

Charity Registration No. 1069085

Company Registration No 03512607 (England and Wales)

MOTIV8 SOUTH LIMITED
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2007

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MOTIV8 SOUTH LIMITED

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MOTIV8 SOUTH LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees Dr Mark Button - Chair
Julia Hughes
Simon Walton
Ric Carey (appointed 1 May 2007)
Colin Thorpe (appointed 1 May 2007)

Observers Inspector Richard Taylor
Councillor Margaret Foster

Finance sub-group Dr Mark Button
Simon Walton

Secretary Charlie Adie

Charity number 1069085

Company number 03512607

Principal address The Guildhall
Guildhall Square
Portsmouth
Hampshire
PO1 2AL

Registered office 53 Kent Road
Southsea
Hampshire
PO5 3HU

Auditors Jones Avens
53 Kent Road
Southsea
Hampshire
PO5 3HU

Bankers Co-operative Bank plc
46/48 Arundel Street
Portsmouth
Hampshire
PO1 1TD

CAF Gold Fund
Kings Hill
West Malling
Kent
ME19 4TA

MOTIV8 SOUTH LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED)

Solicitors

Blake Lapthorn Tarlo Lyons
Harbour Court
Compass Road
North Harbour
Portsmouth
Hampshire
PO6 4ST

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2007

The trustees present their report and accounts for the year ended 31 March 2007

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, applicable law and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005

Reference and Administrative Information

Refer to page 1

Structure, governance and management

Governing Document

The company was incorporated on 18 February 1998 and is limited by guarantee. The company is registered as a charity. The company is governed by the articles and memorandum of association. The articles and memorandum of association grant wide powers of investment to the trustees.

Trustees

The charity is governed by the Board of Trustees comprising not less than two or more than eight members. At each general meeting one third of the members shall retire and will be eligible for re-election. The trustees, who are also the directors for the purpose of company law, who served during the year were

Dr Mark Button – Chair

Julia Hughes

Ian Piper

(Resigned 25 October 2006)

Suzannah Rosenberg

(Resigned 30 January 2007)

Simon Walton

Councillor Paula Riches

(Resigned 15 May 2006)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

In addition, there are two observers who attend Board meetings, neither of whom are trustees.

Inspector Richard Taylor

Councillor Margaret Foster

During the year the Chair of the Board and Chief Executive reviewed membership of the Board with the purpose of ensuring that the Board of Trustees is able to provide appropriate governance for Motiv8 and, in particular, is not exposed to being at the limits of membership criteria due to the resignation of one member. This review resulted in all Board members plus the Chief Executive actively seeking new members. This process has resulted in being able to welcome two new trustees, each bringing extensive expertise. Motiv8 has secured the on going support of two observers, who contribute significantly to the knowledge and expertise necessary to provide good governance to Motiv8.

All new trustees receive an induction pack plus an induction timetable outlining opportunities to gain a full understanding of the operational workings of Motiv8 and the roles and responsibilities of a trustee.

Sub-groups of the Board covering Finance and Human Resources have met regularly throughout the year.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

Risk Management

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. Motiv8 has a comprehensive Policies and Procedures Manual which is subject to constant review and an annual re-issue, the most recent of which was completed in May 2007.

The Risk Mapping process first identified in 2006 which follows Charity Commission guidance has become subject to annual review, to ensure that Risk is being identified and managed.

The organisation has identified three key areas of risk summarised as

Operations

Motiv8 works to written Policies and Procedures to ensure a safe working environment for beneficiaries and staff at all times. Motiv8 has comprehensive risk assessments covering all activities and these are subject to continuous improvement and best practice review. The Motiv8 accredited "Foundation in Youth Work" Training delivered to all staff and volunteers ensured that all workers are aware of the systems in place.

Motiv8 monitors operational performance through a comprehensive system of target tracking, delivery monitoring and evaluation, and summary status reports presented to the Board. Motiv8 reviews delivery to ensure it is in line with charitable objects, as well as keeping abreast of government policy that may impact future delivery.

Finance

As well as ensuring compliance with the Finance Policies and Procedures, Motiv8 trustees and officers seek independent financial advice when necessary. During the past year Motiv8 has introduced an updated system of budget setting which for income links actual income (Received and Guaranteed) with fundraising effort (Pipeline), and for expenditure separates direct project related costs from organisation overheads in order to provide clearer internal accountability.

People

Continual Professional Development for staff has been a focus with the introduction of a Competency Framework which provides clear career development opportunities for all staff. Staff retention continues to be a priority to provide best continuity of support to young people and ensure that long term organisation development can be effective. During the past year restructuring has allowed some staff to transfer to more secure forms of employment, whilst also introducing generic job descriptions has reduced the risk associated with staff redundancies when specific funding ends and new funding comes on line.

Objectives and activities

Charitable objectives

The objects for which the charity was established are "To promote for the benefit of the public the protection of people and property from criminal acts and to reduce crime and the fear of crime through strategic and social crime prevention methods".

Charity's aims

Motiv8 seeks to achieve the charity's objectives primarily through direct service provision to targeted young people at risk of offending or anti-social behaviour. However, we also work within the context of the wider local community to achieve our objectives and achieve evidence based outcomes for the young people we work with. At all times Motiv8 aims to be a leader and an innovator in its field.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

Charity's main objectives for the year

As stated in the Trustees Report 2005/2006, the future plans to be carried forward during 2006/2007 were

- Following on from 2006/2007, commence planning and consultation on a new three years business plan
- Continue the research and development of expanded services across the region and the south as a priority
- Developing evidence based information about outcomes of young people
- Exploring and planning of new premises This includes agreeing a fundraising and income generation plan for both capital and future revenue
- Bedding in the Student Unit which started in 2005
- Ongoing capacity building
- Achievement of PQASSO quality assurance award

Principle activities

Motiv8's activities were planned in order to achieve the charities aims and our main objectives for the year The principal method of delivery of provision to young people is through a range of interventions and services to those aged 8-25 years who are at risk of offending or anti-social behaviour, with the focus being on young people aged 13-19 years The objective of this work is the reduction or cessation of offending or anti-social behaviour Over the past twelve months over 1000 young people were helped

The range of interventions and services can broadly be categorised within the following headings and within each there are a wide range of services

- Open access "Diversionary" activities group work provision delivered in specific localities with the objective of engaging through choice with those most at risk of offending or anti-social behaviour For some it will be as the basis of establishing positive role models, for others it can lead to internal referral to "targeted" work
- Referral based "Targeted" work this is split between group activities and individual support
 - Group activities are focused around development using a wide variety of mediums from sport to the arts, consultations to outdoor activities During many of these activities there is the opportunity for young people to gain accreditation, i.e. Duke of Edinburgh Awards, First Aid certificate, a range of sporting and outdoor activity qualifications (e.g. canoeing, diving, climbing, sailing)
 - Individual support applies a solution focused Brief Therapy approach to help young people set goals and move on in their lives The emphasis is typically, but not exclusively, around emotional and behavioural issues or transitions relating to education, work or training
- Consultation and Progression Motiv8 believes that all young people should have a voice in reviewing, designing and, potentially, delivering services This voice can extend to services available to young people from 3rd parties and in these cases the organisation seeks to provide an advocacy role Motiv8 creates opportunities for young people to develop as junior leaders and progress to volunteering, if appropriate
- Volunteering this is both an opportunity for, and a service to, young people Motiv8 provides an accredited qualification in youth work as part of induction for all staff, including volunteers There are then further development opportunities for volunteers which have resulted in Motiv8 continuing to deliver the successful Appropriate Adult service, and other key elements of delivery staffed by volunteers

The trustees would like to thank all of the staff and particularly volunteers who contribute so much to the work of the charity to ensure that it serves many hundreds of young people

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

Achievements and performance

The whole team, which extends to include all front line delivery workers, volunteers, sessional staff, placement students, those with management responsibilities, the administration team, partner agencies who support Motiv8 in delivery and trustees, have had an exceedingly busy year with good all round performance which has been outstanding in specific areas

All of the main objectives listed above have seen significant progress and/or achievement

- Motiv8 has undertaken a major 12 week consultation exercise around a "Delivery Plan Proposal", the outcome of which will form the basis of the Operational element of the next three year business plan. Summaries of the Delivery Plan Proposal were sent to over a hundred key stakeholders and all staff members. Responses in the form of completed questionnaires and verbal feedback have been considered prior to the preparation of the final proposal for review by the Board. During the transition phase from the previous business plan and the new three year plan a twelve month "Implementation Plan" has been produced.
- Motiv8 has expanded its service provision in the Gosport area which has resulted in additional staffing. We continue to develop partnership arrangements with Rainer with whom we deliver Appropriate Adult services across South East Hampshire. This partnership has also been successful in securing the Restorative Justice contract from Wessex Youth Offending Team covering the same geographical area. During the year Motiv8 has been successful in gaining funding for a number of new innovative programmes which will start delivery in 2007.
- A consolidation exercise around the use of Referral forms, Personal Plans and Closure forms has ensured that there is a consistent approach and terminology when seeking to measure "distance travelled" by young people. Motiv8 has commissioned two independent evaluations of services, which have helped identify good practice and areas for future development, one recommendation arising was the excellent work on capturing outcomes within certain projects and this has now been implemented across the organisation.
- Whilst progress was being made around potential new premises at Hillside Youth Centre, this came to a halt due to changes in plans by Portsmouth City Council regarding the future use of the premises. However, a new opportunity arose when the North End Young People's Project commissioned Motiv8 to deliver its services for the later months of 2006/2007. The outcome of very successful delivery is that Motiv8 takes on the leasehold of 175 London Road as a delivery venue from June 2007. In addition, Motiv8 has secured office space in Portsea (Catherine Booth House), Paulsgrove (147 Allaway Avenue) and Gosport (The Old Chapel).
- Student Social Workers from University of Portsmouth and Southampton University have made a tremendous contribution to Motiv8 both in terms of supporting direct delivery but also undertaking a variety of research projects and bringing new ideas to the organisation. The trustees would like to thank staff that have provided supervision for students and practice teachers without whom the student unit could not operate. In total nineteen students worked with Motiv8 during 2006/2007, far exceeding initial expectations.
- Eight managers, coordinators and senior workers completed an OCN Level 3 Accredited Management and Leadership course. Motiv8 also managed to recruit experienced new staff to a number of strategically significant posts, thereby building capacity within the organisation as a whole. An organisation restructure clarified reporting lines and provided additional capacity in areas of fundraising, project management and human resources.
- Much progress was made to the Policies and Procedures within Motiv8 and completion of the PQASSO quality assurance award is expected in summer 2007.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

At the heart of all Motiv8s work is the desire to serve and support young people, this can be evidenced through continued high levels of performance across many projects including

- Positive Activities for Young People is recognised for its consistently high delivery of service, evidenced by the above national average level of positive outcomes for the young people on the project and this in turn has resulted in extensions to the contracts during 2007/2008
- The Motiv8 Outdoor Team has supported 42 young people gaining accredited outcomes including 1st Aid Open Canoeing and Duke of Edinburgh Award
- Appropriate Adult Service consistently delivered above target, providing valuable interventions at a time of real need in young people's lives. This ongoing success was recognised by Wessex Youth Offending Team (YOT) and Rainer who have extended the contract for delivery until March 2009
- The Portsea Youth Inclusion Project, supported by Youth Justice Board (YJB) and delivered by Motiv8, continues to receive commendations including reference in a national YJB report published spring 2007 and the YIP manager being asked to present on the success of the project at the annual YJB conference in Cardiff in November 2006

The year 2006/2007 did see a number of significant changes for Motiv8, most notably the trustees would like to pay tribute to the Chief Executive (CEO), Sarah Brennan, who after five years magnificent service left Motiv8 in October 2006. However, Sarah did not leave before a period of hand over to our new CEO Charlie Adie who joins having previously led the local centre of a national youth charity and prior to that spent fourteen years in industry. The other significant change has been the creation of the post of Director of Operations in order to provide oversight to operational development to release the CEO to lead the strategic development of the organisation. Greg Baker joined into this vital new post, arriving from Government Office South East, prior to that having spent time with a national crime prevention charity.

Financial review

The Statement of Financial Activities for the year ended 31 March 2007 is set out on page 12 of the financial statements. A summary of the financial results and the work of the charity is set out below.

There were net incoming resources of £59337 for the year ended 31 March 2007, of which £89502 was a surplus on unrestricted funds and (£30165) was restricted, compared to net unrestricted incoming resources of £20446 for the previous year.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained to a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. As at year end unrestricted reserve funds represented approximately nineteen weeks expenditure.

Funding

The trustees wish to acknowledge the support of the following organisations, without whom the charity would be unable to operate.

- Portsmouth City Council
 - Community Safety including Anti Social Behaviour Unit
 - Social Care within Children Families and Learning Directorate
 - Small grant to voluntary sector
 - Domestic Violence Unit
 - Teenage Pregnancy Unit
- Connexions South Central
 - Positive Activities for Young People
 - Voluntary sector grants
 - Personal Adviser (YOT)

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

- The Children's Fund (Hampshire and Portsmouth)
- The Rank Foundation
- Home Office – Active Community Unit
- The Carnegie UK Trust
- The Tudor Trust
- National Youth Agency/Department of Health
- Youth Justice Board/Wessex Youth Offending Team
- Wessex Youth Offending Team/Rainer
- The Big Lottery
- St Lukes Church of England Comprehensive School, Portsmouth
- Portsmouth and SE Hampshire Partnership/Global Grants
- Hampshire Constabulary
- University of Portsmouth
- The CP Centre
- North End Young People's Project

Asset cover for funds

There are adequate and available assets of each fund sufficient to meet all liabilities and obligations

Future plans

Motiv8 plans to

- Be clearly recognised as an independent voluntary sector organisation and partner of choice
- Be recognised for a core delivery process which can be simply communicated to beneficiaries and all other stakeholders
- Maintain and develop services for young people, providing continuity of support and opportunities for young people to develop
- Continue the development of evidence based on information about outcomes of young people and have the tools to capture, interpret and report them
- Organise its resources (people, premises and equipment) and delivery to allow for sustainable development
- Develop a broad portfolio of income to reduce risk and ensure financial sustainability
- Continue to develop effective business systems
- Progress towards gaining an Adventure and Activities Licensing Authority (AALA) Licence

Disclosure of information to auditors

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

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Jones Avens be reappointed as auditors of the company will be put to the Annual General Meeting

On behalf of the board of trustees

Trustee

Date 14 August 2007



MOTIV8 SOUTH LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period

In preparing those accounts, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

MOTIV8 SOUTH LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MOTIV8 SOUTH LIMITED

We have audited the accounts of Motiv8 South Limited for the year ended 31 March 2007 set out on pages 12 to 21. These accounts have been prepared under the accounting policies set out on page 14 and 15.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on page 9 the trustees, who are also the directors of Motiv8 South Limited for the purpose of company law, are responsible for the preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with the accounts, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Trustees' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of audit opinion

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

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

MOTIV8 SOUTH LIMITED

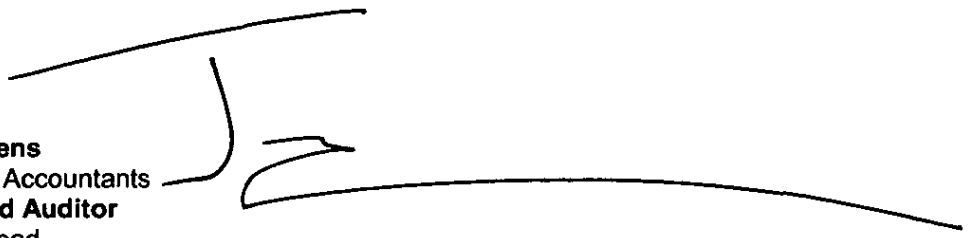
INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MOTIV8 SOUTH LIMITED

Opinion

In our opinion

- the accounts give a true and fair view in accordance with the United Kingdom Generally Accepted Accounting Practice of the state of the charity's affairs as at 31 March 2007 and of its incoming resources and application of resources in the year then ended,
- the accounts have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Report is consistent with the accounts



Jones Avens
Chartered Accountants
Registered Auditor
53 Kent Road
Southsea
Hampshire
PO5 3HU

Dated 14 August 2007

MOTIV8 SOUTH LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2007

	Notes	Unrestricted Funds £	Designated funds £	Restricted funds £	Total 2007 £	Total 2006 £
<u>Incoming resources from generated funds</u>						
Donations and legacies	2	153800	-	-	153800	152038
Investment income	3	11461	-	-	11461	8469
		165261	-	-	165261	160507
Incoming resources from charitable activities	4	516976	-	240238	757214	663503
Other incoming resources	5	33794	-	-	33794	26273
		716031	-	240238	956269	850283
<u>Resources expended</u>						
Costs of generating funds						
Fundraising and publicity costs		8375	1189	-	9564	4617
Charitable activities						
Provision of services for young people		588248	21702	268903	878853	820102
Governance costs	7	8515	-	-	8515	10239
		605138	22891	268903	896932	834958
Net incoming/(outgoing) resources before transfers						
Gross transfers between funds		110893 (25560)	(22891) 27060	(28665) (1500)	59337 -	15325 -
Net income/(expenditure) for the year/ Net movement in funds						
		85333	4169	(30165)	59337	15325
Fund balances at 1 April 2006		135685	103764	90884	330333	315008
		221018	107933	60719	389670	330333

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985

All transactions are derived from continuing activities

MOTIV8 SOUTH LIMITED

BALANCE SHEET

AS AT 31 MARCH 2007

	Notes	£	2007 £	£	2006 £
Fixed assets					
Tangible assets	10		15357		11944
Current assets					
Debtors	11	99509		54396	
Cash at bank and in hand		397643		322692	
			<u>497152</u>	<u>377088</u>	
Creditors: amounts falling due within one year	12	(122839)		(58699)	
Net current assets			<u>374313</u>		318389
Total assets less current liabilities			<u>389670</u>		<u>330333</u>
Income funds					
Restricted funds	13		60719		90884
Unrestricted funds					
Designated funds	14		107933		103764
Other charitable funds			221018		135685
			<u>389670</u>		<u>330333</u>

The accounts were approved by the Board on 14 August 2007



Trustee

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2007

1 Accounting policies

1.1 Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable accounting standards and the Companies Act

1.2 Incoming resources

Income from donations and grants, including capital grants, is included in incoming resources when receivable, except as follows

When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods

When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable

1.3 Resources expended

Resources expended include irrecoverable VAT, are accounted for on an accruals basis, classified under appropriate headings and apportioned where necessary

Direct charitable expenditure

This includes all expenditure directly related to the objects of the charity

Governance costs

Governance costs include those included in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Computer equipment	50% straight line
Fixtures, fittings and equipment	50% straight line
Motor vehicles	25% straight line

1.5 Leasing and hire purchase commitments

Operating lease rentals are recognised in the statement of financial activities as incurred

1.6 Restricted funds

Restricted funds are funds subject to specific conditions imposed by donors as to how they may be used. The purposes and uses of the restricted funds are set out in note 13 to the accounts

1.7 Designated funds

Designated funds have been set up to assist in identifying those funds which are not free funds. They represent amounts which have been put aside out of unrestricted funds at the discretion of the trustees. The purposes and uses of the designated funds are set out in note 14 to the accounts

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2007

1 Accounting policies (Continued)

1.8 Unrestricted funds

Unrestricted funds represent funds which are expendable at the discretion of the trustees in the furtherance of the objects of the charity

2 Donations and legacies

	2007 £	2006 £
Donations and gifts	2000	238
Grants receivable for core activities	151800	151800
	153800	152038

3 Investment income

	2007 £	2006 £
Interest receivable	11461	8469

4 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted funds £	Total 2007 £	Total 2006 £
Service level agreements and grants	516976	240238	757214	663503

Included within income relating to service level agreements and grants are the following grants

	2007 £	2006 £
Portsmouth City Council	146970	140568
Department of Health	68299	68370
Connexions/BIP	231170	213695
Wessex Youth Offending Team/Rainer	41055	44616
Youth Justice Board	84000	82000
National Lottery Board	72616	-
The Rank Foundation	40000	50000
Active Communities Unit	-	39851
Other	73104	24403
	757214	663503

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2007

5 Other incoming resources

	2007 £	2006 £
Other income	33794	26273

6 Total resources expended

	Staff Costs £	Depreciation £	Other Costs £	Total 2007 £	Total 2006 £
Cost of generating funds					
Fundraising and publicity costs	2299	-	7265	9564	4617
Charitable activities					
Provision of services for young people	611562	7969	259322	878853	820102
Governance costs	-	-	8515	8515	10239
	613861	7969	275102	896932	834958

Governance costs includes payments to the auditors of £2450 (2006 £2425) for audit fees and £8062 (2006 £6755) for other services

The company has a service agreement with Portsmouth City Council under which the Council had seconded staff, provided services and office accommodation. The accommodation has been quantified at £88400 and included as income and corresponding expenditure

	2007 £	2006 £
Charitable activities other costs comprise		
Other staff and volunteer costs	52069	56162
Activity and event costs	71512	61875
Rent and room hire	88470	88510
Other expenses	47271	45894
	259322	252441

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2007

7 Governance costs

	2007 £	2006 £
Directors and Officers Indemnity Insurance	798	760
Legal and professional	943	1630
Audit and accountancy	6472	7500
Bank charges and interest	302	349
	<u>8515</u>	<u>10239</u>

8 Trustees

None of the trustees received any remuneration or expenses during the year (2006 - £Nil)

9 Employees

Number of employees

The average number of full time employees during the year was

	2007 Number	2006 Number
Chief Executive	1	1
Direct Charitable Staff	28	28
	<u>29</u>	<u>29</u>

	2007 £	2006 £
Employment costs		
Wages and salaries	568386	534046
Social security costs	45475	37579
	<u>613861</u>	<u>571625</u>

There were no employees whose annual emoluments were £60000 or more

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2007

10 Tangible fixed assets

	Computer Equipment	Fixtures, fittings & Equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2006	20797	1687	21992	44476
Additions	3050	8332	-	11382
At 31 March 2007	23847	10019	21992	55858
Depreciation				
At 1 April 2006	19850	1686	10996	32532
Charge for the year	2471	-	5498	7969
At 31 March 2007	22321	1686	16494	40501
Net book value				
At 31 March 2007	1526	8333	5498	15357
At 31 March 2006	947	1	10996	11944

11 Debtors

	2007 £	2006 £
Trade debtors	85875	52232
Prepayments and accrued income	13634	2164
	99509	54396

12 Creditors' amounts falling due within one year

	2007 £	2006 £
Trade creditors	2567	13001
Accruals	120272	45698
	122839	58699

Accruals includes deferred income of £95159 (2006 £25349) in respect of projects where funding has been received in advance

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2007

13 Restricted funds

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

	Movement in funds				
	Balance at 1 April 2006	Incoming resources	Resources expended	Transfers	Balance at 31 March 2007
	£	£	£	£	£
Group Support Service	-	84000	(84000)	-	-
Big Lottery Fund	-	72616	(60089)	-	12527
Active Communities	28606	-	(28606)	-	-
Rank Foundation	59278	40000	(52586)	-	46692
Minibus Grant	3000	-	-	(1500)	1500
Global Grant	-	4250	(4250)	-	-
Connexions	-	18742	(18742)	-	-
Tudor Trust	-	4250	(4250)	-	-
Carnegie Trust	-	5000	(5000)	-	-
Youth Worker Grant	-	9580	(9580)	-	-
Young Money	-	1800	(1800)	-	-
	90884	240238	(268903)	(1500)	60719

The Group support service works wholly or mainly in group settings with clients, including outdoor challenging activities and indoor work in educational and recreational group settings

The Big Lottery Fund has granted £177460 over three years to enable the provision of outdoor education to all young people who access Motiv8 services and integrated into, and in support of, other services and learning experiences with additional young people across Portsmouth who are at risk. This is the first year of the grant and the balance carried forward includes £8332 in respect of canoes included in fixed assets

The Active communities unit grant and the Global grant funds the volunteer mentoring project

The Rank Foundation is funding a co-ordinator post and associated activities for the A 3 Project in partnership with the Police and The Children's Fund

A Connexions grant assisted in the purchase of the new minibus, an amount is transferred to unrestricted funds equivalent to the depreciation charged each year

A Connexions grant of £18742 was received to fund a support worker for the outdoor education project

The Tudor Trust has granted £8500 towards the salary of the Director of Operations for the year ended 15 October 2007

The Carnegie United Kingdom Trust grant of £10200 of which £5000 received in the year was received to fund the Involvement Project

The PCC small grant of £9850 was to part fund a youth worker post and sessional support hours

Young money is the name given to the Youth Opportunity Fund within Portsmouth. Motiv8 has supported young people in accessing this money and provided a range of activities

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2007

14 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes

	Movement in funds				
	Balance at 1 April 2006	Incoming resources	Resources expended	Transfers	Balance at 31 March 2007
	£	£	£	£	£
Fixed assets	8944	-	-	(3419)	5525
Organisation development	15000	-	(11055)	16055	20000
Programme closure costs	10000	-	(1150)	1150	10000
Premises	20000	-	(394)	5394	25000
Fundraising	20000	-	(1189)	(13811)	5000
Service Evaluation	20000	-	-	(10000)	10000
Information Technology	2320	-	(2320)	-	-
CEO Recruitment and Induction	7500	-	(6783)	(717)	-
Profile Development	-	-	-	5000	5000
People Development	-	-	-	10000	10000
Benefits Package	-	-	-	17408	17408
	103764	-	(22891)	27060	107933

The fixed asset fund is an amount equivalent to the net book value of fixed assets at the balance sheet date

The organisation development fund is for external consultation and expertise to support the development and planning for Motiv8's future

The programme closure costs fund is designated to cover potential redundancy and programme closure costs. Whilst Motiv8 would always seek to ensure that funders recognise the redundancy implications of programme closures, in the event of this not happening, it is prudent for management to ensure that the charity has sufficient funds to pay for the liability

A premises fund has been designated to investigate new premises including building, feasibility and design costs, additional funds are currently awaited to support the feasibility study

A separate fund has been designated to continue the development of a successful fundraising strategy

The service evaluation fund is intended to evaluate positive activities for young people

The information technology fund was for the maintenance and improvement of the computer system

A fund of £7500 was set aside to cover the cost of recruitment and induction of a new Chief Executive Office

The Profile Development Fund represents monies put aside to help update Motiv8's profile e.g. revisions to website, annual review, other literature

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2007

14 Designated funds (continued)

The People Development Fund has been set up as, in addition to routine staff training, Motiv8 wishes to invest in capacity building through development of its people

The Benefits Package Fund represents an allocation of funds in preparation of developing a benefits package for staff

15 Analysis of net assets between funds

	Unrestricted Funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2007 are represented by				
Tangible fixed assets	-	5525	9832	15357
Current assets	343857	102408	50887	497152
Creditors amounts falling due within one year	(122839)	-	-	(122839)
	221018	107933	60719	389670

16 Obligations under operating leases

At 31 March 2007 the charity was committed to pay £1223 within one year under a photocopier lease expiring in October 2009