

4129289

COMPANY REGISTRATION NUMBER

**MENTORING AND BEFRIENDING FOUNDATION  
CONSOLIDATED FINANCIAL STATEMENTS  
31ST MARCH 2011**

**Charity Number 1112624**

**K M**  
Chartered Accountants & Statutory Auditor  
4 - 6 Grimshaw Street  
Burnley  
Lancs  
BB11 2AZ

# **MENTORING AND BEFRIENDING FOUNDATION**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST MARCH 2011**

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**MENTORING AND BEFRIENDING FOUNDATION**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 31ST MARCH 2011**

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 31st March 2011.

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Registered charity name</b>	Mentoring and Befriending Foundation
<b>Charity registration number</b>	1112624
<b>Company registration number</b>	4129289
<b>Principal office</b>	Suite 1, 4th Floor, Building 3 Universal Square Devonshire Street North Ardwick Manchester M12 6JH
<b>Registered office</b>	Suite 1, 4th Floor, Building 3 Universal Square Devonshire Street North Ardwick Manchester M12 6JH

**THE TRUSTEES**

The trustees who served the charity during the period were as follows:

Mr D Dunn  
Ms C Gardiner  
Mr C K Badman  
Mrs L Cozens  
Mr P Munim  
Dr T Stone  
Mrs C Austin  
Mr R Turner  
Mr G Fenwick  
Mrs A Maddocks  
Mr R Patterson  
Mrs E Slater-Simmons  
Mrs M Surrell (appointed 1<sup>st</sup> September 2010)  
Miss Raksha Pattni (appointed 26<sup>th</sup> May 2010)

Mr I Townley (retired 1<sup>st</sup> September 2010)  
Mrs J Anderson (retired 1<sup>st</sup> September 2010)  
Mrs D Russell-Thomas (retired 1<sup>st</sup> December 2010)

**MENTORING AND BEFRIENDING FOUNDATION****TRUSTEES ANNUAL REPORT** *(continued)***YEAR ENDED 31ST MARCH 2011**

<b>Secretary</b>	Mr S Matthews
<b>Chief executive</b>	Mr S Matthews
<b>Auditor</b>	K M Chartered Accountants & Statutory Auditor 4 - 6 Grimshaw Street Burnley Lancs BB11 2AZ
<b>Bankers</b>	Co-operative Bank P O Box 250 Delf House South Way Skelmersdale WN8 6WT

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association as amended on 6th December 2005 and 10th March 2009.

Trustees meet regularly throughout the year, with the Company Secretary acting as the Chief Executive.

The charity has a subsidiary undertaking, Mentoring Matters Ltd, which organises conferences, delivers training courses and provides resources for practitioners on mentoring and befriending. The activities were transferred to the charity on 1<sup>st</sup> January 2011.

**Risk Management**

The Trustees have examined the major strategic, business and operational risks that the Charity faces and confirm that systems have been established to enable regular reviews to be carried out so that necessary steps can be taken to lessen these risks. The trustees have established an audit sub-committee to oversee the organisation's internal control and risk management strategy.

# MENTORING AND BEFRIENDING FOUNDATION

## TRUSTEES ANNUAL REPORT *(continued)*

### YEAR ENDED 31ST MARCH 2011

#### **AIMS AND OBJECTIVES**

The charity has been set up for general charitable purposes within the meaning of English law. The object of the charity as set out in the Memorandum and Articles of Association is:

The advancement of education, in particular by the provision, development and support of mentoring and befriending.

The Mentoring and Befriending Foundation (MBF) is a national charity that encourages the growth and development of mentoring and befriending programmes throughout England. We do this by acting as a source of expert guidance to practitioners and organisations operating in the field and by encouraging and promoting excellence across the sector. We also work to influence policy and practice throughout the sector and across government.

Our vision is of a society where mentoring and befriending can empower all people to reach their full potential.

The charity has four main objectives:

To develop the evidence base for mentoring and befriending by encouraging practical evaluation and research support for projects.

To encourage the growth of quality mentoring and befriending across all sectors through the development of appropriate support structures, products and services.

To influence government, other political parties, VCS partners, commissioners and funders to encourage investment in sustainable provision of mentoring and befriending.

To develop a communications strategy to raise the profile of mentoring and befriending promote quality and standards in mentoring and befriending.

To encourage high quality mentoring and befriending provision through the promotion of quality standards and accreditation opportunities.

#### **Public Benefit**

In accordance with their priorities for the year, and with due regard to the published Charity Commission guidance on the operation of the Public Benefit requirement of the Charities Act 2006, the trustees have undertaken appropriate activities in furtherance of those aims for the public benefit. The year's activities and achievements against its objectives are summarized below.

# MENTORING AND BEFRIENDING FOUNDATION

## TRUSTEES ANNUAL REPORT *(continued)*

### YEAR ENDED 31ST MARCH 2011

#### SIGNIFICANT ACTIVITIES AND ACHIEVEMENTS

##### Achievements in the Year

This year has seen significant changes in the development of the organisation. The organisation relocated its headquarters to more accessible offices in central Manchester. In anticipation of changes in the funding landscape, a business plan was developed which included amongst other things plans to develop an organisational consultancy service, and to promote MBF's products and services to the business sector. MBF also secured funding from the DWP as part of the European Year 2010 for combating poverty and social isolation and ran the 'Supporting Life's Journeys' campaign to promote the value of mentoring and befriending. This brought together many hundreds of people and involved events throughout the UK.

We contributed to policy debates by publishing an important study into the benefits of befriending in the health and social care field. We organised a series of regional stakeholder events bringing together projects, funders and commissioners to foster greater understanding of the value of mentoring and befriending. We developed and expanded the range of training courses and other services provided to the sector to improve skills and ensure quality of provision. In collaboration with Skills for Justice we introduced a new national qualification for volunteer-based mentoring and befriending.

This report shows how we performed against our objectives for 2010-11 and records our activities over the past year, documents our achievements and also identifies important areas for future development.

#### **Objective 1 - To develop the evidence base for mentoring and befriending by encouraging practical evaluation and research support for projects**

With the support of the Department for Education we continue to pilot initiatives to promote development of peer mentoring. This year we completed a two year programme to combat bullying in schools. 150 schools participated in the initiative, including primary, secondary and special needs schools. 6000 peer mentors were recruited and trained to take part in anti bullying programmes. An independent evaluation of the initiative conducted by the Children's Society Research Unit found that:

- 63% of the 'most bullied' students who were mentored experienced a reduction in victimisation
- 60% of the peer mentors felt they had 'made a difference' to the lives of the pupils they had worked with
- One in three school coordinators reported an improvement in the levels of bullying

The publication 'Befriending Works' provides an overview of how befriending is being delivered in communities to improve the health and well being of vulnerable people, reduce social isolation and contribute to wider local priorities. Our research into the benefits of befriending show that it can help improve health and well-being outcomes if used as an early intervention, particularly if it forms part of a wider integrated package of care and support. We will continue undertaking research to measure the added value and cost benefits of befriending, including the potential savings in reduced dependence on high cost services.

# MENTORING AND BEFRIENDING FOUNDATION

## TRUSTEES ANNUAL REPORT *(continued)*

### YEAR ENDED 31ST MARCH 2011

#### **Objective 1 (continued)**

In order to demonstrate the impact of mentoring and befriending, MBF is aware that individual projects must be equipped with the knowledge and means to measure outcomes and evaluate the work that they do. To assist this process:

- We launched a 2 year programme to improve evaluation processes and measure the impact of peer mentoring in schools
- We introduced a series of practitioner training courses on the use of effective monitoring and evaluation practice
- We published an 'outcomes toolkit' and established a directory of over 200 project evaluations to be used as 'good practice' guides, available to practitioners on the new MBF website

#### **Objective 2 - To encourage the growth of quality mentoring and befriending across all sectors through the development of appropriate support structures, products and services**

We updated our website during the year adding a new searchable directory of projects that had achieved our quality award. The website features an information section to support projects during the recession, a resource library news and events and details of our national training programme. It includes links to Government support and funding initiatives plus links to alternative sources of advice, information and resources. An environmental sustainability page was created to help projects to consider the environmental costs of their programmes.

A total of 111 events were held over the year attracting over 1400 delegates. These events included training courses, networking and consultation events, conferences and workshops. Our experience of running conferences and events helped to ensure the success of the National Training Programme (NTP). As part of our commitment to increase the knowledge and skills of practitioners and respond to developments in the sector, we launched a number of new courses including:

- Advanced skills for trainers of mentors and befrienders
- Intergenerational mentoring and befriending
- Befrienders for the 21st Century
- On-line mentoring

Over 500 practitioners attended our training courses, an increase of over 15% on numbers for the previous year. 96% of those attending said that the training met course expectations. 94% rated the training they received as 'good' or 'excellent'.

We also reviewed our membership package and decided to re-launch this as a free service for projects, recognising that membership should offer a two-way dialogue with projects to enable to MBF develop better services for projects, as well as acting as a conduit for communicating news, sharing ideas and representing views.

# MENTORING AND BEFRIENDING FOUNDATION

## TRUSTEES ANNUAL REPORT *(continued)*

### YEAR ENDED 31ST MARCH 2011

#### **Objective 3 - To influence government, other political parties, VCS partners, commissioners and funders to encourage investment in sustainable provision of mentoring and befriending**

Representing the views of mentoring and befriending projects to government is a key aspect of our role. We engaged with government departments to promote the interests of the sector and helped to improve and strengthen policy and practice in relation to mentoring and befriending. We contributed to policy consultations, provided expert advice to working parties and extended policy debate by running workshops and seminars.

We organised a series of regional workshops on the contribution of mentoring and befriending to the 'Big Society' agenda and produced our own agenda for the Big Society. Both during and following the General Election, we helped support projects through advice and guidance to build better links with political representatives at local and national levels.

We created sector consultation groups to collect grassroots views and provided detailed responses to six consultations and White Papers during the year in relation to key areas of policy, including early intervention, services for young people, families and relationships and supporting a stronger civil society.

Policy documents we responded to 2010-2011 include:

- Breaking the cycle: effective punishment, rehabilitation and sentencing of offenders (Ministry of Justice)
- Inquiry into services for young people (Education Committee)
- Evidence, ideas and recommendations – a response to the Giving Green Paper (Office for Civil Society)
- Supporting a Stronger Civil Society – a consultation response (Office for Civil Society)
- Independent Review on Early Intervention Delivery
- Civil Society Red Tape Task Force (Cabinet Office)

We worked with a range of strategic contacts and VCS partners to promote the value of mentoring and befriending and encourage investment in sustainable provision. Examples include:

- Support for Volunteering England's ESV regional pilots by identifying quality mentoring and befriending opportunities and development of an evaluation framework to record feedback from volunteers, projects and employers
- Joint funding proposals with key VCS partners including The Prince's Trust, CSV, Brightside UNIAID and Business in the Community
- Worked with Clinks to produce volunteering and mentoring guides for projects working in the justice sector
- Establishing a European Charter for mentoring and befriending, with partners from across the E.U., with developments incorporating a new website, shared opportunities for training and a consistent approach to quality standards

# MENTORING AND BEFRIENDING FOUNDATION

## TRUSTEES ANNUAL REPORT *(continued)*

### YEAR ENDED 31ST MARCH 2011

#### **Objective 3 continued**

Our 2010 funding survey of mentoring and befriending projects in the voluntary and statutory sectors highlighted the uncertainty and pressures that many of them are under as they compete for funding and aim to ensure survival over the longer-term. In order to address these concerns, MBF actively pursued a number of strategies to increase the level and range of support available to projects as well as promote the value of mentoring and befriending to funders:

- We developed an engagement plan for each region and organised a series of events to open a dialogue between commissioners, funders and project managers
- We coordinated a national campaign to communicate the positive impact of mentoring and befriending and encourage further investment
- We extended the National Training Programme to include additional training on accessing funding
- We published two guides, 'Promising Returns' one directed at commissioners and one for non-statutory funders which offer guidance and information on investing in mentoring and befriending services

#### **Objective 4 - To develop a communications strategy to raise the profile of mentoring and befriending promote quality and standards in mentoring and befriending**

In 2010 our plans to raise the profile of mentoring and befriending were taken forward under the umbrella of the campaign 'Supporting Life's Journeys' (SLJ). With financial backing from the Department of Work and Pensions (DWP), the initiative was linked with activities to support the 'European Year for Combating Poverty and Social Exclusion'. The aims of the campaign were to:

- Publicise the positive impact of mentoring and befriending projects on clients and volunteers
- Celebrate the success of mentoring and befriending and the work of practitioners and volunteers
- Generate a shared body of evidence on the effectiveness of mentoring and befriending projects – showing that they work for clients, yield long term savings and generate significant social benefit

The campaign resulted in:

- The creation of a national mentoring and befriending awards programme which attracted the attendance of over 600 delegates and 275 project nominations in the first year. The events also drew widespread media attention, with over 120 pieces of local, regional and national media coverage
- The production of an interactive website incorporating material from over 30 case studies and an online toolkit to encourage campaigning at local level. The website to date has attracted over 3775 unique visitors. Over 1400 people have expressed support for the campaign by signing the online pledge.

## MENTORING AND BEFRIENDING FOUNDATION

### TRUSTEES ANNUAL REPORT *(continued)*

#### YEAR ENDED 31ST MARCH 2011

- The completion of an impact survey of practitioners, volunteers and service users to research the positive outcomes of mentoring and befriending and identify the contexts where the involvement of a mentor or befriender has been of value. Over 300 responses were received from people who had benefitted from mentoring or befriending support.
- The signing up of over 80 campaign ambassadors with experience of issues that lead to poverty and/or social exclusion to champion the benefits of mentoring and befriending. Of those who attended the regional launch events and heard from the campaign ambassadors, 80% expressed an interest in learning more about mentoring and befriending opportunities in their region.

The Supporting Life's Journeys campaign brought together volunteers, service users, project staff and funders to demonstrate how mentoring and befriending can be an effective tool to address social exclusion and poverty. The campaign has generated a valuable legacy. Activities were taken forward at local, regional and national levels, creating an infrastructure that can serve as a springboard for future developments. The campaign identified local examples of good practice; with smaller, local mentoring and befriending projects displaying a comprehensive knowledge of community needs and of building relationships with 'hard to reach' groups.

#### **Objective 5 – To encourage high quality mentoring and befriending provision through the promotion of quality standards and accreditation opportunities**

The Approved Provider Standard (APS), MBF's quality award is at the centre of our work to improve the quality of mentoring and befriending provision. Projects need to be able to demonstrate that they are well managed and effective. APS provides a recognised quality standard against which they can benchmark their provision. It also gives commissioners and funders the reassurance that the services provided are safe and effective.

During 2010-11, MBF had set itself the milestone of achieving 500 APS accredited projects. In fact, we exceeded this target, achieving a figure of over 560 accredited projects. In addition, a further 110 projects committed to 'working towards' achieving the standard.

APS is integral to the work of MBF and achievement of its aims. Our follow up survey shows that it is having a positive impact on both the management of projects and the quality of services to users.

- 92% of respondents felt that it had helped them to improve the quality of their programme
- 94% of respondents felt that it had supported the effective design and delivery of their programme
- 82% of respondents felt that it had helped them to evidence the impact of their programme

MBF also continued worked with Skills for Justice to develop a vocational qualification for mentoring and befriending with offenders. A draft qualification structure was developed, enabling a national Development Award for mentoring to be included in the Qualifications and Credit Framework (QCF).

# MENTORING AND BEFRIENDING FOUNDATION

## TRUSTEES ANNUAL REPORT *(continued)*

### YEAR ENDED 31ST MARCH 2011

#### CONCLUSION AND FUTURE PLANS

Mentoring and befriending have gained in significance and we must work hard to capitalise on the opportunities offered by the need for businesses to demonstrate their corporate responsibility and the Government's desire to create the Big Society.

In 2010 we delivered more activities to and for people than ever before. We are proud of this achievement but equally we know that it is not how much we do but the impact of what we do that matters. We intend to build on our achievements to date by using what we have learned to improve our services. We will share the findings with the people we support and work with them to make MBF more effective in the future.

We anticipate that budgets will be under strain. All of the MBF's target markets are affected by the recession and cuts in public spending. Despite the loss of significant grant funding at the end of the year, the trustees have put in place plans to increase funding. We need to diversify our funding sources, reducing the proportion of income that comes from government grants, and increasing the income from other grant funding, training and other services.

MBF will face significant challenges in the period ahead. We must be clear about our priorities and what we need to do to increase our impact. We have conducted a review of organisational aims, strategy and services. Our new strategic plan will form a framework for our activities in 2011 and beyond.

#### FINANCIAL REVIEW

Mentoring and Befriending Foundation has received funding from the Cabinet Office, the DFE and other sources, totalling £1,545,914 which together with other income generated gave total income of £1,734,443.

Expenditure in the year amounted to £1,618,608 (2010: £1,886,524).

Unrestricted reserves amount to £807,161. The trustees are aware of the need to increase reserves to ensure the charity's work continues in the event of a reduction in funding. The policy of the trustees is to maintain a minimum of six months running costs.

The results of the charity's subsidiary are consolidated with the parent's results.

# MENTORING AND BEFRIENDING FOUNDATION

## TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31ST MARCH 2011

### RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of Mentoring and Befriending Foundation for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company and the group's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Registered office:  
Suite 1, 4th Floor, Building 3  
Universal Square  
Devonshire Street North  
Ardwick  
Manchester  
M12 6JH

Signed by order of the trustees

MR S MATTHEWS  
Company Secretary

7<sup>th</sup> July 2011

**MENTORING AND BEFRIENDING FOUNDATION**  
**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF**  
**MENTORING AND BEFRIENDING FOUNDATION**

**YEAR ENDED 31ST MARCH 2011**

We have audited the financial statements of Mentoring and Befriending Foundation for the year ended 31st March 2011 on pages 13 to 25, which have been prepared on the basis of the accounting policies set out on pages 17 to 19. 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 charity and the group's trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity and the group's trustees those matters we are required to state to them in an auditor's 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 charity and the group's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR**

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company and the group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**MENTORING AND BEFRIENDING FOUNDATION**  
**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF**  
**MENTORING AND BEFRIENDING FOUNDATION** *(continued)*

**YEAR ENDED 31ST MARCH 2011**

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company and the group's affairs as at 31<sup>st</sup> 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 (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company and the group has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

4 - 6 Grimshaw Street  
Burnley  
Lancs  
BB11 2AZ

7<sup>th</sup> July 2011

K M  
Chartered Accountants  
& Statutory Auditor

**MENTORING AND BEFRIENDING FOUNDATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)**

**YEAR ENDED 31ST MARCH 2011**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generating funds:					
Voluntary income	2	1,225,298	320,616	1,545,914	1,872,109
Bank interest receivable		2,534	-	2,534	2,677
Incoming resources from charitable activities	3	<u>194,995</u>	<u>-</u>	<u>194,995</u>	<u>214,158</u>
<b>TOTAL INCOMING RESOURCES</b>		<u>1,422,827</u>	<u>320,616</u>	<u>1,734,443</u>	<u>2,088,944</u>
<b>RESOURCES EXPENDED</b>					
Charitable activities	4/5	(1,256,585)	(345,033)	(1,601,618)	(1,872,154)
Governance costs	6	(16,990)	-	(16,990)	(14,370)
<b>TOTAL RESOURCES EXPENDED</b>		<u>(1,273,575)</u>	<u>(345,033)</u>	<u>(1,618,608)</u>	<u>(1,886,524)</u>
<b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>					
Transfer between funds	7 8	149,252 (857)	(24,417) 857	124,835 -	202,420 -
<b>NET INCOME FOR THE YEAR</b>		<u>148,395</u>	<u>(23,560)</u>	<u>124,835</u>	<u>202,420</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>658,766</u>	<u>23,560</u>	<u>682,326</u>	<u>479,906</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>807,161</u>	<u>-</u>	<u>807,161</u>	<u>682,326</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

## MENTORING AND BEFRIENDING FOUNDATION

### COMPANY STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31ST MARCH 2011

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
<b>INCOMING RESOURCES</b>				
Incoming resources from generating funds:				
Voluntary income	1,225,298	320,616	1,545,914	1,872,109
Investment income (including donation from subsidiary)	92,534	-	92,534	117,310
Incoming resources from charitable activities	<u>97,503</u>	<u>-</u>	<u>97,503</u>	<u>43,653</u>
<b>TOTAL INCOMING RESOURCES</b>	<u>1,415,335</u>	<u>320,616</u>	<u>1,735,951</u>	<u>2,033,072</u>
<b>RESOURCES EXPENDED</b>				
Charitable activities	(1,214,857)	(345,033)	(1,559,890)	(1,800,441)
Governance costs	(13,751)	-	(13,751)	(12,446)
<b>TOTAL RESOURCES EXPENDED</b>	<u>(1,228,608)</u>	<u>(345,033)</u>	<u>(1,573,641)</u>	<u>(1,813,087)</u>
<b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>				
Transfer between funds	186,727 <u>(857)</u>	(24,417) <u>857</u>	162,310 <u>-</u>	219,985 <u>-</u>
<b>NET INCOME FOR THE YEAR</b>	<u>185,870</u>	<u>(23,560)</u>	<u>162,310</u>	<u>219,985</u>
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	<u>618,929</u>	<u>23,560</u>	<u>642,489</u>	<u>422,504</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>804,799</u>	<u>-</u>	<u>804,799</u>	<u>642,489</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

# MENTORING AND BEFRIENDING FOUNDATION

## CONSOLIDATED BALANCE SHEET

31ST MARCH 2011

		2011		2010	
	Note	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	11		-		4,000
Tangible assets	12		-		-
			-		4,000
<b>CURRENT ASSETS</b>					
Debtors	14	74,982		79,654	
Cash at bank and in hand		932,651		1,001,196	
		1,007,633		1,080,850	
<b>CREDITORS: Amounts falling due within one year</b>					
	15	(200,472)		(402,524)	
<b>NET CURRENT ASSETS</b>			<b>807,161</b>		678,326
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>807,161</b>		682,326
<b>NET ASSETS</b>			<b>807,161</b>		682,326
<b>FUNDS</b>					
Restricted income funds	16		-		23,560
Unrestricted income funds	17		807,161		658,766
<b>TOTAL FUNDS</b>			<b>807,161</b>		682,326

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476(1) of the Act. However it is required to have a statutory audit under the Charities Act 1993.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved by the trustees on the 7<sup>th</sup> July 2011 and are signed on their behalf by:

**L Cozens**  
**Trustee**

Company Registration Number: 4129289

The notes on pages 17 to 25 form part of these financial statements.

# MENTORING AND BEFRIENDING FOUNDATION

## COMPANY BALANCE SHEET

31ST MARCH 2011

	Note	2011 £	£	2010 £	£
<b>FIXED ASSETS</b>					
Tangible assets	12		-		-
Investments	13		<u>100</u>		<u>100</u>
			<b>100</b>		<b>6,085</b>
<b>CURRENT ASSETS</b>					
Debtors	14	74,881		171,261	
Cash at bank and in hand		<u>927,745</u>		<u>865,391</u>	
		<b>1,002,626</b>		<b>1,036,652</b>	
<b>CREDITORS: Amounts falling due within one year</b>					
	15	<u>(197,927)</u>		<u>(394,263)</u>	
<b>NET CURRENT ASSETS</b>			<b>804,699</b>		<b>642,389</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>804,799</b>		<b>642,489</b>
<b>NET ASSETS</b>			<b>804,799</b>		<b>642,489</b>
<b>FUNDS</b>					
Restricted income funds	16		-		23,559
Unrestricted income funds	17		<u>804,799</u>		<u>618,930</u>
<b>TOTAL FUNDS</b>			<b>804,799</b>		<b>642,489</b>

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act. However it is required to have a statutory audit under the Charities Act 1993.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved and signed by the trustees on 7<sup>th</sup> July 2011 and are signed on their behalf by:

**L Cozens**  
**Trustee**

Company Registration Number: 4129289

**The notes on pages 17 to 25 form part of these financial statements.**

# MENTORING AND BEFRIENDING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006.

#### **Cash flow statement**

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity and the group is small.

#### **Fund accounting**

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### **Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Investment income is recorded when receivable.

# MENTORING AND BEFRIENDING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

### 1. ACCOUNTING POLICIES *(continued)*

#### **Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT that cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - Straight Line over 5 years

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - 25% Straight Line

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Pension costs**

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

# MENTORING AND BEFRIENDING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

### 1. ACCOUNTING POLICIES *(continued)*

#### Consolidation

The consolidated accounts incorporate the accounts of the charity and all group undertakings. These are adjusted, where appropriate, to conform to the group accounting policies.

### 2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
<b>Grants receivable</b>				
DCSF - Peer Mentoring	-	235,616	235,616	240,000
Cabinet Office – OCS	1,105,815	-	1,105,815	1,035,442
GMC/RMBC	-	85,000	85,000	-
DWP – National Implementing Body	119,483	-	119,483	-
LSC - North East Pilot Project	-	-	-	76,667
Sundry grants	-	-	-	20,000
DCSF - Anti bullying pilot	-	-	-	500,000
	<u>1,225,298</u>	<u>320,616</u>	<u>1,545,914</u>	<u>1,872,109</u>

Under spends on previous years' Cabinet Office grants have been included in the above.

### 3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Membership	5,405	5,405	12,365
Publications	14,620	14,620	13,312
Training	28,140	28,410	10,760
Conferences and events	146,560	146,560	170,505
Other income	-	-	7,216
	<u>194,995</u>	<u>194,995</u>	<u>214,158</u>

### 4. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Mentoring and Befriending	1,182,353	345,033	1,527,386	1,027,344
Support costs	74,232	-	74,232	75,132
	<u>1,256,585</u>	<u>345,033</u>	<u>1,601,618</u>	<u>1,872,154</u>

# MENTORING AND BEFRIENDING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

### 5. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Support costs £	Total Funds 2011 £	Total Funds 2010 £
Mentoring and Befriending	<u>1,527,386</u>	<u>74,232</u>	<u>1,601,618</u>	<u>1,872,154</u>

### 6. GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Accountancy fees	6,990	-	6,990	3,447
Audit fees	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>10,924</u>
	<u>16,990</u>	<u>-</u>	<u>16,990</u>	<u>14,371</u>

# MENTORING AND BEFRIENDING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

### 7. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2011	2010
	£	£
Staff pension contributions	44,744	36,127
Amortisation of intangible assets	4,000	4,000
Depreciation	-	5,985
Auditors' remuneration:		
- audit of the financial statements	10,000	10,924
- other fees (see below)	6,990	3,447
	<u>6,990</u>	<u>3,447</u>

#### Auditor's fees

The fees charged by the auditor can be further analysed under the following headings for services rendered:

	2011	2010
	£	£
Accountancy	6,990	3,447
	<u>6,990</u>	<u>3,447</u>

### 8. FUND TRANSFERS

Fund transfers relate to overspends on restricted funds met from unrestricted funds.

### 9. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2011	2010
	£	£
Wages and salaries	880,367	779,911
Social security costs	75,641	72,921
Other pension costs	44,744	36,127
	<u>1,000,752</u>	<u>888,959</u>

#### Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2011	2010
	No	No
Charitable activities	33	29
	<u>33</u>	<u>29</u>

No employee received remuneration of more than £60,000 during the year (2010 - Nil).

### 10. TRUSTEES' REMUNERATION

The trustees neither received nor waived any remuneration in the current or preceding year.

Eight Trustees received expenses totalling £1689.

## MENTORING AND BEFRIENDING FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

#### 11. INTANGIBLE FIXED ASSETS

##### Group

	<b>Goodwill</b> £
<b>COST</b>	
At 1st April 2010 and 31st March 2011	<u>20,000</u>
<b>AMORTISATION</b>	
At 1st April 2010	16,000
Charge for the year	<u>4,000</u>
At 31st March 2011	<u>20,000</u>
<b>NET BOOK VALUE</b>	
At 31st March 2011	-
At 31st March 2010	<u>4,000</u>

Goodwill was acquired in 2006/7 by the subsidiary for the right to run conferences.

#### 12. TANGIBLE FIXED ASSETS

##### Group & Company

	<b>Equipment</b> £
<b>COST</b>	
At 1st April 2010 and 31st March 2011	<u>119,361</u>
<b>DEPRECIATION</b>	
At 1st April 2010 and 31st March 2011	<u>119,361</u>
<b>NET BOOK VALUE</b>	
At 31st March 2011	-
At 31st March 2010	<u>-</u>

# MENTORING AND BEFRIENDING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

### 13. INVESTMENTS

#### Company

#### Movement in market value

	2011 £	2010 £
Market value at 1st April 2010	100	100
Market value at 31st March 2011	<u>100</u>	<u>100</u>
Historical cost at 31st March 2011	<u>100</u>	<u>100</u>

#### Analysis of investments at 31st March 2011 between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
<b>Other investments</b>				
UK Group undertakings	<u>100</u>	<u>-</u>	<u>100</u>	<u>100</u>

The charity owns the whole of the issued ordinary share capital of Mentoring Matters Ltd, a company registered in England, company number 4874066. The subsidiary is used for trading activities, namely the organisation of conferences, seminars, training and publications in mentoring. A donation of £90,000 (2010 - £115,000) was gifted to the charity. The activities were transferred to the charity on 1<sup>st</sup> January 2011.

A summary of the results of the subsidiary is shown below:

	2011 £	2010 £
Turnover	97,492	170,505
Cost of sales	<u>(16,074)</u>	<u>(34,475)</u>
Gross profit	81,418	136,030
Administrative expenses	<u>(118,893)</u>	<u>(153,963)</u>
Operating (loss)/profit	(37,475)	(17,933)
Interest receivable	-	367
Taxation	-	-
Net (loss) retained in subsidiary	<u>(37,475)</u>	<u>(17,566)</u>

The charity also has a dormant subsidiary company, The National Mentoring Network, registered in England, company number 5129499. The company is limited by guarantee and has been dormant since incorporation.

# MENTORING AND BEFRIENDING FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2011

### 14. DEBTORS

	2011		2010	
	Group	Company	Group	Company
	£	£	£	£
Trade debtors	40,534	27,085	76,255	25,507
Amounts owed by group undertakings	-	13,348	-	142,355
Other debtors	23,900	23,900	-	-
Prepayments	10,548	10,548	3,399	3,399
	<u>74,982</u>	<u>74,881</u>	<u>79,654</u>	<u>171,261</u>

### 15. CREDITORS: Amounts falling due within one year

	2011		2010	
	Group	Company	Group	Company
	£	£	£	£
Trade creditors	97,225	97,225	129,345	129,345
Taxation and social security	24,169	23,623	27,852	21,591
Accruals	79,078	77,079	245,327	243,327
	<u>200,472</u>	<u>197,927</u>	<u>402,524</u>	<u>394,263</u>

Accruals include income received in the year relating to the following financial year.

### 16. RESTRICTED INCOME FUNDS

	Balance at 1 Apr 2010	Incoming resources	Outgoing resources	Transfers	Balance at 31 Mar 2011
	£	£	£	£	£
Peer Mentoring	-	235,616	(235,616)	-	-
GMC/RMBC	-	85,000	(85,000)	-	-
DCSF – Anti Bullying pilot	23,560	-	(24,417)	857	-
	<u>23,560</u>	<u>320,616</u>	<u>(345,033)</u>	<u>857</u>	<u>-</u>

### 17. UNRESTRICTED INCOME FUNDS

	Balance at 1 Apr 2010	Incoming resources	Outgoing resources	Transfers	Balance at 31 Mar 2011
	£	£	£	£	£
Subsidiary's reserves	39,837	97,492	(44,967)	(90,000)	2,362
General Funds	618,929	1,325,335	(1,228,608)	89,143	804,799
	<u>658,766</u>	<u>1,422,827</u>	<u>(1,273,575)</u>	<u>(857)</u>	<u>807,161</u>

**MENTORING AND BEFRIENDING FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MARCH 2011**

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Net current assets £	Total £
Unrestricted Income Funds	807,161	807,161
<b>Total Funds</b>	<u>807,161</u>	<u>807,161</u>

**19. COMMITMENTS UNDER OPERATING LEASES****Group & Company**

At 31 March 2011 the group had annual commitments under non-cancellable operating leases as set out below.

	2011 Land and buildings £	2010 Land and buildings £
<b>Operating leases which expire:</b>		
Within 2 to 5 years	£32,400	-

**20. COMPANY LIMITED BY GUARANTEE**

The company is limited by guarantee and has no share capital. The members, who are also the trustees, undertake to contribute to the assets of the company a sum not exceeding £1 in the event of the winding up of the company.

**21. CONTROLLING PARTY**

The charity is under the control of the trustees.