

Charity Registration No 1112339
Company Registration No. 5609241 (England and Wales)

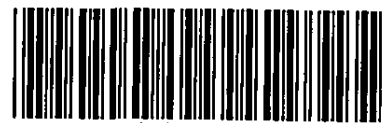
**MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2010**

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MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Patrons	Professor Baroness Greenfield Mrs Eva Rausing
Trustees	Ms Sim Scavazza (Chairman) Mr Martin Paisner The Rt Hon The Lord Mancroft Ms 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

MEN TOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS

	Page
Trustees' report	4 - 8
Statement of Trustees' responsibilities	9
Independent auditors' report	10
Statement of financial activities	11
Balance sheet	12
Notes to the accounts	13 - 18

MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2010

The Board of Trustees of Mentor Foundation UK presents its annual report and accounts for the year ended 31 March 2010

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 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

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 2009-2010). Some tasks, including some elements of fundraising, and marketing and media relations were undertaken by external contractors

Our Mission Statement

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

Mentor's Strategic Goals have been reassessed by the Board and CEO. The overriding objective of Mentor to achieve our mission is as follows -

To be the authoritative voice on drug and alcohol prevention in the UK – to achieve this we -

- 1 help society to understand prevention – its potential, the evidence for effectiveness, and its practical application
- 2 lobby and campaign for effective policy and practice
- 3 undertake specific projects where there are learning gaps and evaluates these and promising innovations by others

MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2010

The Need

Drugs and alcohol destroy lives and communities. Across the UK some children are regularly drinking from the age of 9 or 10, and there is an alarming trend in binge drinking. While few would question the harm that can be caused by drugs and alcohol, and huge sums are invested in treatment and enforcement, securing funds for prevention initiatives is very difficult, there is inadequate focus on gaining value for money.

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 every day of the year as a result of their alcohol use.
- Drug related deaths in England and Wales in 1993 were 860, in 2004 this had risen to over 1,400.

What is the extent of the problem?

Nearly 40% of 15 year olds have taken a drug (not including alcohol)

20% of those aged 13 to 15 who have taken drugs in the past year will be using Class A drugs, such as cocaine or heroin

35% of young drinkers will drink on the street

Those not attending school through truancy and exclusion are 10 times more likely to take drugs

The Cost

Drug abuse costs the nation an estimated £15 billion a year and the last government spent some £1.2 billion a year trying to combat problematic drug abuse

Prevention is better than Cure

Mentor believes that prevention is better than cure, and international evidence points to the impact that evidence based programmes can make. A recent report from the US government argued that effective prevention programmes could have saved 1.5 million of that country's young people from initiating drug use. 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 misuse.

Mentor needs support in order to

- Help society to understand prevention – its potential, the evidence for effectiveness, and its practical application
- Lobby and campaign for effective policy and practice
- Use our expertise to undertake specific projects where there are learning gaps and evaluate these and promising innovations by others

Our ambition is to be instrumental in enabling the benefits of drug prevention to be unlocked in the UK and so seeing fewer young people suffer the harms drugs cause.

There are still many neglected areas where our expertise can bring substantial and sustainable benefits, limited only by lack of funding.

Review of Activities

Quality Standards

With funding from Futurebuilders England (the Social Investment Business), we completed the research and development for a quality standard in drug prevention, which we aim to establish as the industry norm. We have been actively seeking a funder to help us write and bring the quality standards to market and we hope to achieve this in the 2010/11 financial year.

MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2010

Drug Education Forum

We continued to host the Forum. The Forum hosted 3 member meetings, and 3 open seminars, and produced briefing papers on the prevalence of drug use by young people and the links between gangs and drug use.

The Forum continued its collaboration with DCSF, including participating in the re-writing of the Government's guidance on drug education for schools.

EU Kinship Carers project

The EU Kinship Carers project is operating across 7 European countries – UK, Belgium, Sweden, Lithuania, Spain, Italy and Romania. Needs assessment research in each country led to the publication of a report that is available on the project web-site.

Pilot projects to meet the needs of carers and protect the children in their care from drug misuse began in July 2009 and were completed by March 2010.

Peer Alcohol Education Project

Based in Scotland this project has recruited a group of young peer educators who have worked 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.

The second year of the project will see the course adapted so that it can be delivered to 120 professionals and parents.

CHAMP Awards

The three winners of the 2008 Awards were given further support in the shape of consultancy focusing on management, evaluation, marketing and fundraising. This led to one of the winners being able to access an additional £50,000 in project funding.

Mentor UK launched a standalone website for the CHAMP Awards in January 2010 and launched a new round of the Awards with strong marketing and awareness raising activity.

BME and Rural Alcohol Project

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

Other activities

Fundraising

Mentor is not a charity that readily receives support from the public, such as the more emotive causes of NSPCC, Cancer UK, WWF etc. The issue of drug and alcohol misuse does not generally engender public sympathy for public fundraising and attract unrestricted general funding. We therefore rely heavily on grant giving trusts and foundations to support our work. Some government funding has been raised in support of the Drugs Education Forum but the challenges to achieve our objectives will rely on us finding increasing sources of income.

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 £246,087 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 can be a huge influencer and adviser to government on how the national spend (largely used for treatment and enforcement) can do more than act as a plaster to a national issue of great concern that needs sun block. The reapplication of well researched educational programmes that work from primary school through to university backed up with appropriately accessible advice for parents, schools and communities has to become part of our society's values regarding our behaviour and attitudes towards drugs and alcohol. By supporting Mentor, this is what you are investing in and forms the case for support for our future fundraising.

MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2010

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. However, we work achieve this mission in culturally appropriate ways, meaning that programmes and approaches that are applicable in Columbia may need adaptation for the UK.

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 NGO's 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

Review of the Financial Position

Along with many other charities we faced a very challenging year. We were extremely fortunate that funds raised towards a joint Gala Dinner with Mentor International that was subsequently cancelled in light of the economic climate, were able to be retained by the charity to offset cancellation costs.

In 2009-2010 substantial donations were gratefully received from the following:

Arabella Duffield Trust, Dorset Foundation, Department for Children, Schools and Families, Diageo Great Britain, Robertson Trust, Peter Cruddas Foundation, Gerald Ronson Foundation, David & Jennifer Sieff Charitable Trust, CHK Charities, GD Charitable Trust, City Bridge Trust, Dundas 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 carried forward are expected to be used during 2010-11.

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 2010-11 would equate to a minimum of £112,000 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 2010 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. Due to a new policy by HSBC bank, no interest during the year was received on our Reserve account, and funds have now been switched to an interest bearing account.

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.

MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2010

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 2010 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, North England and Wales.

The Directors have considered this matter and concluded

- 1 That the aims of the organisation continue to be charitable,
- 2 That the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need,
- 3 That the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay, and
- 4 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

16.09.10



MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
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. 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

MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
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 2010 set out on pages 11 to 18. These accounts have been prepared in accordance with the accounting policies set out on page 13.

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. 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 described on page 9, the trustees, who are also the directors of Mentor Foundation UK for the purposes of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the accounts give a true and fair view.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' Report is consistent with those accounts.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's accounts are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion:

- the accounts give a true and fair view of the state of the charity's affairs as at 31 March 2010, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the accounts have been prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees' Report is consistent with the accounts.

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 3LR
United Kingdom

Dated

24 September 2010

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

**STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2010**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Incoming Resources					
Incoming resources from generated funds					
Voluntary Income	2	85,931	-	85,931	190,186
Investment Income		-	-	-	96
		<u>85,931</u>	<u>-</u>	<u>85,931</u>	<u>190,282</u>
Incoming resources from charitable activities					
Other Income		50,000	551,515	601,515	453,048
		752	-	752	522
		<u>50,752</u>	<u>551,515</u>	<u>602,267</u>	<u>453,570</u>
Total Incoming Resources		<u>136,683</u>	<u>551,515</u>	<u>688,198</u>	<u>643,852</u>
Resources Expended					
Costs of generating funds.					
Fundraising & Publicity costs	3	40,502	-	40,502	58,739
		<u>40,502</u>	<u>-</u>	<u>40,502</u>	<u>58,739</u>
Net income available for charitable activities		<u>96,181</u>	<u>551,515</u>	<u>647,696</u>	<u>585,113</u>
Charitable activities					
Education		-	59,427	59,427	590,411
Research		-	211,683	211,683	
Prevention		-	310,176	310,176	
		<u>-</u>	<u>581,286</u>	<u>581,286</u>	<u>590,411</u>
Total Charitable Activities		<u>-</u>	<u>581,286</u>	<u>581,286</u>	<u>590,411</u>
Governance		19,003	-	19,003	6,639
		<u>19,003</u>	<u>-</u>	<u>19,003</u>	<u>6,639</u>
Total Resources Expended		<u>59,505</u>	<u>581,286</u>	<u>640,791</u>	<u>655,789</u>
Net Income for the year					
- Before transfers		77,178	(29,771)	47,407	(11,937)
Transfers between funds		(18,328)	18,328		
		<u>58,850</u>	<u>(11,443)</u>	<u>47,407</u>	<u>(11,937)</u>
- After transfers					
Reconciliation of Funds					
Balance brought forward at 1 April 2009		(33,223)	86,855	53,632	65,569
		<u>(33,223)</u>	<u>86,855</u>	<u>53,632</u>	<u>65,569</u>
Balance carried forward at 31 March 2010		<u>25,627</u>	<u>75,412</u>	<u>101,039</u>	<u>53,632</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 13 to 18 form part of these financial statements.

MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2010

	Note	2010 £	2010 £	2009 £	2009 £
Fixed Assets					
Tangible assets	5	820		1,515	
			820		1,515
Current Assets					
Debtors	6	20,211		67,631	
Cash at bank and in hand		246,964		110,232	
		<u>267,175</u>		<u>177,863</u>	
Creditors. Amounts falling due within one year	7	<u>(82,827)</u>		<u>(35,296)</u>	
Net Current Assets			<u>184,348</u>		<u>142,567</u>
Total assets less current liabilities			185,168		144,082
Creditors. amounts falling due after more than one year	8		<u>(84,129)</u>		<u>(90,450)</u>
Net assets			<u><u>101,039</u></u>		<u><u>53,632</u></u>
Funds Balances					
Unrestricted Funds					
General Fund			25,627		(33,223)
Restricted Funds	9		75,412		86,855
			<u>101,039</u>		<u>53,632</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 16 September 2010 and signed on its behalf by

Ms Sim Scavazza (Chairman)



The notes on pages 13 to 18 form part of these financial statements

Company registration no 5609241

MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

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 employee's 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 that 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 that 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
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2010

2	Voluntary Income	Unrestricted £	Restricted £	2010 £	2009 £	
	Donations and gifts	23,825	-	23,825	140,186	
	Fundraising Gala	62,106	-	62,106	50,000	
		<u>85,931</u>	<u>-</u>	<u>85,931</u>	<u>190,186</u>	
3	Total Resources Expended	Direct costs £	Staff costs £	Allocated costs £	Total Funds 2010 £	Total Funds 2009 £
	Cost of generating funds					
	Fundraising and publicity costs	33,196	2,445	4,861	40,502	58,739
	Charitable activities					
	Drug related projects	127,878	306,865	141,116	575,859	587,707
	Interest payable - Futurebuilders	5,427	-	-	5,427	2,704
	Governance	11,697	2,445	4,861	19,003	6,639
		<u>178,198</u>	<u>311,755</u>	<u>150,838</u>	<u>640,791</u>	<u>655,789</u>
	Allocated costs	Drug Related Projects £	Fundraising £	Governance £	Total funds 2010 £	Total funds 2009 £
	Other Staff Costs (1)	26,794	2,679	2,679	32,152	
	Office Costs (2)	108,081	1,702	1,702	111,485	
	Depreciation	665	51	51	767	
	Communications & International activities (3)	5,576	429	429	6,434	
		<u>141,116</u>	<u>4,861</u>	<u>4,861</u>	<u>150,838</u>	<u>-</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 £3,000 (2009 £3,584) plus an under accrual from 2008-09

MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2010

Staff costs comprise	2010 £	2009 £
Wages and salaries	219,120	254,941
Social security costs	75,811	28,166
Pension costs	16,824	9,791
	<u>311,755</u>	<u>292,898</u>

The average number of employees, analysed by function, was	2010 No	2009 No
Fundraising	-	1
Drug related projects	8	6
	<u>8</u>	<u>7</u>

The number of employees whose annual emoluments were £60,000 or more were	2010 No	2009 No
£60,000 to £69,999	<u>-</u>	<u>1</u>

4 Trustees

No trustees received remuneration during the year (2009 none) Expenses reimbursed to Trustees during the year amounted to £124 (2009 £nil)

MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2010

5 Tangible Fixed Assets	Fixtures, fittings & equipment	
	£	
Cost		
At 1 April 2009	21,277	
Additions	518	
Disposals	<u>(2,501)</u>	
At 31 March 2010	<u>19,294</u>	
Depreciation		
At 1 April 2009	19,762	
Disposals	<u>(2,055)</u>	
Charge for year	767	
At 31 March 2010	<u>18,474</u>	
Net book value		
At 31 March 2010	<u>820</u>	
At 31 March 2009	<u>1,515</u>	
6 Debtors	2010	2009
	£	£
Other debtors	10,985	-
Prepayments and accrued income	9,226	67,631
	<u>20,211</u>	<u>67,631</u>
7 Creditors amounts falling due within one year	2010	2009
	£	£
Taxes and social security costs	7,632	14,116
Other creditors and accruals	60,743	21,180
Future Builders – see note 8	<u>14,452</u>	-
	<u>82,827</u>	<u>35,296</u>

MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31

8 Creditors amounts falling due after more than one year	2010	2009
	£	£
Futurebuilders development loan	98,581	90,450
Analysis of loans		
Wholly repayable within five years	98,581	90,450
Loan maturity analysis		
In less than one year	14,452	-
In more than one year but not more than two years	18,321	13,260
In more than one year but not more than two years	62,025	53,603
In more than five years	3,783	23,587
	98,581	90,450

9 Restricted Funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held for specific purposes

	1 April 2009	Incoming resources	Resources expended	Transfers	31 March 2010
	£	£	£	£	£
Comic Relief	4,686	57,587	(59,427)	-	2,846
Scottish Development	4,927	70,000	(68,664)	-	6,263
European Union Kinship Carers Project	10,750	137,611	(143,208)	-	5,153
CHAMP Awards Scheme	27,878	74,767	(87,754)	-	14,891
Drug Education Forum	28,896	64,190	(68,475)	-	24,611
Youth Projects	133	73,335	(51,820)	-	21,648
EU/UNODC Russia Project	9,585	-	(152)	(9,433)	-
Quality Counts	-	74,025	(101,786)	27,761	-
	86,855	551,515	(581,286)	18,328	75,412

Funding was received in 2009-10 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. The Robertson Trust and the Dundas Foundation funded Scottish Development. Comic Relief funded a project on Alcohol misuse and the London Youth Involvement project was funded by the Peter Cruddas Foundation and the City Bridge Trust. Quality Counts is a project previously funded by a loan from Futurebuilders and from DCSF core grant. The project was halted during the year as it proved to be more costly than originally planned, leading to a total of £27,761 being transferred from general funds to fund the project.

MENTOR FOUNDATION UK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31

The exchange project in Russia was funded by the European Union via the UNODC Office for Russia and Belarus. Expenditure against this project was incorrectly allocated in previous years, and the balance of £9,433 has been transferred back in to the general fund. Mentor UK, a lead partner of six other countries for European Kinship Carers project, received funding from the European Union in the framework of The Public Health Programme.

10 Analysis of Net Assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances as at 31 March 2010 are represented by			
Tangible Fixed Assets	820	-	820
Current Assets	148,908	108,267	257,175
Creditors amounts falling due within one year	(25,520)	(32,855)	(58,375)
Creditors amounts falling due after more than one year	(98,581)	-	(98,581)
	<u>25,627</u>	<u>75,412</u>	<u>101,039</u>

11 Commitments under operating leases

At 31 March 2010 the charity had annual commitments under non-cancellable operating leases as follows

	2010 £	2009 £
Buildings		
Leases which expire within two to five years	59,417	23,000
	<u>59,417</u>	<u>23,000</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.