

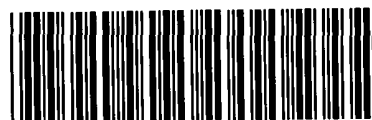
Mentor UK

Annual Report 2017

Trustees' Report for The Mentor Foundation UK
Year ended 31 March 2017



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M Mentor
Protecting children from alcohol and drugs

Registered Charity No: 1112339
Registered Company No: 5609241
Scottish Charity No: SC041210

CHAIR'S REPORT

There is no doubt the last year has been a momentous one for Mentor.

On 1st October 2016, we merged with the Angelus Foundation. Angelus raised awareness of the risks from new psychoactive substances and was founded by Maryon Stewart, whose daughter Hester died in 2009 after taking a legal drug, GBL. The charity grew to be the lead voice in educating people about the risks associated with the new phenomenon of new psychoactive substances. Angelus was instrumental in persuading the Government to bring about the New Psychoactive Substances Act which came into effect in May last year. Our merger has strengthened Mentor so that we can considerably increase the provision of preventative education delivered to young people.

Aside from the merger the past year has seen us continue to specialise in understanding, testing and promoting interventions that have the best chance of success. Our main programmes such as Families Together in Scotland and Good Behaviour Game in England have continued to be delivered very effectively. We have also focussed on improving existing programmes and developing innovative ideas. Across all our delivery in 2016/17, we supported 3,192 young people in prevention programmes and supported 12,333 professionals in their work with young people. I am delighted that during this year we have been supported by two panels of expert advisors and we have also worked hard to involve young people in all aspects of our work; in research, in programme delivery, and in our organisational strategy.

Telling young people not to misuse substances or trying to scare them has been shown to be ineffective. What does work is empowering young people to build upon their skills, knowledge, positive attitudes and ambition to be more resilient. It is therefore critical we understand the perspective of young people and the voice of young people is heard so to improve the effectiveness and impact of our work and programmes.

I wish to thank staff for their dedication over the past year and we are delighted to welcome new members of the team following the merger. I also thank our trustees, and volunteers for their commitment and time; and I am also grateful to our funders, commissioners, partners and everyone who plays a part in our work.

I am determined that we continue to ensure that every child has the potential to live, thrive and contribute to our world and we will champion the role of prevention to enable this. We have the team who are making this a reality and we look forward to your support to help us continue in this success.

Thank-you for your continuing interest and support for Mentor.

Sim Scavazza

A handwritten signature in black ink, appearing to read 'Sim Scavazza', with a stylized flourish at the end.

Chair

OBJECTIVES AND ACTIVITIES

Our vision is a world that provides opportunities for the healthy development of children and young people from the harms caused by alcohol and drug misuse.

Our approach consists of three key elements:

Programmes – At the heart of our work are the evidence based programmes that we deliver in a variety of settings for different groups of young people, as well as the adults in their lives

Research – building our evidence base of “what works” in prevention is vital to ensuring that our work is effective, and underpins all that we do

Policy – as the UK’s leading authoritative voice in drug and alcohol prevention, we often contribute to or are referenced in drug and alcohol policy in the UK

STRATEGIC PLAN

In today’s complex, “always on” world, young people need skills to negotiate risky situations and resilience to pressure.

We protect children by helping them develop age-appropriate knowledge and skills coupled with positive health values to decode the hype, with the self-confidence to make their own decisions.

To put this protection in place, we must influence the policy environment and support best prevention in the home, at school and in the community.

Mentors’ ambitions are that;

- Policy makers prioritised prevention and early intervention
- Every child in the UK receives sufficient, appropriately delivered evidence based alcohol and drug prevention in school
- Parents have free access to the best information and support to help them protect their children from alcohol and drug harms, and related risky behaviours

PROGRAMMES OVERVIEW 2016-2017

ADEPIS

ADEPIS (the Alcohol and Drug Education Information Service) was launched in 2013 with funding from the Department for Education as a free national service for schools. The platform provides downloadable toolkits and briefing papers as well as free regional seminars, allowing heads, teachers, practitioners and governors to take a lead on alcohol and drug prevention. Mentor received joint Government funding (PHE and Home Office) in January 2017 to further embed expert advice and develop evidence-based tools for local practice in prevention and education for an additional three years. It will help the

further integration and development of the Centre for Analysis and Youth Transitions (CAYT).

Since April 2016 two regional seminars in Newcastle and London led by prevention experts have taken place, two briefing papers were published and three impact studies of newly evaluated programmes have been added to the CAYT virtual library. As part of ADEPIS, we have also set up an online Community of Evidence Based Practice around prevention, which will be further developed in the next three years. Mentor-ADEPIS was also endorsed by a UNODC, UNESCO, WHO report on 'Good policy and practice in health education', titled 'Education sector responses to the use of alcohol, tobacco and drugs' as a "prime example" of good practice. Between April 2016 and March 2017, 11,936 people visited the site 15,508 times and 76% were new visitors.

PROJECT AWARE

Following the merger with the Angelus Foundation, Mentor inherited Project Aware, a Luton based project aimed at creating drug aware communities and young people so that they are able to stay safe from drugs, including new and emerging substances. Since May 2016 we worked with Luton City Council, local schools, youth clubs and service providers and delivered educational workshops, professional training for practitioners on NPS, resources, and established a network of 20 Youth Ambassadors who developed an awareness video on NPS.

GOOD BEHAVIOUR GAME

The Good Behaviour Game is an evidence-based approach to classroom management that helps primary school children learn how to work together to create a positive learning environment. The GBG has a substantial body of international evidence, which has shown the intervention to have dramatic benefits on children's behaviour. More than 40 years of research indicates the GBG leads to significant long-term educational and health benefits, including:

- Immediate improvements in pupil behaviour, particularly for disruptive boys.
- Improved attainment and achievement
- Increased numbers of students continuing into further education
- Reduced substance abuse, mental health problems and criminal behaviour in later life

Mentor received funding from the Education Endowment Foundation (EEF) to run a two-year UK randomised controlled trial between 2015-17. The trial is in partnership with the programme's developer, the American Institutes of Research and independent evaluators at the University of Manchester.

The trial involves 77 schools (38 assigned to the GBG arm and 39 serving as control group) located across Manchester, Birmingham, Barnsley and the surrounding areas. After running for two academic years the programme implementation ends in July 2017. A full evaluation report on the effectiveness of the GBG in UK primary schools will be published by the University of Manchester in summer 2018.

GAMBLING EDUCATION FOR SCHOOLS

In January 2016 Mentor joined a partnership with Demos, the PSHE Association and Dr Henrietta Bowden-Jones, Founder and Director of the National Problem Gambling Clinic (Central and North West London NHS Foundation Trust), to develop a school-based preventative intervention to prevent gambling-related harm. The partnership also sought to address the gap in gambling education in secondary schools in England. Since then, we have developed a series of lesson plans that were successfully trialled across four secondary schools in England. The impact of this project is currently being analysed against a control group of four schools and results will be published in early 2018.

BREAKING OUT

Since 2012, the Breaking Out Peer Alcohol Project has been supporting young people within HMYOI Polmont to develop their resilience to alcohol related harm. Our harm reduction programmes and brief interventions focus on health, sexual health, risk taking behaviour, communication and problem- solving skills. We deliver alcohol programmes in partnership with the Scottish Prison Service (SPS), ensuring every young person receives a brief intervention during their induction. We deliver a 6-session programme within the SPS Life-Skills programme for young people in the final five weeks of their sentence and we work with Police Scotland/SPS delivering a 4-session programme within the Community Safety Unit programme. In addition, we provide a peer education programme to ensure that our service users are involved in the development and delivery of all our programmes.

In August 2015 we launched the Breaking Out Community Support Service (BOCSS) which provides young people in the final 8-10 months of sentence access to alcohol based education and personal development workshops followed up by ongoing one to one support up to, and beyond liberation.

MENTOR YOUTH (ME & YOU)

Me & You is a partnership project with local youth agencies to engage primarily with young people aged 12-17 across the south side of Edinburgh who are offered a 12-week training programme enabling participants to develop their skills, knowledge and confidence of alcohol issues. Subsequently, participants can in turn facilitate alcohol awareness workshops with young people across Edinburgh and the Lothians. In addition, the project provides alcohol training for parents and carers to help them understand risk taking behaviour and how to talk to young people about alcohol. The project also provides training and resources for practitioners, particularly youth workers who wish to develop alcohol interventions for young people.

FAMILIES TOGETHER

Families Together provides individualised personalised support, information, advice and peer group opportunities for kinship carers and the young people they care for across three local authorities. This builds the carer and the child's confidence and resilience enabling the family to be more positively integrated and supported within the community,

encouraging them to reach their full potential. Awareness raising is a key element of this support within communities as well as liaising with local authorities.

Over the last five years we have supported 423 kinship families, which has included advocacy support, training, respite, weekly youth activities, residentials and family outings. Our work with the Big Hearts Community Trust has also provided fantastic opportunities which has seen more new carers continually coming forward, more male carers getting involved and trades and volunteers coming forward to offer support and provisions as well as opportunities for befriending.

NATIONAL KINSHIP CARE SUPPORT

Following funding from the Scottish Government and the Children, Young People and Families Early Intervention Fund (CYPFEIF) Mentor has now released our National Kinship Care Resource Guide as well as the National Kinship Care Website for Scotland. www.kinship.scot. Both provide kinship carers and professionals with updates on news, policy developments, support interventions, events and legislative procedures and guidance. Over 4,300 guides have now been distributed.

We are also delivering Kinship Connections and peer mentoring training across Scotland having delivered to 63 carers with four local authorities on our waiting list. Kinship Connections aims to raise awareness and help kinship carers understand the many complexities the children in their care face such as trauma, neglect, loss and attachment. Following our successful professional conference in June 2016 we are now holding regional forums for local authorities to help share practice and learning around supporting kinship care families. We held one with 6 local authorities in April 2017.

YOUNG STAND AWARDS

We are now commencing the 4th year of the Young STAND Awards in collaboration with SCPHRP (Scottish Collaboration for Public Health Research and Policy). 150 projects have applied for this innovative awards scheme which aims to recognise, reward and support youth led projects in Scotland helping to prevent substance misuse among children and young people.

POLICY

Mentor continues to work in influencing policy to ensure these matters remain a priority for the Government in considering the health and well-being of society and children and young people in particular. We keep a close scrutiny on emerging trends and Ministerial responses and liaise closely with Departmental officials to ensure they are alerted to all relevant reports and data and are clear on our position with regard to ensuring prevention is key pillar to its strategy. We established an All-Party Parliamentary Group for New Psychoactive Substances.

ON PREVENTION

Our sustained advocacy for evidence-based prevention has resulted in it being more widely accepted as a correct and effective policy for central and local Government. For

example, the Government has made clear it has aligned its policy outlook to the ACMD report Preventing Drug and Alcohol Dependence which makes evidence-based education a key theme.

We need to keep making the case for prevention and to persuade and convince policy-makers how a 'whole life' ethos is necessary to an effective prevention policy. Besides ensuring beneficial outcomes this philosophy can be shown to be a substantially better use of scarce resources. We discuss policy matters with our expert groups, hold regular meetings of the Mentor Policy Group and attend policy lead meetings with other NGOs to debate and assess our policy positions and wider policy changes.

MERGER WITH ANGELUS

Mentor successfully merged the Angelus Foundation in October 2016. Prior to and during negotiations it was clear we held a common outlook to public policy prior to merging. However our functions were not identical, whereas Mentor promoted the case for prevention, Angelus's main priority was to raise awareness of NPS and their harms. One area which required resolution was to review the position around harm reduction. A consultation paper was drafted and shared across all staff with policy interest. In addition we took views from a Trustee with a noted expertise in this area as well as our advisory panel. The merger has boosted Mentor's knowledge base, our ability to publicise our views through the media and our reputation for being a leading organisation in drugs and alcohol policy field.

NEW PSYCHOACTIVE SUBSTANCES (NPS)

We supported the Angelus Foundation as the main driver toward bringing controls on the increased supply of new psychoactive substances. The passing of the Psychoactive Substances Act in May 2016 had a profound impact on the market for these substances, which had been associated with some very harmful behaviour by young people. Now as a merged organisation we perform the Secretariat duties (with the charity Re-Solv) for the All-Party Parliamentary Group for NPS, which monitors the effectiveness of the legislation during the period under statutory review until November 2018.

PERSONAL, SOCIAL, HEALTH EDUCATION (PSHE)

Mentor has been a strong advocate for the introduction compulsory PSHE including drugs and alcohol subjects. We have worked with sister organisations to campaign for a change in legislation. Under Children and Social Work Act 2017, the Secretary had taken powers to extend the range of subjects and had promised an extensive stakeholder consultation.

VOLUNTEERS

Mentor works with volunteers through our Expert Advisory Panel and we will be working with more young people with the introduction of a Youth Panel in 2017.

PLANS FOR FUTURE PERIODS

The Trustees and staff have worked over the past year to review our activities and consider how we can achieve greater impact in future. This has resulted in a new 5-year strategic plan that will be published in July 2017.

Our new plan sets out how we will identify young people at the earliest of stages to transform their lives with sustained and credible interventions to ensure the best protection from alcohol and drugs. We will continue to specialise in understanding, testing and promoting interventions that have the best chance of success.

The use of innovative technology and the evolution of digital communication will offer tremendous opportunities for us to reach young people in a way they want. We will keep abreast of these developments, to support its safe use for children and young people and to find ways to maximise the benefits it can provide for Mentor to work more efficiently.

We will embrace further opportunities to work with the families, schools and communities linking in to and supporting their many untapped abilities, up-skilling and ultimately encouraging sustainability. We will give young people a voice and speak out for those who struggle to be heard. We shall share our learning and resources to help enshrine prevention within all levels of society.

We will continue to ensure every child has the potential to live, thrive and contribute to our world and we will champion the role of prevention to enable this.

Our key future goals are:

- **Impact more young people with effective prevention**

Every child in the UK should receive evidence-based prevention and approaches must meet diverse needs based upon age, community, cultural considerations and devolved political systems. At the heart of our work will be evidence-based programmes and resources delivered in a variety of settings for young people, as well as the adults in their lives. We will run more programmes both independently and in partnership with organisations across the UK. Programmes will be age appropriate and will include; universal, targeted and indicated interventions. Young people will always be our most important stakeholders; they will hold us to account to ensure we never become distant from their needs.

- **Inspire parents and carers to play a vital role in keeping young people safe from drugs and alcohol**

Parents and carers play a vital role in keeping young people safe from drugs and alcohol. We will support them to help understand how they can positively influence the young people in their care to make a lasting preventative impact. We will help parents and carers develop attitudes and behaviours which can help shape young people's views on alcohol and drugs.

- **Create a prevention ecosystem in the UK**

We aim to achieve greater national investment in prevention. We will demonstrate prevention's impact and cost effectiveness, by convincing politicians, policy makers, commissioners and funders of the economic case based upon sound academic research and evidence. Our work is about reducing future needs and we want to shift resources from approaches which have shown not to work, to ones that do. Prevention services are a crucial investment in the future. We wish to influence the national context on prevention so that everyone from policy makers, schools to community services incorporates it into their work.

- **Create a greater evidence-base for prevention**

Building the evidence base of 'what works' and 'what doesn't work' in prevention is vital to ensuring our work is effective, and underpins all that we do. We will achieve this by evaluating effectiveness of programmes and sharing their results.

REVIEW OF FINANCIAL POSITION

The Trustees have agreed that we need to build diverse income streams, in order to safeguard against any future economic downturns.

As part of that strategy, The Angelus Foundation transferred its assets to Mentor UK with a very structured plan to incorporate NPS (New Psychoactive Substances) within our remit. This also increased our staff numbers and staff costs.

Other income was very much in line with 2015-16, with a similar amount on expenditure.

We were fortunate to receive unrestricted funding during the year, and our overall funds increased by 23%.

We also ran our first National Conference in November 2016, which was well attended and a new source of income. Further events are planned for 2017-18.

FUNDRAISING

It is a constant challenge to find new sources of funding, but increased expenditure on our Fundraising team is beginning to have an impact during 2017-18. During 2016-17 we were able to secure 92% of our anticipated income budget.

Our projects are entirely dependent on funding from the following sources:

Education Endowment Fund

Maria Marina Foundation

Scottish Whisky Association

Big Lottery Fund

Comic Relief

Robertson Trust

Tudor Trust

Gannochy Trust

LEAF

John Ellerman Foundation

Big Hearts Charitable Trust

Bedfordshire & Luton Community Foundation

In addition we also received funding from Public Health England and the Scottish Government.

The Trustees regularly review the total number of applications for funding to ensure that we are placing resources where we might have the most success.

RESERVES POLICY

The Board of Trustees 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 three and six months core costs, which for 2017 equated to a minimum of £283,540 in general funds.

Trustees recognise the need to prioritise fundraising for unrestricted grants and donations, so as to reinstate unrestricted reserves to at least three months' running costs as soon as possible. However, some of our core costs are covered by restricted income, so the level decided upon is intended to offset any fluctuations in receiving payments of grants and to ensure that other restricted funds are not used.

While we have managed to increase our total reserves, our unrestricted funds still falls short of the agreed minimum and our challenge during 2017-18 is to ensure that the target is reached.

INVESTMENT POLICY

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

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 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. Risks are reviewed on a quarterly basis and the primary risk during the year was cashflow sensitivity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

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), include current and former Parliamentarians, international business people, a senior legal practitioner and senior academics. Several Trustees have extensive charity management experience and sit on the boards of other charities. All share a common passion and commitment to Mentor's mission.

Each Trustee is provided with an induction pack, 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.

In summer 2013, the Board undertook a comprehensive governance review which included an internal audit by HW Fisher.

Staffing

The Chief Executive is accountable to the Board of Trustees, chaired by Sim Scavazza, and manages other Mentor staff (15 full time equivalent during 2016-17). Some tasks were undertaken by external contractors.

Key personnel within Mentor include Michael O'Toole (Chief Executive) and Heather McVeigh (Director of Scotland).

The Finance & Governance sub-committee review all salaries and set parameters for any annual increments.

The salaries for key personnel are set by the Trustees and are benchmarked against similar size organisations within the sector.

TRUSTEES

Trustees who served during the year and to the date of signing are:

Sim Scavazza (Chairman)

Rachel Lee

The Rt. Hon. Lord Mancroft (resigned 7 Dec 2016)

Martin Paisner (resigned 7 Dec 2016)

Helen Watson (resigned 22 Jun 2016)

Dr Astrid Wissenburg (resigned 21 Jun 2017)

Antonia de Gier

Harry Sumnall

Clive Standish

Kelly Allen

Glen Manoff (appointed 15 Mar 2017)

Robert Haas (appointed 15 Mar 2017)

Fiona Boyd (appointed 21 Jun 2017)

CEO

Michael O'Toole

ADMINISTRATIVE DETAILS

Registered Office

CAN-Mezzanine

49-51 East Road

London N1 6AH

Professional Advisors

Auditors

H W Fisher & Company

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

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 2017 as well as explaining the plans for the current financial year. Mentor's work benefits children and young people, teachers, health professionals, and families.

The Trustees have considered this matter and concluded:

1. The aims of the organisation continue to be charitable
2. The aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need
3. The benefits for the public are not unreasonably restricted in any way and certainly not by ability to pay
4. There is no detriment or harm arising from the aims or activities.
5. The Trustees have carried out charitable activities in the reporting year with consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011 in line with the Charity's aims and objectives

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the Trustees has confirmed 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 they have taken appropriate steps to identify such relevant information and to establish the auditors are aware of such information.

RE-APPOINTMENT OF 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 they be re-appointed will be put to the Annual Meeting. On behalf of the Board of Trustees,



Sim Scavazza

Chair

Date 13.12.17

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
- 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

We have audited the accounts of the Mentor Foundation UK for the year ended 31 March 2017 set out on pages 18 to 27. 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 explained more fully in the Trustees' Responsibilities Statement on page 13, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we will consider the implications for our report.

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 2017, 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).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the financial statements; and
- The Trustees' Annual Report has been prepared in accordance with the applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Trustees' Annual Report.

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 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

Dated: 13 December 2017

MENTOR FOUNDATION UK

Financial Statements

For the year ended 31 March 2017

Charity No. 1112339

Company No. 5609241

Scottish Charity No SC041210

MENTOR FOUNDATION UK

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2017

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2017	Total Funds 2016
		£	£	£	£
Income and endowments from:					
Donations and legacies	3	319,855	677,834	997,689	877,573
Investments		81	-	81	134
Charitable Activities	4	-	274,537	274,537	316,582
Other Trading Income		9,548		9,548	5,603
Total Income		329,484	952,371	1,281,855	1,199,892
Expenditure on:					
Raising Funds		58,662	-	58,662	34,980
Charitable activities:	6				
Education		30,789	669,857	700,646	155,542
Research		1,854	108,250	110,104	650,324
New Psychoactive Substances		176,387	-	176,387	-
Prevention		-	184,388	184,388	213,242
Total Expenditure		267,692	962,495	1,230,187	1,054,088
Net Income for the year					
- Before transfers		61,792	(10,124)	51,668	145,804
Transfers between funds		(9,056)	9,056	-	-
- After transfers		52,736	(1,068)	51,668	145,804
Reconciliation of Funds					
Balance brought forward at 1 April 2016		170,749	51,898	222,647	76,843
Balance carried forward at 31 March 2017		223,485	50,830	274,315	222,647

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 21 to 27 form part of these financial statements.

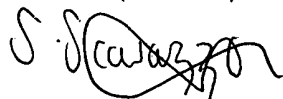
MENTOR FOUNDATION UK

BALANCE SHEET AS AT 31 MARCH 2017

	Note	2017 £	2017 £	2016 £	2016 £
Fixed Assets					
Tangible assets	8	5,282		6,409	
			5,282		6,409
Current Assets					
Debtors	9	51,644		129,577	
Cash at bank and in hand		288,732		126,548	
		<u>340,376</u>		<u>256,125</u>	
Creditors: Amounts falling due within one year	10	<u>(71,343)</u>		<u>(39,887)</u>	
Net Current Assets			<u>269,033</u>		<u>216,238</u>
Net assets			<u><u>274,315</u></u>		<u><u>222,647</u></u>
Funds Balances					
Unrestricted Funds					
General Fund			223,485		170,749
Restricted Funds	11		50,830		51,898
			<u><u>274,315</u></u>		<u><u>222,647</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 13/12/17 and signed on its behalf by:

Ms Sim Scavazza (Chairman)



The notes on pages 21 to 27 form part of these financial statements.

Company registration no: 5609241

MENTOR FOUNDATION UK

CASHFLOW STATEMENT AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Cash Flows from Operating Activities			
Net cash provided by (used in) Operating Activities	11	<u>163,955</u>	<u>31,262</u>
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(1,852)	(6,428)
Interest Received		<u>81</u>	<u>134</u>
Net Cash Provided by (used in) Investing Activities		<u>(1,771)</u>	<u>(6,294)</u>
Increase/(Decrease) in Cash and Cash Equivalents in the Year		<u>162,184</u>	<u>24,968</u>
Cash and Cash Equivalents at the Beginning of the Year		<u>126,548</u>	<u>101,580</u>
Cash and Cash Equivalents at the End of the Year		<u><u>288,732</u></u>	<u><u>126,548</u></u>

MENTOR FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting Policies

Charity information

The charity is a company limited by guarantee and has no share capital. The registered office is CAN Mezzanine, 49-51 East Road, London, N1 6AH. The liability of each member in the event of winding up is limited to £1.

a) Accounting convention

The accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it is applied from 1 January 2015. The Charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 March 2017 are the first accounts of Mentor Foundation UK prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

b) Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

c) Incoming resources

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.

Gifts in kind are valued on the basis that resources are to be the estimated value to the charity of the service, being the

d) 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.

e) 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

f) 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 £500 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

g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

h) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current

i) Financial instruments

The Charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

j) Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

k) Pension costs

Mentor UK operates a group personal pension plan and contributes 3% 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.

l) Taxation

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

m) Operating lease rentals

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The Trustees do not consider there to be any estimates or judgements that are critical to the financial statements.

MENTOR FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

3	Income from donations	Unrestricted £	Restricted £	2017 £	2016 £
	Donations and legacies	159,807	677,834	837,641	877,573
	Acquisition: Angelus Foundation (Note 5)	160,048	-	160,048	-
		<u>319,855</u>	<u>677,834</u>	<u>997,689</u>	<u>877,573</u>

In 2016, £186,917 of donations and legacies related to unrestricted funds and £690,656 related to restricted funds.

4	Income from Charitable Activities	Unrestricted £	Restricted £	2017 £	2016 £
	Google - in kind	-	85,139	85,139	58,032
	Schools Income	-	0	0	86,925
	Statutory Funding	-	189,398	189,398	171,625
		<u>-</u>	<u>274,537</u>	<u>274,537</u>	<u>316,582</u>

All income from Charitable Activities in 2017 and 2016 was restricted.

- 5 Acquisitions**
The assets of the Angelus Foundation were transferred to Mentor UK on 1 October 2016, and the charity dissolved. Projects previously undertaken by the Angelus Foundation are continuing and are shown under New Psychoactive Substances.

6	Total Expenditure	Direct costs £	Staff costs £	Allocated costs £	Total Funds 2017 £	Total Funds 2016 £
	Cost of raising funds					
	Fundraising and publicity costs	1,816	46,776	10,070	58,662	34,980
	Charitable activities					
	Drug & Alcohol related projects	462,137	583,729	125,659	1,171,525	1,019,108
		<u>463,953</u>	<u>630,505</u>	<u>135,729</u>	<u>1,230,187</u>	<u>1,054,088</u>
	Allocated costs		Drug Related Projects £	Fundraising £	Total 2017 £	Total 2016 £
	Other Staff Costs (1)		24,309	1,948	26,257	26,464
	Office Costs (2)		74,740	5,990	80,730	66,880
	Governance		19,799	1,586	21,385	16,812
	Depreciation		2,758	221	2,979	3,703
	Communications & International activities (3)		4,053	325	4,378	1,860
			<u>125,659</u>	<u>10,070</u>	<u>135,729</u>	<u>115,719</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 £4,378 (2016: £1,860).

In 2017, total expenditure was £1,230,187 (2016:£1,054,088) of which £267,692 (2016:£76,769) was unrestricted and £962,495 (2016:£977,319) was restricted.

MENTOR FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

Governance costs

Direct governance costs include audit fees of £5,564 (2016 : £5,109) and £1,265 (2016 : £448) for other services .

Staff costs comprise:

	2017 £	2016 £
Wages and salaries	571,108	437,846
Social security costs	51,489	39,512
Pension costs	7,908	3,860
	<u>630,505</u>	<u>481,218</u>

The average number of employees, analysed by function, was:

	2017 No	2016 No
Fundraising	2	1
Drug & Alcohol related projects	21	17
	<u>23</u>	<u>18</u>

This equates to FTE 15 (2016:13)

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

	2017 No	2016 No
£70,000 to £79,999	-	1
£80,000 to £89,999	1	-
	<u>1</u>	<u>1</u>

The number of persons with significant control are 2 (2016: 2) and the total emoluments amount to £148,769 (2016: 136,870)

7 Trustees

No trustees received remuneration during the year (2016 : none). Expenses reimbursed to, or paid on behalf of 3 Trustees (2016:5) for travel and accommodation during the year amounted to £1,623 (2016:£1,732).

8 Tangible Fixed Assets

	Fixtures, fittings & equipment £
Cost	
At 1 April 2016	25,451
Disposals	(4,001)
Additions	1,852
At 31 March 2017	<u>23,302</u>
Depreciation	
At 1 April 2016	19,042
Disposals	(4,001)
Charge for year	2,979
At 31 March 2017	<u>18,020</u>
Net book value	
At 31 March 2017	<u>5,282</u>
At 31 March 2016	<u>6,409</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

9 Debtors	2017 £	2016 £
Other debtors	10,687	8,550
Prepayments and accrued income	40,957	121,027
	<u>51,644</u>	<u>129,577</u>

10 Creditors: amounts falling due within one year	2017 £	2016 £
Taxes and social security costs	21,516	12,901
Deferred income	10,000	-
Other creditors and accruals	39,827	26,986
	<u>71,343</u>	<u>39,887</u>

Deferred income relates to a donation received in December 2016 from Luton & Beds Charitable Trust. The original project was discontinued during the year, but confirmation was received in June 2017 that the funds may be used for a similar project. The total donation was deferred to 2017-18.

11 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 2016 £	Incoming resources £	Resources expended £	Transfers £	31 March 2017 £
Breaking Out	(a)	(10,765)	80,000	(73,891)		(4,656)
Families Together	(b)	309	239,140	(221,126)		18,323
Scottish Government	(a)	(3,858)	89,500	(92,708)		(7,066)
Bottle Project	(a)	842	10,733	(17,788)		(6,213)
Gambling Project	(b)	(487)	2,125	(93)		1,545
Website Development	(b)	-	85,139	(85,139)		-
Early Help - Kinship Care	(b)	(13,936)	13,913	(5,337)	5360	-
Brighton & Hove CC	(b)	-	2,070	(2,992)	922	-
Unplugged	(b)	493	12,500	(14,180)	1187	-
ADEPIS	(a)	296	83,752	(85,741)		(1,693)
Good Behaviour Game	(b)	84,448	304,423	(353,281)		35,590
Compass (SLA)	(b)	-	15,000			15,000
EU Boys & Girls Project	(b)	(5,444)	14,076	(10,219)	1,587	-
		<u>51,898</u>	<u>952,371</u>	<u>(962,495)</u>	<u>9,056</u>	<u>50,830</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

11 Restricted Funds (continued)

Breaking Out is a project undertaken at Polmont Prison in Scotland, and is jointly funded by Comic Relief, the Robertson Trust and the Gannochy Trust.

Families Together is a project in Scotland funded by the Big Lottery Fund, with additional funding from the Courant Fund and the Big Hearts Community Trust.

The Gambling Project is funded by DEMOS.

Unplugged is a project funded by Lifeskills Education.

Brighton & Hove CC funded work in schools in their area.

Early Help - Kinship Care is a project that was be funded by Public Health England in partnership with Grandparents Plus.

The Good Behaviour Game is a project working with schools and is funded by the Education Endowment Fund and income from participating schools.

Website Development includes income in kind from Google Inc.

Boys & Girls project is an EU funded collaboration.

The Bottle Project in Scotland was funded by the Scottish Whisky Association

Funding for Scotland includes a grant from the Scottish Government for work with children in kinship care, in addition to funding from the Gordon Fraser Charitable Trust & Sylvia Aitken Charitable Trust.

(a) denotes projects where expenditure has exceeded income during the year, which will be allocated to income received during 2017-18.

(b) refers to income received during 2016-17 which will be expended in 2017-18.

All other transfers from unrestricted funds to projects are where expenditure has been incurred against a project that is no longer funded.

12 Analysis of Net Assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances as at 31 March 2017 are represented by:			
Tangible Fixed Assets	5,282	-	5,282
Current Assets	289,546	50,830	340,376
Creditors: amounts falling due within one year	(71,343)	-	(71,343)
	<u>223,485</u>	<u>50,830</u>	<u>274,315</u>

13 Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities

	2017 £	2016 £
Net Movement in Funds for the reporting period (as per SOFA)	51,668	145,804
Add Depreciation charges	2,979	3,704
Deduct Investment Income shown in Investing Activities	(81)	(134)
(Increase)/Decrease in Debtors	77,933	(105,726)
Increase/(Decrease) in Creditors due within One Year	31,456	(12,386)
Increase/(Decrease) in Creditors due after more than One Year	-	-
Net Cash provided by/(used in) Operating Activities	<u>163,955</u>	<u>31,262</u>

14 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.

15 Related party transactions

There were no related party transactions during the year (2016:none)