aim to be always

- Innovative and creative
- Focused on customers and impact
- Entrepreneurial
- Developing our people
- Socially concerned.

PUBLIC BENEFIT STATEMENT

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

The Media Trust delivers public benefit by providing donated and low-cost media and communications resources and skills to enable charities, communities and individuals across the UK, to have a voice and make a difference within their communities.

The Media Trust harnesses the donated services of the media and communications industry to ensure that small charities, disadvantaged and marginalised communities and individuals can have a voice and use media and communications more easily and effectively.

The charity also receives grant funding and contracts to provide low-cost or free communications advice, education, training and resources to charities and communities to enable them to deliver more effectively their own charitable purposes, particularly targeting disadvantaged individuals and organisations, often based in areas of deprivation.

THE MEDIA TRUST

TRUSTEES' REPORT (CONTINUED)

For example in 2008/09 Media Trust delivered communications projects enabling target charities and communities to raise awareness of volunteering opportunities among the most disadvantaged and marginalised groups, eg people with physical and learning difficulties, particular minority ethnic communities, or people with no qualifications and/or long-term unemployment.

Media Trust also grew its work with those charities and communities supporting marginalised and disadvantaged young people, providing the young people with media mentors, communications training and access to media opportunities.

OBJECTIVES, ACTIVITIES AND ACHIEVEMENTS DURING THE YEAR

This section of the report summarises our objectives, activities and achievements for 2008/09 and the progress we have made against our aims and objectives as outlined in our business plan and our 2007/08 report.

Our principal activities and achievements during the year

Objective 1:

Increasing our impact and reach across the Third Sector and communities through further strategic partnerships and investment in new media

We increased the impact and reach of our services, through strategic partnerships with organisations targeting "hard to reach" groups in sectors such as youth, mental health, learning needs, disability, black and minority ethnic groups, poverty, rural and inner-city groups and other. We strengthened our digital platforms and digital media partnerships to provide more support and resources to our target audiences through online media.

We delivered over **274** training conferences, seminars, workshops and surgeries across the UK, reaching over **3,611** delegates in **28** towns and cities across the UK, including Aberdeen, Belfast, Birmingham, Bradford, Bristol, Cambridge, Cardiff, Carlisle, Derby, Glasgow, Hull, Leeds, Liverpool, London, Maidstone, Manchester, Newtown (Wales), Nottingham, Oxford, Plymouth and York. We exceeded our target reach by **18%**.

We provided targeted training, including in 'new media', to over **1,000** voluntary organisations across England supported by Capacitybuilders and other grant funders. We also provided bespoke media training for a range of organisations, including MIND, ShelterBox, Dignity in Dying, and for a third year, the **23** charities in **18** UK regions, short-listed for the Big Lottery and ITV's People's Millions charitable competition. We held two major conferences on "reaching hard to reach groups" in Liverpool and London. Our evaluation ratings for our training were at a consistently high level throughout the year, averaging **87%**.

We made **764** matches between charitable organisations and volunteer communications experts, exceeding our target by **15%**. We placed **10** charity pr officers into **10** one-week placements with media organisations ranging from the BBC, Sky News, The Metro and The Financial Times, to enhance the charities' skills and experience.

In the early part of 2009, we introduced Google Analytics as our standard measurement and reporting tool, across both the Media Trust and Community Channel websites. Media Trust received **9,590** unique users each month (an increase of **28%** from previous year) for www.mediatrust.org, and **11,947** unique users each month for communitychannel.org.

We tendered for and won the contract to deliver Digital Mentors for the Department of Communities and Local Government, which will deliver a two-year digital service empowering **26** marginalised communities around the UK.

THE MEDIA TRUST

TRUSTEES' REPORT (CONTINUED)

New groups of charities and communities started providing content for our digital television channel Community Channel including for Scouts TV, Unicef, the Sign Zone, and launch of the UK's first dedicated television and broadband shows for community sports and community arts. We provided a television platform for over 1,000 charities and community groups. Through Media Trust Productions we produced films for 80 charities, including over 25 produced by Media Trust volunteers.

Following on from our publication of "Reporting Diversity", the Joseph Rowntree Foundation commissioned us to produce "Reporting Poverty" in conjunction with the Society of Editors to guide journalists and media researchers. Over 1000 copies of this guide were distributed across the media industry. The Equality and Human Rights Commission funded Media Trust to carry out research and produce a further publication for the media industry on "Reporting Human Rights", for distribution in 2009.

We continued to respond to both Third Sector and communications industry policy reviews, submitting responses to consultations on the future of Public Service Broadcasting (Ofcom), Digital Britain (DCMS and BERR), and new developments proposed by the BBC in local media (Local Video) and new media (Kanvas).

Objective 2:

Grow the impact of Community Channel on television and online providing communities and citizens with the creative skills, resources and platforms to tell their stories

Following on from the success of the Channel's live broadcast of The Scout Association 100th anniversary Jamboree celebrations, the Scouts commissioned a regular monthly magazine programme, *Scouts TV*, for broadcast and broadband distribution on Community Channel.

The Channel has continued to benefit from its continuing strong relationship with broadcasters.

The British Sign Language community and Ofcom came together to launch a dedicated Sign Zone on Community Channel, launching with a specially commissioned magazine show "Wicked" and donated programming from the BBC, including repeats of *See Hear*.

The BBC2/Unicef *Long Way Down* programming reversioned by Community Channel to highlight Ewan and Charley's visits to the Unicef-supported charities in Africa, continued to attract high audiences, as does the unique range of international content showcasing the work of charities around the world.

With a secondeed from the BBC Sport, and funding from the Football Foundation, we launched the UK's first dedicated weekly community sports show, *Your Sport*, showcasing community sports activity from sports charities and community sports groups. This was complemented later in the year by funding from the Arts Council of England to launch a dedicated community arts programme, the *Arts Zone*.

In partnership with Five we produced a fourth series of *Mad for Arts*, focused this year around telling the stories of how dance turned round the lives of five people with mental health issues. Five broadcast the *Mad for Dance* films each night of the week at 7.30pm and promoted the Community Channel on screen for viewers to see more related films. Community Channel also provided viewers with information on a range of mental health charities and dance groups that they could turn to for support and inspiration.

THE MEDIA TRUST

TRUSTEES' REPORT (CONTINUED)

In partnership with ITV we produced a special documentary *Lets Go Dancing on Ice*, showing the work of three disability charities, WhizzKids, Action for the Blind and SPICE (Special People on ICE) that encourage their disabled beneficiaries to go ice-skating. ITV promoted the Community Channel from the home page of *Dancing on Ice*.

In the early part of 2009, we introduced Google Analytics as our standard measurement and reporting tool, across both the Media Trust and Community Channel websites. Over the last year Community Channel has seen a positive trend, with a steady increase in the total unique users' growth of 11%. A direct comparison of March 2009 vs. March 2008 unique users shows an even larger increase of 30%. Our BARB (Broadcasters Audience Research Board) 3 minute reach is 2.857 million for the period 1st April 2008 to 31st March 2009. The March 2009 3 minute reach was 710,000 viewers compared to 500,000 in March 2008. While broadband still only reaches 60% of UK homes (*source: http://www.ofcom.org.uk/media/speeches/2009/apr/digital_europe*) we believe that television provides a vital platform to provide information and inspiration about charitable and community activity and services. Meanwhile, in preparation for a fully digital UK we have increased our investment in our broadband service. In 2008 we introduced a new video player on the website, and at the end of the financial year we invested in additional staffing. The library of 403 films has quadrupled in the last year, producing over 53,029 views, and new charity and community films are being added every week.

More than 1,000 charities were featured across the year on the Channel, and users of the Channel's website, were referred to volunteer opportunities via our link to Do-it.org.

We are grateful for the ongoing support of The Office of the Third Sector in the Cabinet Office. BSkyB and Virgin Media continued to provide a generous brand marketing contribution toward our costs. 'At cost' and donated programming continued to be supplied by the BBC, Channel 4, ITV, and many independent production companies. A range of corporate, public sector and charitable funders commissioned original programming for the Channel through Media Trust Productions. The media industry continued to support the Channel with significant contributions of donated technical, programming and marketing support. BSkyB, Virgin Media and BBC continued to provide the Channel with significant donated bandwidth on satellite (24 hours a day), cable (24 hours a day) and Freeview (3 hours a day).

Objective 3:

Be the catalyst to enable community and third sector content and stories to be produced and communicated in compelling formats, and distributed as widely as possible.

Over the year, Media Trust Productions worked with over 80 different organisations. This included making our fourth film for Breast Cancer Care and producing five health education films for Cancer Research UK. Long-term projects include working with Age Concern Barking & Dagenham on their 'Prove It' project, which is recording older people's lifestyle changes, and with the Churches Conservation Trust documenting the restoration of a Victorian church in Bolton and its redevelopment into a multi-faith centre for the local community.

Other Commissions included:

Arts Council England, Contact a Family, Help the Hospices, Beacon Fellowship, HMRC, Wirral NHS PCT, Royal Mail Group and four films for the youth charity v.

We produced 20 weekly editions of Your Sport, the new community sports show on Community Channel.

THE MEDIA TRUST

TRUSTEES' REPORT (CONTINUED)

Media Trust brought together creative volunteers from the television and film industry to produce films for small charities

Media Trust continued to encourage production professionals to volunteer time and donate production facilities for charity film productions via Volunteer Films and Media Matching; a further 36 films were produced covering charities dealing with bullying, conflict resolution, UK Youth Parliament and Bee Keeping! Some of the UK's most respected independent producers participated including Darlow Smithson and Brook Lapping. The films are widely used by the beneficiary charities for raising funds and awareness of their work, and to attract volunteer support.

Media Trust enables young people to produce their own films.

Charge, the Youth Zone on Community Channel, funded by Vodafone Foundation and youth charity v, trained and funded 75 young people to produce their own short films for a weekly series of one hour programmes. Charge partnered with 75 youth organisations across the country to deliver film-making and peer-mentoring workshops to an additional 300 young people and showcased their work and the work of the organisation with the programmes.

Media Trust supported 100 young people with grants and media mentors through My Mediabox to create their own media project and get their voice heard.

Funded by DCSF, Mediabox distributes grants to disadvantaged young people and the organisations that support them, enabling them to produce a range of media content about the issues that concern them, and the solutions that they envisage. Media Trust's role is to support the production and distribution of content by providing media mentors and to distribute the content produced by the young people to wider audiences through strategic partnerships, which have included: BBC Blast and BBC Radio Two online, BFI, Channel 4 and FourDocs, Bebo, Chew TV and MySpace. The Mediabox website received 46,643 visits, with 65% being new visitors.

Community Newswire

Community Newswire, our partnership with the Press Association, funded by the Cabinet Office, was used by 2,234 organisations during the year, including 756 new users. The Newswire distributed an average of 35 charity and voluntary sector stories a day to journalists across England, exceeding our target of 30 stories a day, and securing a wide range of charity coverage in national and regional media. The Community Newswire advisory board continues to meet quarterly, and includes senior editorial representatives from the media (BBC, Guardian, ITN, Newsquest and The Press Association), from charities (MIND, Consumer Focus, Big Lottery, Small Charities Coalition and NCVO), the Office of the Third Sector, as well as Rt. Hon. David Blunkett MP.

Objective 4:

Build on our specialist skills in reaching and supporting key groups, including: young people, marginalised communities, community sports and arts sectors.

In 2008/09 we ran four further campaigns for Volunteering for All, an initiative funded through the Office of the Third Sector in the Cabinet Office targeted at people with learning and physical disabilities and/or people in long-term unemployment. The campaigns were run in partnership with Mencap, Scope, Volunteer Reading Help, TimeBank, Time Banks UK and other charities targeting these groups.

Through our youth media work over 400 disadvantaged young people were supported with media mentors through Media Trust's DCMS-funded youth mentoring scheme, 8000 young people have been given the opportunity to engage in positive media activity. Over 50 youth charities have benefited from support through Mediabox, media mentoring, Charge and other youth focussed Media Trust initiatives.

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TRUSTEES' REPORT (CONTINUED)

For the "Improving Reach" project, funded by CapacityBuilders, Media Trust trained 945 delegates from small organisations across England from black and minority ethnic, refugee and migrant, faith and isolated rural groups in communications and media management. The 41 training courses, were accompanied by two comprehensive training packs produced by Media Trust – 'Introduction to Web Design' and 'Introduction to Media', both receiving good comments. Each training seminar had a 90% satisfaction rate and the organisations appreciated the training and support they had from the project, and wanted to have further in-depth media/ communications support from Media Trust in the future.

We have successfully launched our two new strands of work with community sports and arts groups across the country, providing regular coverage on Community Channel, and running a major participation campaign for Voluntary Arts England.

Objective 5:

Strengthen our partnerships across the media and communications industry, increasing the number of professionals who volunteer and mentor, the in-kind resource provided by the media to the Third Sector, and the opportunities for the media to access stories and voices.

Media Trust Corporate Members

Media Trust corporate members are at the heart of everything we achieve. Our corporate members contribute an annual membership fee or donation, plus a wide range of volunteer and pro-bono resources via the Media Trust to the thousands of charities and communities we support each year. Four of our corporate members are currently represented on our board of trustees.

Media Trust corporate members during the year were the BBC, BSkyB, Channel 4, Daily Mail and General Trust, Discovery Networks Europe, Disney Channel UK, Emap plc, Guardian Media Group, IPC Media, ITV, MTV Networks UK & Ireland, News International, Newsquest Media Group, OMD, Turner Broadcasting, Warner Brothers and WPP Group.

Media companies and freelancers donated their creative communications skills as Media Trust volunteers, mentors, speakers, trainers and secondees

We recruited an additional 288 media professionals as volunteer Media Trust Advisors, and held 14 'speed matching' events during the year, at IPC, the Guardian, Weber Shandwick and Edelman in London and BBC Cardiff. 426 matches took place.

Our Youth Mentoring scheme funded by DCMS, trained 168 media professionals as mentors and reached 613 young people. Our mentors came from a wide variety of organisations including Channel 4, BBC, IPC Media, Haymarket, The Times, Maverick TV, BAFTA, RDF Television, Manning Gottlieb OMD.

The media and communications industry continued to provide high quality volunteer speakers for over 120 Media Trust events across the UK.

The BBC agreed to further their partnership with Media Trust through 3 secondments, Daren Forsyth, who joined us in December 2007 through to February 2009 as Director of New Media and Innovation; Dominic Cotton who led our work on Community Sport (from April 2008 to March 2009); and Chloe Davies, as New Media Senior Producer (from June 2008 to June 2009).

THE MEDIA TRUST

TRUSTEES' REPORT (CONTINUED)

Media companies hosted Media Trust seminars, workshops and surgeries and 'speed-matching' volunteer events

Media companies across the UK provided donated venues for Media Trust training, seminars, workshops, speed-matching events, meetings and networking. This enables us to minimize charges to the charities, but also brings the voluntary and community sector into the media's environment, breaking down barriers and increasing contacts and networking opportunities.

Media companies donated media space and creative resources to a range of charitable campaigns and causes

The media industry continued to donate significant amounts of in-kind and mainstream media space and creative resources through the Media Trust and our charity partners and clients, to charitable campaigns and causes, including to

- promoting voluntary engagement in community arts and sport
- giving a voice to marginalized and disadvantaged young people
- engaging and supporting older people with learning, physical and or mental health disabilities, and/or those without work or qualifications.

Media companies donating media space, airtime and resources during the year:

BBC, Bebo, BSkyB, Channel 4, Daily Mail and General Trust (Metro, Associated Newspapers),

Five, Global Media (Capital Radio, Classic FM), IPC, ITV, KPMG, News International (The Sun, The Times & Sunday Times) The Daily Mirror, Virgin Media, WPP (Ogilvy, Swarm, Cohn & Wolfe, and Young & Rubicam)

Objective 6:

Invest more in our people and infrastructure to ensure continued financial stability, staff development, and creative, high impact services.

Media Trust offices and infrastructure

After seven years of generous donated office space from British Land, our Euston offices became due for demolition and in April 2008 Media Trust moved to Riverwalk House, co-located with the Government Office for London. This lease is due to expire in 2010, depending on redevelopment plans, and we continue to explore longer-term options, including options to co-locate with one of our media industry supporters. A designated fund for office move costs is included in the charity's reserve. The new offices provide staff with improved working conditions, a central accessible location on Millbank, and a range of venues for hosting our training and volunteering events at no additional cost. A new finance system and improved database will be implemented in 2009/10, alongside investment in our online platforms.

Staffing and volunteers

In 2008 we invested more in HR support for our managers and all our staff. We strengthened our internal communications, and in response to a second annual staff survey improved staff benefits, including a pension scheme, improved sick pay and staff training opportunities, including attendance at Media Trust's own training courses. Staff are encouraged to take advantage of two annual days time off to volunteer with a charity of their choice. Volunteer interns continued to join Media Trust for a period of 3 months, leading to interesting and successful paid work opportunities in the media and charity sectors.

Income generation

Our fundraising strategy to widen the range of grants and contracts, and reduce our dependency on the Office of the Third Sector has been successful. We have two year funding in place through to April 2011 from DCMS, Mediabox (DCSF), CapacityBuilders and CLG, including three year unrestricted funds from CLG's Empowering Communities fund.

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TRUSTEES' REPORT (CONTINUED)

In spite of external recession we continued to generate sales from training, film production, and airtime sales, ensuring a diversity of income sources across Media Trust.

Restructure

For operational reasons, as well as responding to external developments in media and charity priorities, we restructured the organisation to create 4 key teams from April 2009:

- Digital Media: our online and digital television platforms, plus content distribution via our media partners.
- Creative Media: creative content production through video, audio, print and online content.
- Communications Services: training, information and capacity-building, media volunteers and mentors.
- Finance and Resources.

FUTURE DEVELOPMENTS

Our objectives for 2009/10 and across our 5 year plan remain to:

- Increase our impact and reach across the Third Sector and communities through further strategic partnerships and investment in digital media.
- Be the catalyst to enable community and third sector content and stories to be produced and communicated in compelling formats, and distributed as widely as possible.
- Build on our specialist skills in reaching and supporting key groups, including: young people, marginalised communities, community sports and arts sectors.
- Grow the impact of Community Channel on television and online providing communities and citizens with the creative skills, resources and platforms to tell their stories
- Strengthen our partnerships across the media and communications industry, increasing the number of professionals who volunteer and mentor, the in-kind resource provided by the media to the Third Sector, and the opportunities for the media to access stories and voices.
- Invest more in our people and infrastructure to ensuring continued financial stability, staff development, and creative, high impact services.

Our priorities for 2009/10 include:

- Delivery of Capacitybuilders' National Support Service providing marketing and communications support to charitable infrastructure bodies in England.
- Delivery of our Digital Mentors contract to support 26 marginalised communities in England with digital resources.
- Securing long-term funding for Community Channel and ensure continued diversity of income for Media Trust, including from sales and contracts.
- Building on our fast-growing work with the youth charities, including Mediabox, National Youth Week and Taking Charge, our new partnership with Catch 22 and Fairbridge.
- Widening the diversity of our board.
- Growing the impact of our partnerships with media and communications industry.

REVIEW OF FINANCIAL POSITION

Total income for 2008/09 decreased slightly by £0.15 million due to a fall in both voluntary income and the significantly lower rate of interest for the second half of the financial year. Income from charitable activities remained at £4.47million.

Expenditure decreased by £0.48m in line with expectations. The deficit of £170,330 is due primarily to utilising restricted reserves (£278,565). There is a surplus on unrestricted funds of £108,235, which has enabled an increase to both designated and unrestrictive reserves as outlined in the reserve policy.

THE MEDIA TRUST

TRUSTEES' REPORT (CONTINUED)

Principal funding sources

Donations are received from media industry corporate members. Grants and contracts to fund specific activities are received from a range of charitable trusts, public and corporate sector bodies, including government departments. Fees are charged for media and communications training and film production.

Details of amounts received are set out in notes 2 and 3 to the financial statements.

Investment policy

Apart from retaining a prudent amount in reserves each year most of the charity's funds are to be spent in the short term so there are few funds for long term investment. Having considered the options available the Trustees have decided to invest cash balances in high interest bearing deposit accounts with an ethical bank.

Reserves policy

The Trustees have examined the charity's requirements for reserves in light of the main risks of the organisation. The unrestricted reserves (net of unrestricted fixed assets and excluding designated reserves) held by the Media Trust are to ensure continuity in the event of a significant variation in income and to bridge shortfalls in working capital. The current level of reserves as at 31st March 2009 is £619,154 with a target level of reserves of £650,000 by 31st March 2010, to take account of the risks associated with signing a longer term property lease. The policy is reviewed annually as part of the budget setting process.

Trustees have set aside designated reserves totalling £110,000 for planned operational developments and to contribute towards the office move costs in 2010.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Media Trust is a charitable company limited by guarantee, incorporated on 8th February 1994 and registered as a charity on 12th December 1994. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The company has no share capital, and in the event of the company being wound up each member is required to contribute an amount not exceeding £1. The members of the Board of Trustees are the Directors of the company.

Media Trust established a subsidiary trading company, The Community Channel, on 22nd October 1998. The Media Trust is the sole member of the trading company. Directors and trustees of The Media Trust are also directors of the trading company. The Chief Executive of The Media Trust is also a Director of the trading company.

THE MEDIA TRUST

TRUSTEES' REPORT (CONTINUED)

Under the requirements of the Memorandum and Articles of Association the members of the Board of Trustees are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting. All Trustees give their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the financial statements.

Jon Snow, Tony Ball and Mark Thompson retire by rotation and, being eligible, offer themselves for re-election.

Trustees of The Media Trust are invited to stand for election by the board to ensure a range of media and charity sector skills are represented. The Chairman and Deputy Chairman are appointed by the Trustees from among their number. The Board convenes at least four times each year.

Supporting committees include:

Audit Committee: Paddy Coulter (Chair), Scott Cormack (Treasurer), Tony Ball, Jane Reed, as well as a co-opted member, Keith Hickey (Chief Executive of the Charity Finance Directors' Group). The Audit committee meets at least twice a year and reports to full board meetings.

Nominations Committee: Tony Ball, Andy Duncan, Jon Snow and Mark Thompson.

New Trustees are provided with an induction pack of master documents, including the charity's business plan and Memorandum & Articles of Association, alongside Charity Commission guidance and examples of work undertaken including media content. On appointment Trustees sign a register of interests, which is renewed annually. Trustees' induction and ongoing involvement includes visits to the projects and activities delivered by the charity, engagement with beneficiaries, and meetings with project managers and senior staff. Training opportunities are highlighted.

Trustees receive regular updates, including full reports on activities, targets, impact, research and evaluation reports, and financial information, in advance of each quarterly board meeting and committee meeting. The Chief Executive meets with the Chairman on a monthly basis. Business plans and strategic plans are discussed, agreed, amended and revised by the Trustees at board meetings. Trustees attend external meetings with funders, donors and partners, as well as a range of the charity's activities to experience the charity's services directly and to meet with beneficiaries.

The Trustees are responsible for setting the strategy and direction of the company. Trustees have delegated management to the Chief Executive who reports on the performance against the strategic and operational plans approved by the Board. The Finance Director reports on the financial position, including out-turn against budget. Management accounts are received quarterly by the Board.

Risk management

The Trustees review the risks to which the organisation is exposed throughout the year, both at Audit Committee and again at full board meetings. A risk register is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. The risks cover all potential threats to the business including, financial, legal and reputational.

THE MEDIA TRUST**TRUSTEES' REPORT (CONTINUED)****Organisational structure**

The Chief Executive has responsibility for planning and developing the strategies and services for the Media Trust within an overall strategic direction agreed by the board of Trustees. The Chief Executive has responsibility for recruitment and management of the senior staff team to ensure that Media Trust's services and values are delivered and upheld against plans and priorities agreed by the board.

Towards the end of 2008 the charity restructured to adapt to organisational growth, future priorities and external factors. The senior management team has experience in television, new media, charity communications and marketing, finance and operations. From the start of the financial year 2009/10 the senior management team consists of:

Chief Executive	Caroline Diehl
Finance & Resources Director	Avis Reaney
Digital Media Director	Mark Dodd
Development Director	Gavin Sheppard
Creative Director	Katie Simpson

Staff working in the Media Trust have a mix of skills and experience across charity and media, reflecting the purposes of the charity. The charity's staff team is supported by freelance media professionals, staff secondments from the BBC, volunteer interns, and over 2,000 media industry volunteers who, through the Media Trust, give their time and communications skills to support charities, communities and individual beneficiaries of charities across the UK.

Trustees' responsibilities

The Trustees are responsible for preparing the annual report and the financial statement in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the net income or expenditure of the charity for the 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;
- 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 responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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TRUSTEES' REPORT (CONTINUED)

The Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

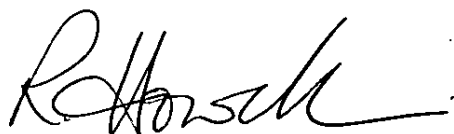
In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- as directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

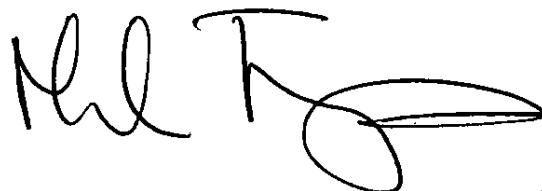
Appointment of auditors

A resolution for the re-appointment of Knox Cropper will be proposed at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD OF TRUSTEES



Rupert Howell
Trustee



Mark Thompson
Trustee

7 July 2009

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MEDIA TRUST

We have audited the financial statements of the Media Trust for the year ended 31st March 2009, which comprise the Statement of Financial Activities, incorporating the Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Trustees' Annual Report, the Trustees (who are also the Company's directors) are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 and whether the information in the Trustees' Annual report is consistent with the financial statements. We also report to you if 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 transactions with the Charity is not disclosed.

We read the Trustees' Annual 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 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 Charitable Company and of the Group as at 31st March 2009 and of the incoming resources and application of resources, including the income and expenditure, of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.
- the information given in the Trustees' Annual Report is consistent with the financial statements.

8/9 Well Court
London EC4M 9DN

Knox Cropper
Knox Cropper
Chartered Accountants
Registered Auditors

7th July 2009

THE MEDIA TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST MARCH 2009

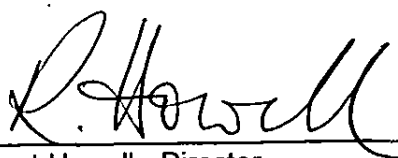
	Notes	Unrestricted Funds £	2009 Restricted Funds £	Total Funds £	2008 Total Funds £
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
Voluntary income	2	133,515	-	133,515	260,820
Investment income		33,778	18,442	52,220	78,446
		<u>167,293</u>	<u>18,442</u>	<u>185,735</u>	<u>339,266</u>
Incoming Resources From Charitable Activities					
Community Channel	3	333,551	844,375	1,177,926	1,305,978
Voluntary sector campaigns		-	600,000	600,000	721,090
Film production		575,806	98,974	674,780	967,888
Communications services		316,011	609,900	925,911	795,174
Youth Media		80,024	1,014,183	1,094,207	680,944
		<u>1,305,392</u>	<u>3,167,432</u>	<u>4,472,824</u>	<u>4,471,074</u>
TOTAL INCOMING RESOURCES		<u>1,472,685</u>	<u>3,185,874</u>	<u>4,658,559</u>	<u>4,810,340</u>
RESOURCES EXPENDED					
Costs of Generating Funds					
Costs of generating voluntary Income and donated services	4	35,000	-	35,000	65,100
Charitable Activities					
Community Channel		298,584	957,335	1,255,919	1,314,676
Voluntary sector campaigns		-	601,952	601,952	881,597
Film Production		631,962	60,656	692,618	1,122,780
Communications services		354,148	739,759	1,093,907	1,014,088
Youth Media		32,675	1,064,359	1,097,034	865,050
		<u>1,317,369</u>	<u>3,424,061</u>	<u>4,741,430</u>	<u>5,198,191</u>
Governance costs		<u>12,081</u>	<u>40,378</u>	<u>52,459</u>	<u>50,251</u>
TOTAL RESOURCES EXPENDED		<u>1,364,450</u>	<u>3,464,439</u>	<u>4,828,889</u>	<u>5,313,542</u>
Net Income/(Expenditure) for the year		108,235	(278,565)	(170,330)	(503,202)
Fund balances brought forward		631,327	794,850	1,426,177	1,929,379
Fund balances carried forward		<u>739,562</u>	<u>516,285</u>	<u>1,255,847</u>	<u>1,426,177</u>

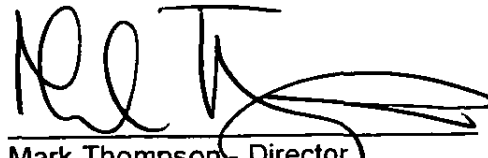
All recognised gains and losses are included in the above statement of financial activities.

THE MEDIA TRUST
CONSOLIDATED AND COMPANY BALANCE SHEET
AS AT 31ST MARCH 2009

	Notes	Group		Company	
		2009 £	2008 £	2009 £	2008 £
FIXED ASSETS	7	<u>24,175</u>	<u>60,431</u>	<u>15,947</u>	<u>36,166</u>
CURRENT ASSETS					
Debtors	8	772,922	709,361	560,888	420,512
Cash at Bank and in Hand		<u>1,334,491</u>	<u>1,328,295</u>	<u>1,220,361</u>	<u>1,328,296</u>
		<u>2,107,413</u>	<u>2,037,656</u>	<u>1,781,249</u>	<u>1,748,808</u>
CREDITORS					
Amounts falling due within one year	9	<u>(875,741)</u>	<u>(671,910)</u>	<u>(836,532)</u>	<u>(760,106)</u>
NET CURRENT ASSETS		<u>1,231,672</u>	<u>1,365,746</u>	<u>944,717</u>	<u>988,702</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,255,847</u>	<u>1,426,177</u>	<u>960,664</u>	<u>1,024,868</u>
FUNDS					
Restricted	12				
Held by company		231,510	403,948	231,510	403,948
Retained by subsidiary		<u>284,775</u>	<u>390,902</u>	<u>-</u>	<u>-</u>
		<u>516,285</u>	<u>794,850</u>	<u>231,510</u>	<u>403,948</u>
Unrestricted	13				
General Reserves:					
Held by Company		619,154	586,583	619,154	586,583
Retained by Subsidiary		10,408	10,408	-	-
Designated reserve		<u>110,000</u>	<u>34,336</u>	<u>110,000</u>	<u>34,336</u>
		<u>739,562</u>	<u>631,327</u>	<u>729,154</u>	<u>620,919</u>
TOTAL FUNDS		<u>1,255,847</u>	<u>1,426,177</u>	<u>960,664</u>	<u>1,024,867</u>

Approved by the Board of Directors on 7 July 2009 and signed on their behalf by:


Rupert Howell - Director


Mark Thompson - Director

THE MEDIA TRUST

Notes to the financial statements For the year ended 31st March 2009

1. ACCOUNTING POLICIES

- (a) The accounts have been prepared under the historical cost convention and in accordance with United Kingdom Accounting and Financial Reporting Standards and the Statement of Recommended Practice : Accounting and Reporting by Charities, issued in March 2005.
- (b) Assets at a cost in excess of £1,000 intended to be of ongoing use in carrying out activities are capitalised as fixed assets. Depreciation charged on tangible fixed assets 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) Donations are accounted for on a received basis and grants are accounted for when they are unconditionally receivable.
- (d) Donations in kind are included in the statement of financial activities at their economic value to the Company where quantifiable and measurable.
- (e) Services income is accounted for when the service is delivered and income earned.
- (f) Support costs represent general management costs (including finance and human resources) and premises and facilities costs (including IT). These are allocated by reference to the resources allocated to the staff and volunteers for each area and the percentage of time spent by the relevant employees.
- (g) Fund accounting:
 - a. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of Media Trust.
 - b. Designated funds comprise unrestricted funds that have been put aside at the discretion of the trustees for particular purposes (see note 13).
 - c. Restricted income funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal.
- (h) Rentals applicable to operating leases, where substantially all the benefits and risk of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the lease term.
- (i) Under Financial Reporting Standard No. 1 the company is not required to produce a Cash Flow Statement.
- (j) 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. VOLUNTARY INCOME

	2009 Total £	2008 Total £
Corporate donations and sponsorship	133,515	186,320
Donation in kind - premises	-	74,500
Total	133,515	260,820

In addition to the above corporate donations and sponsorship, the group receives a wide range of discounted and donated services from the media industry, particularly BSkyB, BBC, Virgin Media and News International, which include bandwidth, programming, staff secondments and cross promotion both on air and in press advertisements and listings. These services are fundamental to the operation of certain activities, particularly the community channel, and have a value of several million pounds. They have not been included in the Statement of Financial Activities, however, because their value is not readily quantifiable or measurable. The Trust's corporate members included the BBC, BSkyB, Channel 4, Daily Mail and General Trust, Disney Channel UK, Emap PLC, Discovery Networks Europe, Guardian Media Group, ITV, MTV Networks UK & Ireland, News International, Newsquest Media Group, OMD, Time Warner, WPP.

THE MEDIA TRUST

Notes to the financial statements (continued)
For the year ended 31st March 2009

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2009					
	Community Channel £	Voluntary Sector Campaigns £	Film Production £	Communications Services £	Youth Media £	Total 2009 £
Office of the Third Sector	815,000	600,000	25,000	160,000		1,600,000
Department of Culture, Media and Sport					333,000	333,000
Mediabox (Department for Children, Schools and Families)					328,777	328,777
Capacitybuilders				400,000		400,000
The Big Lottery				67,406		67,406
Vodafone Foundation					150,000	150,000
V			2,000		135,000	137,000
EHRC				31,500		31,500
The Institute of Marketing Charitable Trust				18,400		18,400
Arts Council for England and Wales			21,410			21,410
Wellcome Trust						-
The City Bridge Trust						-
ICT Hub						-
WCVA						-
VAMU						-
Other grants	28,000				80,024	108,024
Fee income	334,926		626,370	316,011		1,277,307
Total	1,177,926	600,000	674,780	925,911	1,094,207	4,472,824
						1,221,446
						4,471,074

Total
2008
£

1,971,090

333,000

314,744

197,405

-

30,000

18,000

-

-

50,000

212,786

60,900

42,553

10,000

5,950

3,200

1,221,446

4,471,074

THE MEDIA TRUST

Notes to the financial statements (continued) For the year ended 31st March 2009

4. ANALYSIS OF RESOURCES EXPENDED

	2009			2008
	Direct costs	Support costs	Total	Total
	£	£	£	£
Generating funds	-	35,000	35,000	65,100
Community Channel	1,078,104	177,815	1,255,919	1,314,676
Voluntary sector campaigns	534,701	67,251	601,952	881,597
Film production	596,896	95,722	692,618	1,122,780
Communications services	944,568	149,339	1,093,907	1,014,088
Youth Media	909,049	187,985	1,097,034	865,050
Governance	-	52,459	52,459	50,251
Total resources expended	4,063,318	765,571	4,828,889	5,313,542

ANALYSIS OF SUPPORT COSTS

	2009			2008
	General management	Premises & facilities	Total	Total
	£	£	£	£
Generating funds	28,564	6,436	35,000	65,100
Community Channel	66,028	111,787	177,815	174,703
Voluntary sector campaigns	24,973	42,278	67,251	66,892
Film production	35,545	60,177	95,722	231,178
Communications services	55,454	93,885	149,339	122,541
Youth Media	69,805	118,180	187,985	100,217
Governance	47,382	5,077	52,459	50,251
Total resources expended	327,751	437,820	765,571	810,882

5. NET INCOMING RESOURCES IS STATED AFTER CHARGING:

	Group	
	2009	2008
	£	£
Depreciation	36,256	58,244
Audit fee	4,850	4,800
Other accounting services	-	3,680

THE MEDIA TRUST

Notes to the financial statements (continued)
For the year ended 31st March 2009

6. STAFF COSTS

	Group	
	2009	2008
	£	£
Salaries	1,895,509	1,928,618
Social security	196,695	205,466
Pension costs	25,150	20,632
	<u>2,117,354</u>	<u>2,154,716</u>

A defined contribution scheme for all staff operated during the year with contributions of at least 3% from the employees and 2% from the employer (2008: employee 2%, employer 1%). Each contribution will rise by 1% with effect from 1st April 2009.

	2009	2008
The average number of staff employed during the year was:	<u>57</u>	<u>62</u>

The number of employees whose emoluments for the year fell within the following bands were:

£60,000 - £70,000	<u>1</u>	<u>1</u>
-------------------	----------	----------

No remuneration or expenses were paid to the Directors (2008: £nil).

7. FIXED ASSETS

	Group Equipment		Company Equipment	
	2009	2008	2009	2008
	£	£	£	£
Cost :				
Balance brought forward	270,351	453,633	101,040	176,909
Additions	-	32,330	-	17,028
Scrapped / written off	-	(215,612)	-	(92,897)
Balance carried forward	<u>270,351</u>	<u>270,351</u>	<u>101,040</u>	<u>101,040</u>
Depreciation:				
Balance brought forward	209,920	358,588	64,874	132,014
Charge for year	36,256	58,244	20,219	17,056
Scrapped / written off	-	(206,912)	-	(84,196)
Balance carried forward	<u>246,176</u>	<u>209,920</u>	<u>85,093</u>	<u>64,874</u>
Net book value:	<u>24,175</u>	<u>60,431</u>	<u>15,947</u>	<u>36,166</u>

THE MEDIA TRUST

Notes to the financial statements (continued)
For the year ended 31st March 2009

8. DEBTORS

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	683,523	621,332	484,655	386,483
Prepayments and accrued income	16,150	61,798	2,984	26,230
Other debtors	73,249	26,231	73,249	7,799
	<u>772,922</u>	<u>709,361</u>	<u>560,888</u>	<u>420,512</u>

9. CREDITORS

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Trade creditors	254,528	119,489	187,047	37,838
Other creditors including taxation and social security	107,816	117,667	60,382	93,814
Overdrafts	-	40,911	-	-
Accruals & deferred income	513,397	393,843	459,314	319,776
Amounts due to group undertakings	-	-	129,789	308,678
	<u>875,741</u>	<u>671,910</u>	<u>836,532</u>	<u>760,106</u>

Cash is managed on behalf of the group by the parent charity.

10. OPERATING LEASES

At 31st March 2009 the company had annual commitments under non-cancellable operating leases as follows:

	2009	2008
	£	£
Expiry date:		
Within one year	-	-
Between one and five years	251,876	29,500
In more than five years	-	-
	<u>251,876</u>	<u>29,500</u>

Included in operating leases is £250,000 p.a. for the lease on the Company's principal office. This lease includes rates, security, cleaning, furniture as well as rent.

11. SHARE CAPITAL

The company is limited by guarantee and has no share capital, the liability of the members is limited to £1 per member.

THE MEDIA TRUST

Notes to the financial statements (continued)
For the year ended 31st March 2009

12. RESTRICTED FUNDS

	Brought Forward	-----Movement in Year-----			Carried Forward
		Interest	Income	Expenditure	
	£	£	£	£	£
Production					
HMRC	-	-	50,564	(31,688)	18,876
Office of the Third Sector	-	-	25,000	(25,000)	-
Other	-	-	23,410	(3,968)	19,442
Training and Communications Services					
Office of the Third Sector	59,227	967	160,000	(192,314)	27,880
Bridge House Trust	9,085	-	-	(9,085)	-
Capacity Builders	101,384	2,332	400,000	(503,716)	-
EHRC	-	175	31,500	(28,953)	2,722
Institute of Marketing Charitable Trust	-	183	18,400	(9,763)	8,820
Other	2,014	34	-	(1,251)	797
Voluntary Sector Campaigns					
Office of the Third Sector	18,413	660	600,000	(605,501)	13,572
Community Channel					
Office of the Third Sector	390,901	-	815,000	(934,126)	271,775
Other	-	219	29,375	(16,594)	13,000
Youth Media	175,074	6,327	1,014,183	(1,070,542)	125,042
Other	38,752	7,545	-	(31,938)	14,359
	<u>794,850</u>	<u>18,442</u>	<u>3,167,432</u>	<u>(3,464,439)</u>	<u>516,285</u>

13. UNRESTRICTED FUNDS

	Brought Forward	Movement in Year			Carried Forward
		Income & Interest	Transfer	Expenditure	
	£	£	£	£	£
General reserves:					
Held by company	586,583	1,139,134	(85,676)	(1,020,887)	619,154
Retained by subsidiary	10,408	333,551	-	(333,551)	10,408
Designated reserve	34,336	-	85,676	(10,012)	110,000
	<u>631,327</u>	<u>1,472,685</u>	<u>-</u>	<u>(1,364,450)</u>	<u>739,562</u>

The designated reserve is held in respect of planned operational developments and to contribute towards office move costs expected in 2010.

THE MEDIA TRUST

Notes to the financial statements (continued)
For the year ended 31st March 2009

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds Company £	Subsidiary £	Total Funds £
Fixed Assets	15,947	-	8,228	24,175
Net Current Assets	724,071	231,053	276,548	1,231,672
	740,018	231,053	284,776	1,255,847

15. 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.

16. CAPITAL COMMITMENTS

At 31st March 2009 there were no capital commitments (2008 - £0).

17. SUBSIDIARY COMPANY

The Community Channel, a company limited by guarantee incorporated in England and Wales, is under the control of The Media Trust which is its sole member. The activities of the Community Channel, which is a primary purpose activity of the Media Trust, are undertaken through this company and the income and expenditure are consolidated on a line by line basis.

	2009	2008
Income	1,257,324	1,311,054
Expenditure	(1,328,483)	(1,336,133)
	(71,159)	(25,079)
Gift Aid	(34,967)	(11,110)
Extras of Expenditure over Income	£(106,126)	£(36,189)
Total Assets	464,182	621,791
Total Liabilities	(168,999)	(220,482)
Total Reserve	£295,183	£401,309

18. INDUSTRY CONTRIBUTORS

As described in note 2, the Media Trust is supported by a number of major media organisations including BSkyB, BBC, News International and Virgin Media. The non-executive directors of the Media Trust include directors and senior managers of some of these media organisations who have been appointed because of their experience and knowledge of the sector. The directors do not believe that these organisations are related to the Media Trust and absent themselves from any financial transaction involving the media organisation they are connected to.