

A Charitable Company Limited by Guarantee

# Annual Report and Financial Statements

For the year ended 31 March 2012

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# Annual Report and Financial Statements

## Reference and Administrative Information

<b>Charity name</b>	The Media Trust, known as Media Trust
<b>Registered Charity number</b>	1042733
<b>Registered Company number</b>	02895790
<b>Registered Office</b>	2 – 6 Cannon Street, London, EC4M 6YH
<b>Principle Office</b>	Block A, Centre House, 56 Wood Lane, London W12 7SB
<b>Website</b>	www.mediatrust.org On Twitter @Media_Trust
<b>Trustees</b>	Andy Duncan (Chairman) Jon Snow (Deputy Chairman) Matt Brittin – appointed 18 January 2011 Scott Cormack (Honorary Treasurer) Paddy Coulter Sarah Davis – appointed 31 January 2012 Rupert Howell Martina Milburn – resigned 17 May 2012 Jane Reed Mark Thompson Sophie Turner Laing
<b>Company Secretary</b>	Scott Cormack
<b>Chief Executive</b>	Caroline Diehl
<b>Auditors</b>	Knox Cropper, 8/9 Well Court, London EC4M 9DN
<b>Bankers</b>	Co-operative Bank, City of London Business Centre, 9 Prescott Street, London E1 8SG
<b>Solicitors</b>	Bates, Wells and Braithwaite, 2 – 6 Cannon Street, London EC4M 6YH

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## Media Trust Trustees' Report

The Trustees present their annual report and audited financial statements of the charity for the year ended 31 March 2012

### Our charitable objects

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

- 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
- 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 and mission

At Media Trust we believe in the power of media to change lives. We work with the media industry to empower charities and communities to have a voice and be heard

### Our values

Our vision and mission are at the heart of all we do. We work to achieve this by

- Being innovative and creative
- Putting our stakeholders, beneficiaries and customers first
- Being entrepreneurial
- Working with energy, passion and dynamism
- Valuing our people and helping them become the best they can be

## Public Benefit Statement

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

Media Trust delivers public benefit by providing donated and low-cost media and communications resources, skills, media volunteers and pro bono support to enable charities, communities and individuals across the UK to have a voice, access audiences and create positive change in their lives and communities

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

In 2011/12, for example, Media Trust matched 822 media and communications professionals as volunteers with charities, communities and disadvantaged young people across the UK, distributed more than 3,500 charity and community news stories into the mainstream media, trained more than 1,900 charity and community workers in key communications skills and made 135 films for charities and communities across the UK. Community Channel reached over 3.9 million viewers through its television and online platforms

## Objectives, activities and achievements during the year

This section of the report summarises our objectives, activities and achievements for 2011/12 and the progress we have made against our aims and objectives as outlined in our business plan and our 2011/12 report

Our aims and objectives are

- To provide communications skills and resources for charities and communities
- To help charities and communities access audiences
- To harness media industry talent, volunteers and pro bono support

### Overview

We made good progress during the year, in spite of challenging external circumstances, where the change of government and the economic climate led to a considerable reduction in government funding for Media Trust. Our media corporate members continued their membership and other contributions, our long-term funders including the Big Lottery Fund, the City Bridge Trust and Trust for London contributed significant funds to ensure that our key activities would continue to reach thousands of small charities, communities and young people, new funders including the Open Society Foundations and Sainsbury's gave support, and our fee-paying clients in the charitable, public and corporate sectors continued to come to Media Trust for film production, training and communications projects

Our main activities, as broken down and accounted for in our financial statements, include Community Channel, voluntary sector campaigns, film production, communications services and youth media. These all contribute to and are underpinned by our three objectives

Below are some more details of what we delivered against those objectives during 2011/12

## **Objective 1 – To provide communications skills and resources for charities and communities**

Supporting charities and communities with first class, innovative and up-to-date communications skills and resources remained a priority objective during the year

We continued to offer a broad mix of services including face-to-face and online training, media volunteers and mentors, film production, news distribution, broadcast opportunities and a new package of support for communities and community journalists, enabling and supporting a network of local media hubs in communities across the UK. We continued to support young people to develop their communications skills and to have a voice, partnering with youth organisations and media companies to provide life-changing opportunities

In 2011/12, we supported 1,205 organisations with face-to-face training, conferences and volunteer media professionals, covering diverse communications subjects from Marketing Essentials to Making Videos on a Shoestring, from Proofreading to Media Interview Training. We also worked with 35 charities to provide them with bespoke training designed to meet their own specific requirements. This training support extends beyond the traditional, often taking in complex consultancy projects and working intensively with charity executives, trustees and beneficiaries to create communications strategies or address specific issues and challenges

### **Training and Events**

Time To Change is an anti-stigma campaign run by the leading mental health charities Mind and Rethink Mental Illness

We provided interview training for 15–20 of Time To Change's most engaged media volunteers with particular emphasis on increasing confidence in telling their story when responding to planned media interview opportunities for radio and television. Time To Change requested that these spokespeople were trained and prepared to communicate effectively during media interviews by ensuring that each learnt to identify their individual newsworthy story, recognise key messages and be prepared for uncomfortable questioning

Their current campaign communicates the message 'talking aids recovery' and is predicted to receive positive feedback and an increase in momentum. They requested we train their spokespeople on how to deal with the likely increase in media attention

The training provided them with the confidence to tell the media their experience of mental health and how talking about the stigma they experienced helps recovery

81% of attendees rated the training as "very good" for building their skills and meeting their objectives

On being asked what impact the training had achieved, **Sarah Nash**, spokesperson at Time To Change said

**|| The ability to confidently and concisely talk to the media about my own experience of mental health. ||**

Our two annual conferences on the themes of *Communications for a digital world* and *Hitting the Headlines* were attended by over 300 people and included high-profile speakers from across the media and charity sectors, including Janet Street-Porter, Adam Baker (Blottr), Jon Snow (Channel 4), Jeremy Hunt MP and Susanna Reid (BBC)

Harnessing the skills and experience of those working in professional media and communications roles remains key to our vision and mission. During the year, more than 1,156 charities and communities worked with one of our media volunteers, either online via our help engine or directly via our matching service

We supported 813 young people during the year: 573 with media training, 748 with mentoring from volunteer media professionals, and 50 with work experience placements with our media industry partners or at Media Trust

## **Productions**

Momentum is a charity which helps children and the families of children, undergoing treatment for cancer in Surrey and South West London. The charity was set up by parents who have first hand experience of these life-changing events, with the simple goal of trying to help others in similar circumstances

During the year we were commissioned by Momentum for the third time to produce a promotional film showcasing and celebrating its work. Award-winning director Gavin Toomey and designer Amanda Leggatt, who both worked on the Harry Potter film franchise, designed the short film as a 2D storyboard documenting the journeys these families undergo. *Life on Mars* actor Philip Glennister, who is a patron of Momentum, starred. As well as being broadcast on Community Channel and their website, the film is often used as a fundraising tool and for educational visits to local schools and businesses

Following the film's release, the coverage in the *Evening Standard*, and air time on Community Channel, Momentum saw a substantial increase in website traffic and the number of people wishing to raise funds, along with a 10% increase in overall donations



**|| Momentum has made three films with Media Trust over the last six years. Our charity supports children and their families who have cancer and life-limiting conditions and each of the films has involved several inexperienced interviewees. Each of the films they made captured the message of our charity completely and we are complimented time and again about them. When we have shown them at our fundraising events they undoubtedly encourage supporters to dig deep with their contributions. The whole Media Trust team are friendly and professional and they have worked with consummate expertise on each of the very tight budgets we have presented them with. We honestly don't think that we could better our experience and would recommend them whole-heartedly to any charity, large or small. ||**

Natalie Harvey, Fundraising Team at Momentum

Filmmaking is an important part of our work, and throughout the year our professional in-house production team made 135 films for 42 charities like Momentum throughout the UK. With unrivalled expertise in innovative film and content production, we continue to offer organisations a unique combination of creative talent, experience and understanding of the not-for-profit sector.

## Media Matching

James Watson, a PR Account Director at Halogen, a property development agency, was matched with Survivors UK, a charity set up to help support male victims of sexual abuse. The pair were matched in early 2011 to work on a PR campaign linked to the Six Nations Rugby tournament. Together with James the charity worked on a campaign that featured a Rugby Ball pierced by a nail with the message "Real Men Get Raped and Talking About It Takes Real Strength". The campaign was launched in adverts on 140 escalator panels in central London Tube stations and two billboards in Clapham Junction station during the Six Nations Rugby tournament, it also featured on the big screens in Waterloo station.

Following the launch, the story resulted in more than 75 trade and blog stories, attracting widespread comment. Subsequently the story had a major editorial piece in the Observer later translating to the Guardian website where it reached the second most read piece of the day and it was also highlighted in a two-page article on male rape in The Times. The poster image and story was also mentioned in the 'Cutting Edge of Compassion' article in the Financial Times, which looked at the effectiveness of charity advertising.

The extensive coverage gained from the match resulted in local and national press, worth in excess of £400,000. Conservative estimates for readership exposure came to well over 18 million, this is not including the exposure gained from the advertising at tube stations.

**|| In terms of organisational impact, we've doubled the hits to our website (which was our key metric for measurement), doubled the number of referrals for counselling and had an increase in calls to the helpline. ||**

Michael May, Senior Manager at Survivors UK

**|| I found it, well enjoyable isn't quite the right word, but very satisfying to be involved with a charity doing such important and often unsung work. Professionally I found it very worthwhile too. I work in property PR but have a background as a general news journalist, so it was good to be working in a different field. Overall a really good experience and I'm really keen to get involved with more work for Media Trust. ||**

**James Watson**, PR Account Director at Halogen

25 films were also made in partnership with volunteer professional filmmakers and provided to charities at a heavily subsidised rate as part of our Unfold Stories initiative, supported by Sainsbury's, which aims to shed light on the most inspiring but seldom told charity stories from across the UK. A wide range of charities and communities also had films made for them by volunteer filmmakers through our matching service funded by the Cabinet Office, and through Community Channel's London360 series, with major support from the City Bridge Trust.

We recognise the power of digital media to bring about positive life-changes in individuals and communities and during the year we continued to develop our Community Voices initiative. With funding from Nominet Trust, we worked intensively with eight communities living with illness, disability or who were elderly. We worked with each community to identify their unique challenges and opportunities and to support them with outreach, training and small grants to bring about positive change in their own lives via various digital media projects, including digital music, animation and web. We also supported 95 communities with volunteer media professionals to help them create their own unique local digital media projects.

## Community Voices

Morley Way Community Centre is a volunteer-led centre that supports older people on a sheltered housing estate in St Helens. They encourage older people to get involved in activities to improve their mental and physical wellbeing. 71 year-old Margaret from St Helen's applied for support to get the elderly members of their 'Monday Club' online for the first time. Her application explained how they had heard about online technologies but didn't know how to access them or where to start and felt left behind. The group felt isolated from the outside world and saw IT skills as a way of allowing them to reach out and connect with the wider community. We provided an IT Tutor for the group of 15 ladies enabling them to access training over a six-month period. As a result, ten ladies living in sheltered accommodation at the centre got online for the first time and five others improved their skills and became more confident using the Internet at an advanced level.

By developing their IT skills and using the internet they can now access social networking sites and online communities, reducing their isolation and allowing them to do things online such as, vote, contact the local council, order prescriptions and get involved in local issues as well as setting up a blog about the centre, to share ideas and invite other groups to activities at the centre.

**|| I had a great interest to use a computer in the past, but never ever had the guts to go and buy one and then I spoke to most of my friends at the centre and they said it was a good idea if I applied for some funding. It's been a great help. I also got on the Internet and was able to find a firm that dealt with asbestos as I have been told there is asbestos in my ceilings. I rang around at first and they quoted me £200 plus £10 for each specimen. Which is a lot of money for me. So I managed to get on the Internet and I found a qualified asbestos specialist and the total cost was £55, which is a heck of a big difference to a pensioner, I was absolutely thrilled. ||**

Margaret Reynolds, Community Voices applicant

**|| I can give myself a pat on the back. I'm not as thick as I thought I was and I meet some new friends. Lots of other things are happening, we talk. Instead of talking about our aches and pains now we talk about websites, 'What's a fun site to go on?' 'Have you seen this?' 'Have you seen that?' And I've quite enjoyed that, it's nicer than aches and pains. ||**

Rose Rooney, Sheltered housing resident

## **Objective 2 – To help charities and communities access audiences**

A key pillar of our work enables charities and communities to reach new and relevant audiences, inspiring them to change their own lives and the lives of those around them

During the year this work was delivered using our own broadcast television channel Community Channel, our news distribution services Community Newswire and newswire, and our partnerships with the wider media industry

### **Community Channel**

Community Channel remains our flagship platform, broadcasting on TV via Sky 539, Virgin Media 233, Freeview 87 and BT Vision, as well as distributing content via communitychannel.org, YouTube and Facebook. During the year our television audience exceeded 3.8 million viewers (BARB three-minute plus reach). Investment during the year, including from the Open Society Foundations, enabled us to increase television audience for the following year 2012/13 to a projected 5 million viewers.

Seasons and events each month brought together topics, campaigns and partners on air and online with features, resources, tools and links to charity partners, delivering awareness and impact for their causes. Over 3,500 charity and community stories were featured during the year.

### **UK360 on Community Channel**

In November 2011, with funding from the Big Lottery Fund, we launched UK360, a new broadcast programme on Community Channel dedicated to bringing community stories from around the UK to new audiences, inspiring 'people powered change'. During the nine episodes broadcast to March 2012 we broadcast 54 community stories from across the four nations of the UK. UK360's audiences continue to grow as inspirational stories come in to the Channel.

## London360 on Community Channel

With funding from the City Bridge Trust we produced and broadcast regular episodes of our dedicated magazine programme London360, featuring 883 stories from across London's communities. Key items are regularly broadcast on BBC Radio London, featured in The Voice newspaper and other London media reaching audiences of over 4 million. Over 120 18-25 year olds volunteered to report on London360 during the year, receiving a unique package of training and mentoring provided by BBC News, Sky News, ITN, Google and ITV News.

## Community Newswire

During the year funding from the Big Lottery Fund enabled us to bring back one of our most well-used services, Community Newswire, our news distribution service in partnership with the Press Association, which had been unavailable since March 2011 due to funding cuts from the Cabinet Office. The service re-launched in August 2011, and distributed more than 3,400 charity and community stories into local, regional and national mainstream media by the year end.

One example of a charity supported through Community Newswire is 'Spark And Mettle', a new charity set up to help advance education and training for young people with little communications experience. They came to us to support and guide them on writing a press release. As a result of Community Newswire they received national and regional coverage, including in the Daily Telegraph.

**|| I am incredibly grateful that Community Newswire exists. I hadn't ever written a press release for my charity, and had no idea how to go about getting it out and about. I was amazed and impressed to get a personal, detailed and extremely helpful series of emails from Community Newswire. It supported me to turn my draft idea into a fully-fledged press release, and gave me some brilliant tips and tricks about how to make it read well and get picked up. After Community Newswire put it out on the wires, it was taken up by several regional papers as well as The Telegraph. I couldn't have hoped for a better outcome, and am now excited (rather than dreading) the next time I need to get a press release together and out in the ether. A thoroughly positive experience. ||**

Eugenie Teasley, Spark And Mettle, Founder

## **Newsnet**

During the year we introduced an important new route to audiences, newsnet. Funded mainly by Big Lottery Fund, newsnet brings together our work on Community Channel and Community Newswire with new resources to support community reporters to learn, connect and share news and stories, locally and across the UK. It comprises an online resource of guides, training material and discussion forums, a network of community reporters around the UK, intensive support for 75 Beacon community news outlets around the UK, and news distribution, including through Community Channel's UK360 programme.

We also introduced functionality to enable community reporters to distribute their stories directly to newsrooms around the UK, including with agreement in principle at the year end from Press Association, Reuters, Associated Press, Agence France Press, Daily Mail, The Times, The Telegraph, BBC, ITN and Sky to take content.

## **Young Voices**

As part of our wider youth media work we empowered and enabled disadvantaged young people to create content to communicate issues important to them to large audiences. Through partnerships with the media industry, including ITV News, ITN, BBC Big Screens, The Times, The Sun and the British Film Institute we have enabled young voices to reach audiences of more than 6.7 million.

In partnership with The Prince's Trust Fairbridge programme and Catch22, who supported and developed the young people throughout, we developed Talent Studio, a filmmaking course engaging young people from across London, Manchester, Nottingham, and Birmingham. We matched 61 youth projects with media mentors. 637 young people were involved, with 510 achieving an Arts Award and 133 going on to access further progression opportunities.

Neil White is a 22 year-old budding political journalist. Prior to his involvement with Talent Studio, Neil was unemployed 'on and off' for five years. His personal life had been challenging, growing up with his single mother on a council estate in Bury, North Manchester and has dealt with depression.

**“ I think it was the introduction to the media roles and being able to discuss it with like-minded individuals like myself and it was fun because it was something I had never done before I felt like that was a good basis of what I could pursue in my career. ”**

Neil White, Talent Studio participant

Following his involvement with the filmmaking course, Neil took advantage of progression routes arranged by Media Trust, participating in industry masterclasses with the project's media partners Discovery Channel and Sky News. In August 2011, Neil was selected by Media Trust to represent the charity, as its young reporter at the autumn Party Political Conferences.

Mentored by high-profile Sky News political journalist, Adam Boulton, Neil developed the skills and knowledge to approach the task ahead with confidence. Adam Boulton was clearly impressed with Neil's development, saying, "I'm very impressed, you have really picked up some of the tricks of the trade."

At the conferences Neil had the opportunity to interview the country's most senior decision makers, including the Prime Minister, Deputy Prime Minister, and Leader of the Labour Party. Both The Times and Sky News covered his journey, and Community Channel documented his story in the short film *24 Hour Party Conference People*.

Neil's involvement with Media Trust was clearly a turning point in his life. It has led onto many opportunities and pathways and will be considered as his first step into a professional media career.

**“ I was at rock bottom, and I came across Media Trust's two-week media course and I think from that point my life completely changed. I gained several skills, production, presenting and I also learnt how to tell a story in front of a camera but it also helped me with other skills; my confidence, my self-esteem and my team building skills. At the moment I'm writing various pieces and newsletters for charities. I'm also a Digital Champion, I get online where I help people to get online and also I am at Open Uni studying for an English Literature degree. Now I am so proud of myself, it's been a journey and a half. ”**

Neil White, Talent Studio participant

## Objective 3 – To harness creative industry talent, volunteers and pro bono support

The UK media industry has phenomenal reach, skills and creativity. Harnessing this incredible power for positive change in charities and communities around the UK remains at the core of everything we do.

Media Trust's corporate members continued to underpin our work by providing membership contributions, media volunteers, technical and marketing support, board involvement, and strategic creative partnerships. Corporate members during the year included Aegis, BBC, Channel 4, Daily Mail and General Trust, Discovery Networks Europe, Elmwood, Google, Guardian Media Group, IPC Media, ITV, MTV Networks UK & Ireland, News International, OMD, Sky, Warner Bros and WPP. We were delighted to welcome Aegis as our newest corporate member.

During the year, 822 media and communications professionals volunteered their time and creative skills to support charities and communities to have a voice. Some of our volunteers provided one-off support for a specific project or challenge, while others worked intensively over long periods of time to bring about significant and lasting change in charities and communities.

In 2011/12, we also worked strategically with 29 media companies on high-profile pro bono and volunteering projects. One example is our Campaigns for Good initiative, where JWT London (part of the WPP Group, which is a long term corporate member of Media Trust) provided more than £50,000 of pro bono creative media support to national spinal injury charity Aspire for their new fundraising campaign.

### Campaigns for Good

Aspire was the first charity to benefit from our 'Campaigns for Good', a new initiative run by us and advertising agency JWT London to give UK charities the chance to receive help and advice for a communications campaign. Aspire works to provide practical solutions and opportunities for people with spinal cord injuries. JWT London helped them to build their brand strategy and develop 'starter for ten' campaign ideas. Media Trust also provided ongoing volunteer communications support, resources and training.

Aspire and JWT London worked together to develop a campaign to send to Brand Managers to increase the visibility of Aspire and how they could work together through a product partnership, to help raise awareness of spinal cord injury and gain further funding to support the work of Aspire.

**|| Every eight hours someone in the UK is paralysed by a spinal cord injury. Much of our work involves providing practical support and funding for wheelchairs, allowing those affected to live independently. However, we currently lack the funds to assist 50% of the people who ask us for help and we hope that the campaign we develop with the help from JWT London will raise awareness and encourage more donors. ||**

**Chris Field**, Director of Fundraising and Marketing at Aspire



**|| We were privileged to meet with a range of truly inspiring charities, each with important causes. Our decision to partner with Aspire was based on where we felt we would be able to make the most valuable contribution. We are very excited to be launching this new initiative with Media Trust and hope it will be the start of many such partnerships with UK charities. ||**

**Tony Quinn**, Head of Planning at JWT London

Our work with the Aspire charity brought together new people within the agency, provided an opportunity to explore new creative solutions and generated a groundswell of enthusiasm among the team and wider agency. We are proud of the direct campaign we have produced for Aspire, which has opened up new channels of communication between the charity and potential brand partners and gathered a lot of positive feedback from the industry.

**|| 'Campaigns for Good' as a new model of agency giving is one we would like to build on and is already gaining traction among other WPP employees who are beginning to replicate the model for themselves. ||**

**Claire Jackson**, Board Planning Director at JWT London

## Youth media partnerships and projects

During the year, 211 of our media volunteers mentored young people working on youth media projects across the UK.

We worked with the media industry to offer young people from disadvantaged backgrounds the opportunity to attend media masterclasses and access work experience opportunities at well-known media brands including BBC, Channel 4, ITV, MTV, Nickelodeon, and Discovery Channel. This provided these young people with a unique opportunity to understand how a professional environment works and in turn gave them transferable skills and raised their aspirations.

In total, 369 media companies supported our programme of matching media professionals to charities, whilst a further 29 media companies supported our youth media activity by providing professional media briefs, volunteers, industry masterclasses, work experience placements and distribution platforms.

In 2011 Media Trust launched Column Idol for the second consecutive year. Run in partnership with The Sun newspaper, Column Idol aimed to find raw, undiscovered writing talent and get young voices heard. The competition received over 800 entries from young people across England and Wales. Six finalists were selected and mentored by Sun journalists through Media Trust's youth mentoring scheme to develop their column ideas. During the course of the competition 12 young voices were heard in the paper reaching millions and one lucky winner saw their final column printed in The Sun in September 2011.

## Breaking into News

Breaking Into News was a competition launched in 2011, by ITV News in partnership with Media Trust. Fronted by BAFTA award-winning ITV News at Ten presenters Mark Austin and Julie Etchingham, the competition sought to discover new talent and find top broadcast journalists of the future. We offered 18-25 year-olds the chance to be mentored by experienced broadcast journalists from the ITN newsroom in writing, presenting and production skills.

From almost 300 entrants, six talented young people were selected for four days of mentoring by experienced journalists, including UK Editor Richard Pallot and presenter Charlene White. The mentors helped the young people develop their ideas into news reports, producing final pieces to be considered for a host of fantastic prizes, including the opportunity to work alongside the ITV News at Ten team, an iPad to help with future projects and the chance to have their final piece considered for inclusion on an ITV News platform.

**|| We had six enthusiastic finalists with some excellent ideas, which we developed into pieces of news television. The aim was to identify talent who wouldn't normally find a way into somewhere like ITN. Breaking Into News has opened that door for them. ||**

Robin Elias, Managing Editor at ITV News

Those shortlisted presented their news reports to a high-profile judging panel including ITV News managers, Mark Austin, Julie Etchingham and executives from Media Trust.

**|| The standard of reports from all six finalists was remarkable. They showed a real understanding for television news, but also displayed an energy and passion to bring their subjects alive. The finalists said they learned a lot from the experience of working with producers and reporters at ITV News - but we learned a lot from them too. ||**

Robin Elias, Managing Editor at ITV News

After much deliberation, the judging panel unanimously decided the winner to be Sophia Kichou. Sophia is a 20 year-old student, who was born in the UK but grew up in Uganda. She returned to the UK aged 18, but due to family circumstances had to spend time living in a hostel. The experience inspired her to want to become a journalist, to tell the stories of real people and challenge perceptions of young homeless people in London. She is now living independently, studying Television Production at college and volunteers with homelessness charity, Centrepont.

**|| The project has helped Centrepont promote its brand and the work we do - there's no better way to explain what we do than have a young person talk about their experiences and the support they have received. Sophia has become a real ambassador for us. ||**

Gemma Hampson, Digital Communications Manager at Centrepont

Mentored by Nicolette Amette, Features Editor at ITV News, Sophia produced a compelling report about the true extent of homelessness in London and how those sleeping rough on the streets are just the tip of the iceberg. Sophia's piece told the story of Sadie, who at just 13 found herself homeless and sleeping on the night bus in her school uniform, after breaking up with her older boyfriend.

**|| Sophia talked to everyone about her piece, seeing what their perceptions of homelessness were and how she could tell this story the best she could. Telling the story became her overriding aim - more than 'winning the competition'. I have been at ITN a long time and this is one of the most rewarding things I've done. One person and one piece can make you remember why you wanted to become a journalist. Sophia's enthusiasm is totally contagious. She'll go far in her chosen profession and we are lucky that it is ours. ||**

Nicolette Amette, Features Editor at ITV News

**|| I'm really excited and really happy to have won Breaking into News. This will help with my university applications and I've learnt so much and enjoyed working with my mentor. I am currently finishing off my foundation in TV production and hope to go to City University in September 2012 to study Journalism. Winning the competition opened so many doors for me. My mentor and I are always in touch and I have done other work for ITN. ||**

Sophia Kichou, Breaking into News competition winner

## Community Channel

Development was undertaken for a new partnership with Community Channel and The Sunday Times to run a UK-wide competition in 2012/13 for community-based social entrepreneurs. The Changemakers.

Sky, Virgin Media and Arqiva continued to provide technical, marketing and distribution resources to enable Media Trust's Community Channel to broadcast into 98% of UK homes, giving a unique television and online platform for charities, communities and young people to distribute their content, as well as an opportunity for UK audiences to watch the best social action content from UK and international broadcasters, including the BBC, Sky, ITV, Channel 4, MTV and Discovery Channel.

Google and YouTube provided pro bono advice and marketing to develop a growing audience for Community Channel films on YouTube and to increase visibility and impact for all Media Trust services.

## Our people and our infrastructure

We continued to receive widespread feedback from our partners and clients regarding the quality, creativity and commitment of our staff and our volunteers. During the year our people came from a wide range of experience and backgrounds across the media, charity and corporate sectors, contributing a unique mix of skills and talent to our work. We encouraged internal promotion and were often able to appoint from within.

We invested in staff development throughout the year and provided organisation-wide training in Visual Awareness, Moving into Management and LinkedIn, as well as providing courses for individual training needs where possible.

A series of informative and inspirational lunchtime talks were organised for staff on the area of digital innovation, which many staff engaged in. Speakers were from Google/YouTube, BBC, Unilever, Page and the Cabinet Office. We continued to encourage staff to attend our courses and to use their two volunteering days to volunteer for a charitable or voluntary organisation, or for equivalent civic roles such as magistrate or school governor.

As part of our continuous commitment to improving staff experiences at Media Trust, we conducted an employee satisfaction survey in November 2011. It covered Communication, Recognition and Reward, Training and Development, Job Satisfaction, Media Trust's Objectives, and Teams and Processes. The results of the survey were communicated to all staff and helped us inform and continuously improve our practice. We also conducted an equal opportunities survey in September 2011 so as to help us develop our equal opportunities policy and practice.

In order to ensure that we are delivering high impact services, we have been working with external advisers to improve our ability to better measure and demonstrate our impact. This has involved analysing our current methods of impact evaluation, benchmarking us against other similar organisations in the voluntary sector and drawing up a cross-organisational monitoring and evaluation strategy. We have identified a number of impact champions across the organisation who will directly input into the strategy and implementation to ensure that we develop a system that works across the organisation.

We continued to take on volunteers across the organisation mainly on three to six-month placements. Volunteering within Media Trust has many benefits for both the volunteers and us. We have collated a number of testimonials from previous volunteers to illustrate the value they found in volunteering and how this has helped to shape and provide paid employment opportunities for them.

We are now settled into our White City offices in West London, which is in close proximity to the BBC, one of our key corporate members. Our lease gives us flexibility to downsize should we need to, depending on our staff and volunteer headcount.

During the year, we invested in upgrading our film production edit suite infrastructure so as to support our move to tapeless media. At zero financial cost we reorganised part of our premises so as to make it a more flexible and creative environment for meetings, informal discussions and collaborative working.

## Future developments

We are enthusiastic about the impact that we have on charities and communities across the UK and see many areas where we can further increase our impact, develop our services, and make a real and lasting difference by harnessing the power of media to change lives

Our training and volunteer matching services hold steady, and we hope to attract additional support from funders to expand our staff resource in volunteer matching, and to develop online and mobile matching applications

Media training and mentoring for young people, in partnership with the youth charities, will continue, supported by a grant from the Department of Education, and by our extensive network of media partnerships and media mentors. Meanwhile we are seeking to generate other income for Youth Media mainly from fees and contracts

We aim to continue our highly successful pilot work of "participatory evaluation", funded by trusts and organisations to train and enable their beneficiary communities to tell the story of the impact of their funding through film. Alongside this new model we continue to work with charitable funders to help them tell the stories of their impact through film production for their own websites, those of their beneficiaries and social media

Our film production team continues to win contracts from large and medium-sized charities, and we start the new financial year with a range of guaranteed contracts from the charitable and corporate sector, including The Prince's Trust, Gamcare, LandAid, Barclays Citizenship Awards and Sainsbury's as sponsors of our Untold Stories series on Community Channel

For Community Channel, advertising and airtime sales income is growing along with audiences. Our support from Big Lottery Fund will enable us to continue to run and develop Community Newswire and Community Channel online until mid-2014. Community Channel on television platforms is guaranteed until May 2013. While we are keen to keep this unique television platform, our parallel strategy is to grow audiences online - via our own online platforms and YouTube, and via partners, and we will launch in autumn 2012 on BBC iPlayer, providing a unique window on this platform for charities and communities

We are growing our activity in grassroots communities across the UK, through our Big Lottery funded "newsnet", which is resourced until May 2014, giving us time to develop online, face-to-face and income-generating services to support communities across the UK to create and share stories and voices

Mediatrust.org unique users and our social media followers (13,000 on Twitter by June 2012) are growing fast, and will provide a major driver of communications resources for charities and communities

Our challenges continue to be funding and income generation, but we believe that our mix of services, the positive feedback we continue to receive from our clients, our good long-term relationships with many funders, and our unique media partnerships will underpin steady and strong activity for Media Trust into the future

## Review of financial position

2011-12 was a year when both the charity sector and the media industry faced challenges. Media Trust's biggest challenge during the year was to identify new funds to replace the reduction in government funding. The Big Lottery Fund, a range of trusts and foundations, some continued support from government, alongside steady demand for our income-generating services ensured we were able to continue to broadcast Community Channel, to re-launch Community Newswire and to continue our Youth Media activity, alongside our core activities.

In spite of all the financial challenges, our Consolidated Balance Sheet reveals a strong financial position as at 31 March 2012. This is in terms of both liquidity and reserves. Our financial performance and financial position, along with the investments we have made in 2011/12 in areas such as fundraising, enhanced customer relationship management system, updated film edit suite facilities and more in-depth evaluation of our work, provide us with confidence that we will continue as a going concern in the foreseeable future.

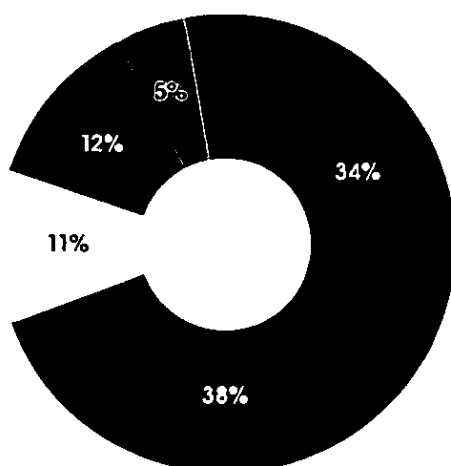
Total income decreased by £0.3m from £4.8m in 2010/11 to £4.5m in 2011/12 mainly due to expected reduction in income from government grants, which was compensated to a great extent by support from trusts, foundations and the Big Lottery Fund, along with an increase in contracts. The overall net decrease was offset by brought forward unrestricted and restricted reserves of approximately £0.9m and £0.4m respectively. An analysis of the 2011/12 incoming resources is shown in graphical form on page 23.

Overall, our total expenditure decreased by £0.6m from £5.4m in 2010/11 to £4.8m in 2011/12. This decrease was in line with expectations and an analysis of the resources expended in 2011/12 is shown on page 23.

Expenditure in the year was greater than our income, giving an overall in-year deficit of £0.3m. This was as a result of planned expenditure in the year against the restricted reserve carried forward from the previous financial year.

The year ended with a healthy reserve to carry forward, alongside committed income from a range of funders and clients.

### Incoming Resources 2011/2012

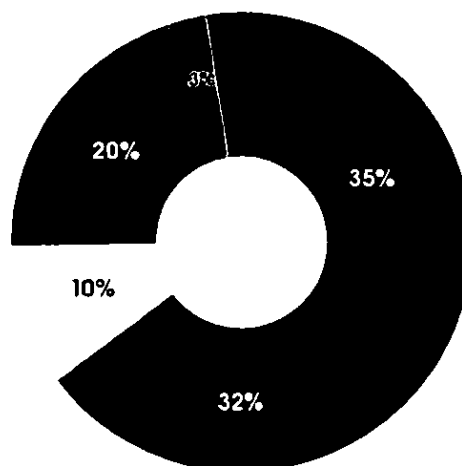


■ Youth Services

■ Communication Services

Film Production

### Resources Expended 2011/2012



■ Community Channel

■ Other

### Principal funding sources

Donations, membership and marketing contributions 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 the Big Lottery Fund and government departments. Fees are charged for media and communications training, projects and film production.

Details of amounts received are set out in notes two and three 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. This policy has been reviewed in March 2012 by the Finance and Audit Committee and reported to the full Board in May 2012. As part of the review a Savings and Cash Deposits Policy was agreed.

### **Reserves policy**

The Trustees have reviewed the requirements for reserves in light of the material financial risks of the charity that cannot be managed in other ways. Following the review, the Trustees have agreed that in order to mitigate against those risks and to operate effectively, Media Trust needs unrestricted reserves of £300K. With unrestricted reserves of £723K as at 31 March 2012, the Trustees have decided to release £350K to support the work of the charity investing in fundraising and marketing in these more challenging times. It is the Trustees' intention to revisit the reserves policy and the level of reserves during the coming year.

## Structure, governance and management

Media Trust is a charitable company limited by guarantee, incorporated on 8 February 1994 and registered as a charity on 12 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 22 October 1998. Media Trust is the sole member of the trading company. Directors and Trustees of Media Trust are also Directors of the trading company except for Matt Brittin. The Chief Executive of Media Trust is also a Director of the trading company.

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 six to the financial statements.

No trustee is at this time subject to retirement by rotation, as none has served three years or more since their appointment or reappointment.

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

## Supporting committees include

*Finance and Audit Committee* Paddy Coulter (Chair), Scott Cormack (Treasurer), Jane Reed, as well as a co-opted member, Keith Hickey (Group Director – Resources, RNIB) This Committee meets three times a year and reports to full Board meetings

*Nominations and Remuneration Committee* 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 and 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 reviewed at least 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, senior staff, volunteers and stakeholders, including funders and corporate members. 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 regular basis. Business plans and strategic plans are discussed, agreed, amended and revised by the Trustees at Board meetings and awaydays. 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 and Resources Director reports on the financial position, including out-turn against budget. The Board receives management accounts quarterly.

## Risk management

The Trustees review the risks to which the organisation is exposed throughout the year, both at the Finance and Audit Committee and again at full Board meetings. A risk register is regularly reviewed by management and Trustees, and updated as appropriate. Systems and procedures have been established to mitigate the risks the charity faces. The risks cover all potential threats to the business including, financial, legal, operational, governance and reputational.

## Organisational structure

The Chief Executive has responsibility for planning and developing the strategies and services for 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.

The senior management team has experience in television, digital media, youth media, charity communications and marketing, finance, HR and operations. During the financial year 2011/12 the senior management team consisted of

▪ Chief Executive	<b>Caroline Diehl</b>
▪ Creative Media Director and Deputy Chief Executive	<b>Katie Lloyd</b>
▪ Digital Media Director	<b>Mark Dodd</b>
▪ Marketing Director	<b>Gavin Sheppard</b>
▪ Fundraising Director (from November 2011)	<b>Fariba Kellaway</b>
▪ Finance and Resources Director	<b>Mark Boisson</b>

Staff working in 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, media industry secondments, volunteer interns, and media industry volunteers who, recruited and matched through Media Trust, give their time and communications skills to support charities, communities and individual beneficiaries of charities across the UK.

Media Trust is an active member of the media industry's Cultural Diversity Network, pledging to continue to advance our own diversity, and to provide support and opportunities for our media partners to enhance their diversity through accessing new and diverse talent and communities.

## Volunteer policy

We offer a range of volunteering opportunities both within the Media Trust team, across our services, and with charities, communities and young people across the UK. We have a formal volunteering policy, and our HR Manager and our operational managers are provided with training, appropriate checks and advice to maximise positive outcomes and impact for our volunteers and for the projects and people they support.

## Trustees' responsibilities

The Trustees are responsible for preparing the annual report and the financial statements 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 judgments 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 2006. 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.

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.

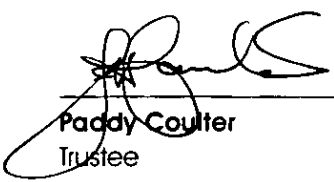
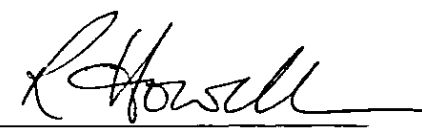
In accordance with company law, as the company's Directors, we certify that

- 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

  
\_\_\_\_\_  
**Paddy Coulter**  
Trustee  
\_\_\_\_\_  
**Rupert Howell**  
Trustee

10 July 2012

## **Independent auditors' report to the members of The Media Trust**

We have audited the financial statements of The Media Trust for the year ended 31 March 2012, which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheet and the related notes. 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).

This report is made solely to the company's members, as a body, in accordance with Chapter three 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 a Report of the Auditors 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 in the Report of the Board of Trustees, 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.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. 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 (APB'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. 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 and group's affairs as at 31 March 2012 and of the group's incoming resources and application of resources including its income and expenditure, for the period then ended,
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

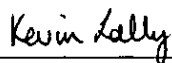
## **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees Annual Report for the financial year to which the financial statements are prepared is consistent with the financial statements

## **Matters on which we are Required to Report by Exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require 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



**Kevin Lally**

(Senior Statutory Auditor)

For and on behalf of

**Knox Cropper**

Chartered Accountants, Statutory Auditor  
8/9 Well Court, London EC4M 9DN

10 July 2012

# The Media Trust Consolidated Statement of Financial Activities (Income and Expenditure Account)

For the year ended 31 March 2012

		2012		2011	
		Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
<b>Incoming resources</b>	<b>Notes</b>				
Incoming Resources from Generated Funds					
Voluntary income	2	174,018	-	174,018	165,354
Investment income		8,461	-	8,461	11,335
<b>Sub totals</b>		<b>182,479</b>	<b>-</b>	<b>182,479</b>	<b>176,689</b>
Incoming Resources From Charitable Activities	3				
Community Channel		417,438	1,299,886	1,717,324	907,744
Voluntary sector campaigns		-	59,000	59,000	2,880
Film production		494,874	-	494,874	376,941
Communications services		248,968	279,954	528,922	1,318,312
Youth Media		14,692	1,504,860	1,519,552	2,006,139
<b>Sub totals</b>		<b>1,175,972</b>	<b>3,143,700</b>	<b>4,319,672</b>	<b>4,612,016</b>
<b>Total incoming resources</b>		<b>1,358,451</b>	<b>3,143,700</b>	<b>4,502,151</b>	<b>4,788,705</b>
<b>Resources expended</b>	4				
Costs of Generating Funds					
Costs of generating voluntary income and donated services		34,478	-	34,478	32,217
Charitable Activities					
Community Channel		417,438	1,105,082	1,522,520	1,100,174
Voluntary sector campaigns		-	58,294	58,294	10,537
Film Production		503,113	-	503,113	454,148
Communications services		630,723	316,128	946,851	1,641,917
Youth Media		11,240	1,649,232	1,660,472	2,149,170
<b>Sub totals</b>		<b>1,562,514</b>	<b>3,128,736</b>	<b>4,691,250</b>	<b>5,355,946</b>
Governance costs		17,651	36,470	54,121	49,285
<b>Total resources expended</b>		<b>1,614,643</b>	<b>3,165,206</b>	<b>4,779,849</b>	<b>5,437,448</b>
<b>Net income/(expenditure) for the year</b>		<b>(256,192)</b>	<b>(21,506)</b>	<b>(277,698)</b>	<b>(648,743)</b>
Fund balances brought forward		978,962	370,286	1,349,248	1,997,991
<b>Fund balances carried forward</b>		<b>722,770</b>	<b>348,780</b>	<b>1,071,550</b>	<b>1,349,248</b>

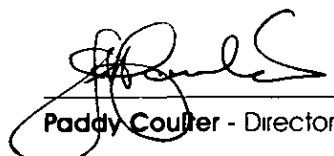
All recognised gains and losses are included in the above statement of financial activities



**The Media Trust**  
**Consolidated and company balance sheet**  
**As at 31 March 2012**

		Group		Company	
	Note	2012 £	2011 £	2012 £	2011 £
Fixed assets	7	21,978	5,504	21,718	4,877
Current assets					
Debtors	8	448,602	508,690	382,806	476,103
Cash at Bank and in Hand		1,006,328	1,091,796	897,826	1,091,406
		1,454,930	1,600,486	1,280,632	1,567,509
Creditors					
Amounts falling due within one year	9	(405,358)	(256,742)	(418,745)	(233,546)
Net current assets		1,049,572	1,343,744	861,887	1,333,963
<b>Total assets less current liabilities</b>		<b>1,071,550</b>	<b>1,349,248</b>	<b>883,605</b>	<b>1,338,840</b>
Funds - Restricted	12				
Held by company		171,243	370,286	171,243	370,286
Retained by subsidiary		177,537	-	-	-
		348,780	370,286	171,243	370,286
Funds - Unrestricted	13				
General Reserves					
- Held by Company		712,362	698,554	712,362	698,554
- Retained by Subsidiary		10,408	10,408	-	-
Designated reserve		-	270,000	-	270,000
		722,770	978,962	712,362	968,554
<b>Total funds</b>		<b>1,071,550</b>	<b>1,349,248</b>	<b>883,605</b>	<b>1,338,840</b>

Approved by the Board of Directors on 10 July 2012 and signed on their behalf by

  
**Paddy Coulter** - Director

  
**Rupert Howell** - Director

Company Registration No 02895790  
 Charity Registration No 1042733

**The Media Trust**  
**Notes to the financial statements**  
**For the year ended 31 March 2012**

**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 is predominantly three years
- (c) Donations of cash 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
  - i Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of Media Trust
  - ii Designated funds comprise unrestricted funds that have been put aside at the discretion of the trustees for particular purposes (see note 13)
  - iii 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

	2012 Total £	2011 Total £
Corporate donations and sponsorship	159,018	145,354
Donations in kind – staff secondments	15,000	20,000
<b>Total</b>	<b>174,018</b>	<b>165,354</b>

The Trust's corporate members during the year included the BBC, Channel 4, Daily Mail and General Trust, Google, Guardian Media Group, ITV, MTV Networks UK & Ireland, OMD and Sky

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 Arqiva, Sky and Virgin Media, which include bandwidth, programming and cross promotion both on air and in press advertisements and listings. The Community Channel, with revenue streams of £1.7m is crucially dependent on the bandwidth given. These organisations have variably committed to provide bandwidth but there is no guarantee that this will continue in future years. These services have not been valued because in the view of the Trustees their value to The Media Trust, in meeting its charitable objectives, is immeasurable in the context in which they are given and used.

### 3 Incoming resources from charitable activities

2012

	Community Channel £	Voluntary Sector campaigns £	Film Production £	Communications Services £	Youth Media £	Total 2012 £	Total 2011 £
Office for Civil Society – Cabinet Office	230,000	59,000	-	-	-	289,000	600,000
Department for Communities and Local Government	-	-	-	100,000	-	100,000	520,967
Department for Education	-	-	-	-	439,351	439,351	406,285
Department for Work and Pensions	-	-	-	-	57,300	57,300	252,250
Capacity builders	-	-	-	-	-	-	400,000
Department of Culture, Media and Sport	-	-	-	-	-	-	322,000
Big Lottery Fund	827,886	-	-	-	1,003,209	1,831,095	890,587
City Bridge Trust	142,000	-	-	-	-	142,000	-
Open Society Foundations	100,000	-	-	-	-	100,000	-
Nominet	-	-	-	49,980	-	49,980	-
Arts Council for England and Wales	-	-	-	-	-	-	2,880
Other grants	-	-	-	129,973	5,000	134,973	26,250
Fee income	417,438	-	494,874	248,969	14,692	1,175,973	1,190,797
<b>Total</b>	<b>1,717,324</b>	<b>59,000</b>	<b>494,874</b>	<b>528,922</b>	<b>1,519,552</b>	<b>4,319,672</b>	<b>4,612,016</b>

#### 4 Analysis of resources expended

	2012		2011	
	Direct costs £	Support costs £	Total £	Total £
Generating funds	-	34,478	34,478	32,217
Community Channel	1,332,025	190,495	1,522,520	1,100,174
Voluntary sector campaigns	51,401	6,893	58,294	10,537
Film production	382,646	120,467	503,113	454,148
Communications services	847,522	99,329	946,851	1,641,917
Youth Media	1,531,853	128,619	1,660,472	2,149,170
Governance	-	54,121	54,121	49,285
<b>Total resources expended</b>	<b>4,145,447</b>	<b>634,402</b>	<b>4,779,849</b>	<b>5,437,448</b>

#### Analysis of support costs

	2012		2011	
	General management £	Premises & facilities £	Total £	Total £
Generating funds	23,861	10,617	34,478	32,217
Community Channel	147,485	43,010	190,495	135,899
Voluntary sector campaigns	5,337	1,556	6,893	-
Film production	93,268	27,199	120,467	116,579
Communications services	76,903	22,426	99,329	250,042
Youth Media	99,580	29,039	128,619	278,956
Governance	47,871	6,250	54,121	49,285
<b>Total resources expended</b>	<b>494,305</b>	<b>140,097</b>	<b>634,402</b>	<b>862,978</b>

#### 5 Net incoming resources is stated after charging

	Group	
	2012 £	2011 £
Depreciation	16,104	8,797
Audit fee	5,425	5,250
Other accounting services	-	-

## 6 Staff Costs

Group		
	2012 £	2011 £
Salaries	1,882,749	2,187,309
Social security	201,121	223,262
Pension costs	33,877	27,118
	<b>2,117,747</b>	<b>2,437,689</b>

A defined contribution scheme for all staff operated during the year with contributions of at least 4% from the employees and 3% from the employer (2011 employee 4%, employer 3%)

	2012	2011
The average number of staff employed during the year was	58	73
The number of employees whose emoluments for the year fell within the following bands were	-	-
£80,001 – £90,000	-	-
£70,001 – £80,000	1	2
£60,001 – £70,000	4	2

No remuneration or expenses were paid to the Directors (2011 £nil)

## 7 Fixed assets

		Group Equipment		Company Equipment	
		2012 £	2011 £	2012 £	2011 £
<b>Cost</b>					
Balance brought forward		285,689	285,689	115,343	115,343
Additions		32,578	-	32,578	-
Scrapped/written off		-	-	-	-
<b>Balance carried forward</b>		<b>318,267</b>	<b>285,689</b>	<b>147,921</b>	<b>115,343</b>
<b>Depreciation</b>					
Balance brought forward		280,185	271,388	110,466	103,830
Charge for year		16,104	8,797	15,737	6,636
Scrapped/written off		-	-	-	-
<b>Balance carried forward</b>		<b>296,289</b>	<b>280,185</b>	<b>126,203</b>	<b>110,466</b>
<b>Net book value:</b>		<b>21,978</b>	<b>5,504</b>	<b>21,718</b>	<b>4,877</b>

## 8 Debtors

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Trade debtors	139,315	468,860	94,958	364,681
Prepayments and accrued income	303,777	17,251	282,338	3,014
Other debtors	5,510	22,579	5,510	22,579
Amounts due from group undertakings	-	-	-	85,829
	<b>448,602</b>	<b>508,690</b>	<b>382,806</b>	<b>476,103</b>

## 9 Creditors

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Trade creditors	204,760	35,544	162,978	17,419
Other creditors including taxation and social security	26,196	55,102	33,032	59,280
Overdrafts	-	-	-	-
Accruals & deferred income	174,402	166,096	148,757	156,847
Amounts due to group undertakings	-	-	73,978	-
	<b>405,358</b>	<b>256,742</b>	<b>418,745</b>	<b>233,546</b>

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

## 10 Operating leases

At 31 March 2012 the company had annual commitments under non-cancellable operating leases as follows

Expiry date:	2011 £	2010 £
Within one year	23,231	69,692
Between one and five years	69,482	69,482
In more than five years	-	-
	<b>92,713</b>	<b>139,174</b>

All the operating leases are for the lease on the company's principal office. The lease of one of the two floors is to be terminated on 31 July 2012.

## 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.

## 12 Restricted funds

Movement in Year					
Income					
	Brought Forward £	Interest £	Income £	Expenditure £	Carried Forward £
Community Channel					
Office for Civil Society	-	-	230,000	(230,000)	-
Big Lottery Fund	-	-	827,886	(665,016)	162,870
City Bridge Trust	-	-	142,000	(142,000)	-
Open Society Foundations	-	-	100,000	(85,333)	14,667
Voluntary sector campaigns					
Office for Civil Society	-	-	59,000	(59,000)	-
Film production	-	-	-	-	-
Communications services					
Department for Communities and Local Government	193,376	-	-	(75,782)	117,594
Department for Communities and Local Government	-	-	100,000	(100,000)	-
Nominet Trust	-	-	49,980	(49,980)	-
Other	-	-	129,973	(95,683)	34,290
Youth Media					
Department for Education	-	-	439,351	(439,351)	-
Big Lottery Fund	89,439	-	1,003,209	(1,092,648)	-
Other	73,112	-	62,301	(130,413)	5,000
Other	14,359	-	-	-	14,359
	370,286	-	3,143,700	(3,165,206)	348,780



### 13 Unrestricted funds

Movement in Year					
Income					
	Brought Forward £	Income & Interest £	Transfer £	Expenditure £	Carried Forward £
<b>General reserves</b>					
Held by company	698,554	941,013	-	(927,205)	712,362
Retained by subsidiary	10,408	417,438	-	(417,438)	10,408
Designated reserve	270,000	-	-	(270,000)	-
	<b>978,962</b>	<b>1,358,451</b>	<b>-</b>	<b>(1,614,643)</b>	<b>722,770</b>

### 14 Analysis of net assets between funds

Restricted Funds				
	Unrestricted Funds £	Company £	Subsidiary £	Total Funds £
Fixed Assets	21,718	-	260	21,978
Net Current Assets	701,052	171,243	177,277	1,049,572
	<b>722,770</b>	<b>171,243</b>	<b>177,537</b>	<b>1,071,550</b>

### 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 31 March 2012 there were no capital commitments (2011 - £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.

	2012 £	2011 £
Income	1,717,324	909,109
Expenditure	(1,534,593)	(1,068,353)
	182,731	(159,244)
Gift Aid	(5,194)	(94,522)
Excess of Income over Expenditure	177,537	(253,766)
Total Assets	255,372	145,876
Total Liabilities	(67,427)	(136,094)
<b>Total Reserve</b>	<b>187,945</b>	<b>10,408</b>

### 18 Industry contributors

As described in note 2, The Media Trust is supported by a number of major media organisations (including Arqiva, Sky 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.

## Thank you to our funders

Aegis

BBC

Big Lottery Fund

Carnegie UK Trust

Channel 4

Daily Mail and General Trust

Department for Education

Discovery Networks Europe

Empowerment Fund

Fidelity Foundation

Garfield Weston Foundation

Google

Guardian Media Group

Hugh Fraser Foundation

IPC Media

ITV plc

John Ellerman Foundation

MTV Networks UK & Ireland

News International

Nominet Trust

Office for Civil Society – Cabinet Office

Open Society Foundations

Sky

The City Bridge Trust

The Dulverton Trust

Trust for London

WPP

**Our corporate members during  
the year 2011/12 included**

Aegis Group plc  
BBC  
Channel 4  
Daily Mail and General Trust  
Discovery Networks Europe  
Elmwood  
Google  
Guardian Media Group  
IPC Media  
ITV plc  
MTV Networks UK & Ireland  
News International  
OMD  
Sky  
Warner Bros  
WPP

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