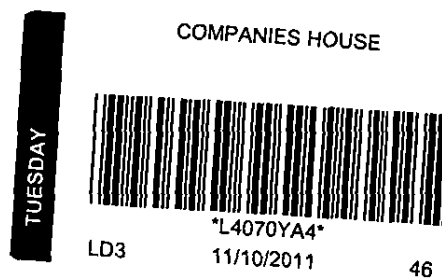


**MENTOR FOUNDATION UK (A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011**

**Charity Registration No 1112339**

**Charity Registration No SC041210 (Scotland)**

**Company Registration No. 5609241 (England and Wales)**



**MENTOR FOUNDATION UK (A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011**

**LEGAL AND ADMINISTRATIVE INFORMATION**

Patrons	Professor Baroness Greenfield Arabella Duffield
Trustees	Ms Sim Scavazza (Chairman) Mr Martin Paisner The Rt Hon The Lord Mancroft Lady Louise O'Connor The Hon Sir David Sieff Sir Jack Stewart Clark Mrs Helen Watson
Chief Executive and Company Secretary	Mr Paul Tuohy
Charity number	1112339
Company number	5609241
Principal address	4th Floor 74 Great Eastern Street London EC2A 3JG
Auditors	H W Fisher & Company Acre House 11-15 William Road London NW1 3ER
Bankers	HSBC 90 Baker Street London W1M 2AX
Solicitors	Berwin Leighton Paisner Adelaide House London Bridge London EC4R 9HA

**MENTOR FOUNDATION UK (A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011**

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## **MENTOR FOUNDATION UK (A COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011**

The Board of Trustees of Mentor Foundation UK presents its annual report and accounts for the year ended 31 March 2011

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005

#### **OBJECTS OF THE CHARITY**

- To advance education and particularly, but without prejudice to the generality of the foregoing, the education of children, young persons, parents and other Carers in the home and community in the harmful effects of substance and drug abuse,
- To promote health and prevention of sickness, in particular but without prejudice to the generality of the foregoing, sickness caused by substance and drug abuse,
- To achieve any other charitable purpose which the Directors in their absolute discretion from time to time think fit

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Mentor Foundation UK is a registered charity and company limited by guarantee, governed by its Memorandum and Articles, dated 1 November 2005

The Trustees (and Directors for the purposes of law), who served during the year were

Sim Scavazza (Chairman)  
The Rt Hon the Lord Mancroft  
Lady Louise O'Connor  
Martin Paisner  
The Hon Sir David Sieff  
Sir Jack Stewart Clark  
Helen Watson

Each Trustee is provided with a job description and an induction plan, which includes Charity Commission guidance on the roles and responsibilities of charity Trustees. The Board endeavours to ensure that it maintains an appropriate mix of skills and experience to enable it to fulfil its mission, and also to ensure that it adequately represents the communities it serves and takes the appropriate steps to fill gaps in the necessary skills

#### **Staffing**

The Chief Executive, Mr Paul Tuohy, is accountable to the Board of Trustees, chaired by Sim Scavazza, and manages other Mentor UK staff (8 in 2010-2011). Some tasks were undertaken by external contractors

#### **OUR MISSION STATEMENT**

To prevent drug misuse and promote the health and well-being of children and young people

#### **THE NEED**

Drugs and alcohol destroy lives and communities. The UK has the highest incidence of drug and alcohol misuse in Western Europe. Across the UK some children are regularly drinking from the age of 9 or 10, and there is an alarming trend in binge drinking. By the time young people reach the age of 15 some 40% will

## MENTOR FOUNDATION UK (A COMPANY LIMITED BY GUARANTEE)

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011

have tried an illicit drug at least once, and by the time they reach young adulthood nearly half a million are regular drug takers

Preventing the early use of drugs and alcohol has been shown to have significant benefits for individuals throughout their lives, reducing the likelihood of developing a problem in adult lives. For every year an adolescent delays drinking alcohol, the chance of becoming dependent reduces by 10 percent

#### **Drug and alcohol misuse harms individuals, families, and communities.**

- Alcohol is the contributory cause of over 33,000 deaths each year. There are between 250,000 and 350,000 children of problematic drug users within the UK and 1.3 million (one in eleven) children in the UK live with parents who misuse alcohol
- Almost 150 young people turn up in A&E as a result of their alcohol use
- Drug related deaths in England and Wales in 1993 were 860, in 2008 this had risen to over 1,700

#### **The Cost**

- The immediate costs of young people's drug use have been estimated at over £100 million a year in crime and health costs, with those costs spiralling into the billions once drug and alcohol users develop entrenched problems in adulthood
- PricewaterhouseCoopers, in research carried out for the Ministry of Justice, have estimated that the lifetime cost associated with a single problematic drug user as being between £827,000, and £859,000. They are also able to show that earlier intervention has considerable cost benefits if problem drug use is avoided, so were an intervention immediately effective at the age of 21 there would be savings of about £736,000 per person
- Mentor is pressing for more government funding to be made available for prevention, protecting children from the harms of substance misuse before it begins

#### **Prevention = Protection of children**

Mentor believes that prevention is the best and most cost effective way to protect our children from substance misuse. A recent report from the US government argued that effective prevention programmes could have prevented 1.5 million of that country's young people from starting to use drugs. The same report said that for every \$1 invested in effective prevention \$18 would be saved in the associated costs borne by society.

In the UK, Mentor has been working to improve the evidence base for what works, running and supporting practical and innovative prevention initiatives, commissioning and publishing evaluations of our project work and bringing our recommendations to the attention of national and local government.

Nevertheless, more needs to be done to ensure that prevention becomes the front line of defence against drug and alcohol misuse and the protection of our children from the harms they cause.

Mentor needs support in order to

- **Establish projects that give schools and community groups access to evidence based programmes.** There are currently no evidenced based programmes for schools to access and a recent OFSTED report stated that they could not find a single school that delivered 'excellent' drug education. This is a key goal for Mentor in 2011 and beyond. We know programmes that have been trailed and

## **MENTOR FOUNDATION UK (A COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011**

work and will be seeking support enable schools to have direct access to bring successful prevention programmes into the classrooms nationally

- Help parents, carers and wider society to understand prevention – its potential, the evidence for effectiveness, and its practical application
- Run peer based workshops by young people for young people at risk
- Highlight local role models and programmes

Lobby and campaign for effective prevention policy and practice We want to see the benefits of drug prevention unlocked in the UK so that fewer young people suffer the harms drugs and alcohol cause

Mentor believes that all young people should be able to make informed choices about drugs and alcohol and must be equipped with the skills and confidence to stand up to the social, psychological and peer pressures which may make them more vulnerable to drug and alcohol abuse

At the heart of our work is the belief that young people themselves must have a voice in the field of drug prevention

#### **WHAT WE ACHIEVED IN 2010/11**

In the past year we have influenced over 15,000 young people in their behaviour towards drinking and drugs For example - one of our projects in rural communities saw 77% of participants say they had reduced their alcohol consumption since being involved with Mentor

Work in just one of the youth programmes we support has reported a 30% decrease in youth disorder figures and a 49% decrease in alcohol related incidents

A peer education project we ran this year saw 60 % of participants gain a positive change in their awareness of alcohol and the effect it can have on mind and body Additionally we found some impressive changes to the general well-being of the young people who we work with to deliver the programmes Those young people saw large increases in their general happiness, large reductions in their levels of anxiety and an increase in positive family relationships

One of the most vulnerable groups we have been concerned about are children living in kinship care because of the alcohol and drug problems of their birth parents We have recently published our research findings on this underexplored issue and more practically have produced the UK's first guide to support kinship carers Such was the impact of our guide, the Scottish Government have commissioned a second edition of 10,000 copies to go to every carer in the country

#### **REVIEW OF ACTIVITIES IN 2010/11**

##### **CHAMP Awards (Children's Health through Alcohol Misuse Prevention)**

The CHAMP Awards celebrate the best alcohol misuse prevention projects working with young people aged 14 and under By rigorously evaluating the achievements of the winners, Mentor helps grassroots projects around the country to share the best ideas and practice, encouraging young people to opt for healthy, fun activities instead of alcohol

2010 saw the third and final CHAMP Awards, which have reached over 120,000 children and young people since its beginning The Awards have helped dozens of grassroots and community groups to expand their work

## **MENTOR FOUNDATION UK (A COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011**

*"Since winning the award, we've been able to expand our work from 20 to 41 primary schools across the city. We can't overestimate the impact of winning." (CHAMP winner)*

Mentor is very grateful to Diageo for sponsoring the CHAMP Awards for the past 7 years

#### **London Youth Involvement Project**

This 3-year project will result in an externally evaluated best practice model enabling commissioners throughout England to pursue the most effective, sustainable drug prevention policies and services for young people aged 12 – 15

The London pilot brings together, as equals, young people and professionals working across health and social care and other sectors, consulting on the complex issues surrounding young people and drug prevention

The young people will develop tools and recommendations to deliver improved drug prevention policy and services, reducing harms and improving health

An incredible group of enthusiastic and passionate young people have been recruited as Youth Advisors. As well as learning about drug and alcohol prevention and working towards accreditation, they have the opportunity to share what they believe is key for drug prevention, to gather the views of other young people and experts and to take their messages to decision makers. Developed and driven by the Youth Advisors themselves, the project champions youth participation.

The Advisors have already met the Head of the Substance Misuse Team at the DfE to advise him on drug education and prevention activities for young people. We are very grateful to The City Bridge Trust and The Peter Cruddas Foundation for their support.

#### **Peer Education Alcohol Project (Scotland)**

A group of young peer educators was recruited to work together to develop and deliver a curriculum aimed at reducing the harms that alcohol can cause. The project has been delivered to over 180 young people considered to be at risk of alcohol misuse.

60% of participants gained a positive change in their awareness of alcohol and the effects it can have on the mind and body. There were also important changes in the attitudes of the peer educators, with a 12% increase in positive attitudes to school, and an 8% increase in positive family relations.

Having shown the potential for peer education to impact on preventing harms, we now seek funding to further develop this project into other settings, including work with young offenders.

#### **EU Kinship Carers Project**

The EU Kinship Carers project operated across 7 European countries – UK, Belgium, Sweden, Lithuania, Spain, Italy and Romania. Mentor in the UK was responsible for co-ordinating programme delivery, evaluation, reporting and financial controls across the 7 countries.

The 3-year project which completed in March produced the first comprehensive needs assessment and literature review of kinship carers in Europe, resources to meet their needs and training and resource pack for professionals.

In Scotland, the Government immediately commissioned a second edition of the guide for kinship carers to go countrywide.

## **MENTOR FOUNDATION UK (A COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011**

#### **BME and Rural Alcohol Project (Scotland)**

The project piloted and evaluated 6 alcohol misuse prevention projects with immigrant and rural communities so that these communities have greater knowledge, skills and experience in delivering and evaluating prevention services for children and young people

The impact of the project has been significant with over 70% of participants reporting that they had reduced their drinking since becoming involved in the project

The learning from this project are influencing the way we develop our community-based work

#### **Drug Education Forum**

The Drug Education Forum (DEF) supports, informs and improves the practice and profile of drug education (including alcohol education) in England. This is achieved by working with members, national organisations who are committed to these goals. The DEF

- Influences policy at local and national level
- Develops capacity throughout England in the field of drug education
- Informs and improves drug education practice throughout England

Members include drug and children's charities, the police, health professionals and the national bodies for health educationalists. The DEF reaches an estimated 10,000 individual drug education trainers and practitioners. The DEF hosted 3 member meetings, and 3 open seminars, and produced a set of principles for effective drug education and briefings on early intervention, and changes to government policy.

The Forum continued its collaboration with DfE, including participating in the re-writing of the Government's guidance on drug education for schools, and responding to the consultation on the new drug strategy, and continued to provide free web-based resources on statistics, research and practice.

#### **FUNDRAISING**

The issue of drug and alcohol misuse does not generally engender public sympathy or attract unrestricted general funding. We therefore rely heavily on grant giving trusts and foundations to support our work. Previously Mentor has been the recipient of some government grant funding but the change of government has seen a change of philosophy for funding the Third Sector meaning that the Westminster government will no longer be a grant giver. This provides a significant challenge to achieve our objectives will mean that we will have to rely on finding increased sources of income elsewhere.

We do not have the resources to invest in donor recruitment or expensive funding events but we have played to our strengths and with the help of our Trustees and have generated £255,582 from trusts and foundations who can see the potential and need for Mentor's work. We plan a stronger and clearer communications plan in the future to enable more to commit to helping us achieve our mission and encourage companies and philanthropists alike to work with us for the future well-being of our children.

The UK currently has the highest rates of drug and alcohol misuse in the Western Europe. The knock on effect of this is broken homes, vandalism, crime, unemployment, addiction and general misery. And yet society sees this as our government's problem. It is not. It is ours. Mentor believes that with an increase of just £500,000 per annum we could play a significant role in providing well researched educational programmes that work from primary school through to university backed up with appropriately accessible advice for parents, schools and communities.



## **MENTOR FOUNDATION UK (A COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011**

#### **MENTOR INTERNATIONAL**

Mentor in the UK works closely with Mentor International and other Mentor nationals across the globe. We share a mission, to prevent drug misuse and promote the health and well-being of children and young people. We work to achieve this in culturally appropriate ways and occasionally work together on joint projects. Mentor International plays a key role in promoting evidence based approaches to prevention on an international stage.

Through our partnership we share all our work and findings and disseminate them to other NGOs working the same field.

The Mentor International website contains information on all of the Mentor charities including our work in the UK. We also have our own website at [www.mentoruk.org.uk](http://www.mentoruk.org.uk)

#### **REVIEW OF THE FINANCIAL POSITION**

Along with many other charities we faced a very challenging year. An appeal to engage with new corporate and community supporters is being planned for 2012 and we are forging new relationships in other government departments for future support.

During the course of the year substantial donations were gratefully received from the following:

The City Bridge Trust, Dorset Foundation, Department for Children, Schools and Families, Diageo Great Britain, Esmee Fairbairn Foundation, Robertson Trust, The Souter Foundation, The Maurice Hatter Foundation, Solomon Charitable Trust, Peter Cruddas Foundation, Comic Relief and the European Union.

Thanks to all other donors including those who elected to remain anonymous and to individuals who have supported Mentor UK's work.

With very stringent monitoring of expenditure, the result for the year allowed us to start to build up the unrestricted reserves from the deficit for the previous year. Restricted reserves show a deficit due to the EU Kinship Carers Project, where funding for the period covering expenditure from January 2010 will not be received until after the project has finished. We expect to receive the income in September 2011.

#### **Reserves Policy**

The Board of Trustees has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ("the free reserves") held by the charity should be between 3 and 6 months' of core costs, which for 2011-12 would equate to a minimum of £142,000 in general funds. Trustees have recognised the need to prioritise fundraising for unrestricted grants and donations so as to reinstate unrestricted reserves to at least 3 months' running costs as soon as possible. However, some of our core costs are covered by restricted income, so the level that we set is to offset any fluctuations in receiving payments of grants and to ensure that other restricted funds are not used. The total reserves, including restricted funds, still falls short of the agreed minimum level. In light of this deficit, the Board of Trustees remains confident of the charity operating as a going concern business. The Board have agreed to review the current reserves policy during 2011 to reflect minimum and desirable levels, and to monitor the associated risks in achieving the targets.

#### **Investment Policy**

The charity currently retains surplus funds in low risk, easy access accounts in order to accommodate variable cash-flow. It will review its investment policy at least annually.

## MENTOR FOUNDATION UK (A COMPANY LIMITED BY GUARANTEE)

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011

#### Risk Management

The Board of Trustees is required to assess the major risks to which the charity is exposed and establish systems to mitigate these risks. The Board is also required to ensure that the charity complies fully with the law and eliminates all risk of breaching the law. Mentor Foundation UK has a Risk Management and Legal Compliance Strategy that comprises identification of risks, evaluation of their potential impact, design of risk management and legal compliance programmes followed by implementation and review points. The primary risk during the year was the financial stability of the charity.

#### Asset cover for funds

Note 10 sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

#### PUBLIC BENEFIT STATEMENT

The sections of this report above entitled "Review of Activities" sets out Mentor Foundation UK objectives and reports on the activity and successes in the year to 31 March 2011 as well as explaining the plans for the current financial year. Mentor UK's work benefits health professionals, Kinship Carers, EU Nationals in Spain, Italy, Sweden, Belgium, community based projects in Lithuania, Romania, Scotland, and England.

The Directors have considered this matter and concluded

- That the aims of the organisation continue to be charitable,
- That the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need,
- That the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay, and
- That there is no detriment or harm arising from the aims or activities.

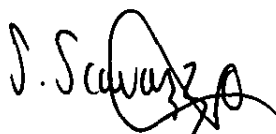
#### DISCLOSURE OF INFORMATION TO AUDITORS

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

#### AUDITORS

H W Fisher & Company were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006 a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

On behalf of the Board of Trustees



• **Sim Scavazza**

• Chair

• Dated

5.10.11

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the Trustees to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources, including its net income and expenditure for the year

In preparing these accounts, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP
- 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 accounts, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and which enable them to ensure that the accounts comply with the Companies Act 2006 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF MENTOR FOUNDATION UK**

We have audited the accounts of Mentor Foundation UK for the year ended 31 March 2011 set out on pages 14 to 20. 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement on page 11, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

We have been appointed as auditor under Chapter 2 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under these Acts. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 accounts. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our

**Opinion on accounts**

In our opinion the accounts

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

**MENTOR FOUNDATION UK (A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)  
TO THE MEMBERS OF MENTOR FOUNDATION UK**

In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts

**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 Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the accounts 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

**S P Mehta (Senior Statutory Auditor)  
for and on behalf of H W Fisher & Company**

**Chartered Accountants  
Statutory Auditor**

Acre House  
11-15 William Road  
London  
NW1 3ER  
United Kingdom

Dated *10 October 2011*

H W Fisher and Company is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# MENTOR FOUNDATION UK

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2011

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
<b>Incoming Resources</b>					
<b>Incoming resources from generated funds:</b>					
Voluntary Income	2	74,611	-	74,611	85,931
Investment Income		4,594	-	4,594	-
		<u>79,205</u>	<u>-</u>	<u>79,205</u>	<u>85,931</u>
Incoming resources from charitable activities		41,800	441,857	483,657	601,515
Other Income		320		320	752
		<u>41,800</u>	<u>441,857</u>	<u>483,657</u>	<u>601,515</u>
<b>Total Incoming Resources</b>		<u>121,325</u>	<u>441,857</u>	<u>563,182</u>	<u>688,198</u>
<b>Resources Expended</b>					
<b>Costs of generating funds</b>					
Fundraising & Publicity costs	3	8,656	25,663	34,319	40,502
		<u>8,656</u>	<u>25,663</u>	<u>34,319</u>	<u>40,502</u>
<b>Net income available for charitable activities</b>		<u>112,669</u>	<u>416,194</u>	<u>528,863</u>	<u>647,696</u>
<b>Charitable activities.</b>					
Education		6,380	83,614	89,994	59,427
Research		-	225,125	225,125	211,683
Prevention		-	199,336	199,336	310,176
		<u>6,380</u>	<u>408,075</u>	<u>414,455</u>	<u>381,286</u>
<b>Total Charitable Activities</b>		<u>6,380</u>	<u>508,075</u>	<u>514,455</u>	<u>581,286</u>
Governance	4	7,474	11,136	18,610	19,003
		<u>7,474</u>	<u>11,136</u>	<u>18,610</u>	<u>19,003</u>
<b>Total Resources Expended</b>		<u>22,510</u>	<u>544,874</u>	<u>567,384</u>	<u>640,791</u>
<b>Net Income for the year</b>					
- Before transfers		98,815	(103,017)	(4,202)	47,407
<b>Transfers between funds</b>		(1,143)	1,143	-	-
		<u>97,672</u>	<u>(101,874)</u>	<u>(4,202)</u>	<u>47,407</u>
- After transfers					
<b>Reconciliation of Funds</b>					
Balance brought forward at 1 April 2010		25,627	75,412	101,039	53,632
		<u>25,627</u>	<u>75,412</u>	<u>101,039</u>	<u>53,632</u>
<b>Balance carried forward at 31 March 2011</b>		<u>123,299</u>	<u>(26,462)</u>	<u>96,837</u>	<u>101,039</u>

All gains and losses arising in the year are included in the Statement of Financial Activities and arise from continuing operations

The notes on pages 16 to 20 form part of these financial statements

## MENTOR FOUNDATION UK

BALANCE SHEET  
AS AT 31 MARCH 2011

	Note	2011 £	2011 £	2010 £	2010 £
<b>Fixed Assets</b>					
Tangible assets	5	1,708		820	
			1,708		820
<b>Current Assets</b>					
Debtors	6	7,410		20,211	
Cash at bank and in hand		170,736		246,964	
		<u>178,146</u>		<u>267,175</u>	
<b>Creditors Amounts falling due within one year</b>	7	<u>(63,017)</u>		<u>(82,827)</u>	
<b>Net Current Assets</b>			<u>115,129</u>		<u>184,348</u>
<b>Total assets less current liabilities</b>			116,837		185,168
<b>Creditors amounts falling due after more than one year</b>	8		20,000		(84,129)
<b>Net assets</b>			<u>136,837</u>		<u>101,039</u>
<b>Funds Balances</b>					
Unrestricted Funds					
General Fund			123,299		25,627
Restricted Funds	9		(26,462)		75,412
			<u>96,837</u>		<u>101,039</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and signed on its behalf by



Ms Sim Scavazza (Chairman)

5 October  
2011

The notes on pages 16 to 20 form part of these financial statements

Company registration no: 5609241

# MENTOR FOUNDATION UK

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

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### 1 Accounting Policies

#### a) Basis of preparation

The accounts have been prepared under the historical cost convention

The accounts have been prepared in accordance with the Statement of Recommended Practice (2005) (SORP) "Accounting and Reporting by Charities", issued by the Charity Commission, the Companies Act 2006 and the requirements of the Memorandum and Articles of Association

#### b) Incoming resources

Voluntary income and donations are accounted for on an accruals basis. The income from fundraising ventures is shown gross, with the associated costs included in fundraising costs

#### c) Resources expended

All expenses are accounted for on an accruals basis. Wherever possible costs are allocated directly to the appropriate activity, other costs common to all activities are apportioned between those activities on a basis which the trustees believe gives a fair allocation of the activity costs

*Fundraising expenditure* comprises costs incurred in inducing people and organisations to contribute financially to the Foundation's work. This includes the cost of advertising for donations and the staging of special fundraising events. Expenditure incurred in connection with the specific objects of the charity is included under the heading *charitable activities*

Expenditure on *governance* of the Foundation includes all costs relating to regulatory compliance and the strategic direction of the charity

#### d) Pension costs

Mentor UK operates a group personal pension plan and contributes 6% of employees gross salary to a personal pension plan for each employee. The cost of providing pensions for employees is charged to the Statement of Financial Activities in the year in which the contributions are paid. The assets of the scheme are held separately from those of the charity in an independently administered fund

#### e) Tangible fixed assets and depreciation

Fixed assets are recorded at cost or, in cases where assets have been donated to the Foundation, at valuation at the time of donation. All assets acquired for continuing use and costing more than £100 are capitalised

Provision is made for depreciation on all tangible assets, at rates calculated to write off the asset, less estimated residual value, over its expected life as follows

Computer and Office Equipment - 25% per annum on a straight line basis

#### f) Funds

*General funds* are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objects of the charity and have not been designated for other purposes

*Designated funds* comprise funds which have been set aside by the trustees for particular purposes

*Restricted funds* are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund

#### g) Taxation

The Foundation is an exempt approved charity in accordance with the Income and Corporation Taxes Act 1988

#### h) Operating lease rentals

Rentals in respect of operating leases are charged to the Statement of Financial Activities as incurred



# MENTOR FOUNDATION UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2011

2	Voluntary Income	Unrestricted £	Restricted £	2011 £	2010 £
	Donations and gifts	74,611	-	74,611	23,825
	Fundraising Gala	-	-	-	62,106
		<u>74,611</u>	<u>-</u>	<u>74,611</u>	<u>85,931</u>

3	Total Resources Expended	Direct costs £	Staff costs £	Allocated costs £	Total Funds 2011 £	Total Funds 2010 £
	<b>Cost of generating funds</b>					
	Fundraising and publicity costs	4,734	22,748	6,837	34,319	40,502
	<b>Charitable activities</b>					
	Drug related projects	166,583	268,585	79,287	514,455	575,859
	Interest payable - FutureBuilders		-	-	-	5,427
	<b>Governance</b>	5,426	8,612	4,572	18,610	19,003
		<u>176,743</u>	<u>299,945</u>	<u>90,696</u>	<u>567,384</u>	<u>640,791</u>

Allocated costs	Drug Related Projects £	Fundraising £	Governance £	Total funds 2011 £	Total funds 2010 £
Other Staff Costs (1)	15,405	1,428	2,524	19,357	32,152
Office Costs (2)	59,429	5,033	1,906	66,368	111,485
Depreciation	1,048	88	33	1,169	767
Communications & International activities (3)	3,405	288	109	3,802	6,434
	<u>79,287</u>	<u>6,837</u>	<u>4,572</u>	<u>90,696</u>	<u>150,838</u>

(1) These costs are allocated in proportion to staff costs for each area and include recruitment and contractors costs

(2) Office costs are allocated on the basis of time spent on each activity area

(3) International activities includes a subscription to Mentor International of £2,500

### Governance costs

Direct governance costs include audit fees of £3,600 (2010 £3,000)

### Staff costs comprise

	2011 £	2010 £
Wages and salaries	265,331	219,120
Social security costs	28,125	75,811
Pension costs	6,489	16,824
	<u>299,945</u>	<u>311,755</u>

# MENTOR FOUNDATION UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2011

The average number of employees, analysed by function, was	2011 No	2010 No
Fundraising	1	-
Drug related projects	7	8
	<u>8</u>	<u>8</u>

The number of employees whose annual emoluments were £60,000 or more were

	2011 No	2010 No
£60,000 to £69,999	-	-
£70,000 to £79,999	1	-
	<u>1</u>	<u>-</u>

#### 4 Trustees

No trustees received remuneration during the year (2010 none) Expenses reimbursed to Trustees during the year amounted to £124 (2010 £124)

#### 5 Tangible Fixed Assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 April 2010	19,294
Additions	2,057
Disposals	-
<b>At 31 March 2011</b>	<u>21,351</u>
<b>Depreciation</b>	
At 1 April 2010	18,474
Disposals	(56)
Charge for year	1,225
<b>At 31 March 2011</b>	<u>19,643</u>
<b>Net book value</b>	
At 31 March 2011	<u>1,708</u>
At 31 March 2010	<u>820</u>

#### 6 Debtors

	2011 £	2010 £
Other debtors	395	10,985
Prepayments and accrued income	7,015	9,226
	<u>7,410</u>	<u>20,211</u>

# MENTOR FOUNDATION UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2011

<b>7 Creditors amounts falling due within one year</b>		<b>2011</b>	<b>2010</b>		
		£	£		
Taxes and social security costs		9,129	7,632		
Other creditors and accruals		53,888	60,743		
Futurebuilders - see note 8			14,452		
		<u>63,017</u>	<u>82,827</u>		
<b>8 Creditors amounts falling due after more than one year</b>		<b>2011</b>	<b>2010</b>		
		£	£		
Future Builders development loan		20,000	84,129		
		<u>20,000</u>	<u>84,129</u>		
<b>Analysis of loans</b>					
Wholly repayable within five years		20,000	84,129		
		<u>20,000</u>	<u>84,129</u>		
<b>Loan maturity analysis</b>					
In less than one year			14,452		
In more than one year but not more than two years			18,321		
In more than one year but not more than two years			62,025		
In more than five years		20,000	3,783		
		<u>20,000</u>	<u>98,581</u>		
<b>9 Restricted Funds</b>					
The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held for specific purposes					
	<b>1 April</b>	<b>Incoming</b>	<b>Resources</b>	<b>Transfers</b>	<b>31 March</b>
	<b>2010</b>	<b>resources</b>	<b>expended</b>		<b>2011</b>
	£	£	£	£	£
Comic Relief	2,846	49,282	53,271	1,143	-
Scottish Development	6,263	58,000	59,681	-	4,582
European Union Kinship Carers Project	5,153		148,838	-	(143,685)
CHAMP Awards Scheme	14,891	105,000	95,829	-	24,062
Drug Education Forum	24,611	63,715	58,180	-	30,146
IT Equipment	-	7,500	-	-	7,500
Capacity Building	-	93,860	89,477	-	4,383
Youth Projects	21,648	64,500	39,598	-	46,550
	<u>75,412</u>	<u>441,857</u>	<u>544,874</u>	<u>1,143</u>	<u>(26,462)</u>

# MENTOR FOUNDATION UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2011

### 9 Restricted Funds (continued)

Funding was received in 2010-11 from the Department for Children Schools & Families (DCSF) for the Drug Education Forum Funding for the Alcohol Misuse Prevention (CHAMP) Award Scheme was received from Diageo Great Britain Scottish Development was primarily funded by the Robertson Trust Comic Relief funded a project on Alcohol misuse and the London Youth Involvement project was funded by the Peter Cruddas Foundation, City Bridge Trust and from a core funding grant from DCSF Mentor UK, a lead partner of six other countries for European Kinship Carers project, will receive funding from the European Union in the framework of The Public Health Programme in the next financial year A grant for replacing IT equipment was received from the Clothworkers Foundation Capacity Building represents the balance of a core grant from DCSF and funding for a Policy Officer received from the Esmee Fairbairn Charitable Trust

### 10 Analysis of Net Assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances as at 31 March 2011 are represented by			
Tangible Fixed Assets	1,708	-	1,708
Current Assets	178,146	-	178,146
Creditors amounts falling due within one year	(63,017)	-	(63,017)
Creditors amounts falling due after more than one year	(20,000)	-	(20,000)
	<u>96,837</u>	<u>-</u>	<u>96,837</u>

### 11 Commitments under operating leases

At 31 March 2011 the charity had annual commitments under non-cancellable operating leases as follows

	2011 £	2010 £
Buildings		
Leases which expire within two to five years	36,417	59,417
	<u>36,417</u>	<u>59,417</u>

### 12 Legal Status

The charity is a company limited by guarantee In the event of the company being wound up the guarantee is limited to £1 per member