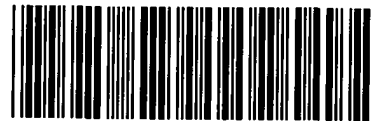


Charity Registration No. 1069085

Company Registration No. 3512607 (England and Wales)

MOTIV8 SOUTH LIMITED
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2014



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COMPANIES HOUSE

MOTIV8 SOUTH LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Professor Mark Button - Chair
Ric Carey
Julia Hughes
Mark Mitchell
Joanne Purdy
Colin Thorpe
Tim Caley
Lisa Sigalet

Finance Sub Committee

Ric Carey - Chair
Professor Mark Button
Colin Thorpe

Officers in attendance

Charlie Adie
Martin Wood

Secretary

Charlie Adie

Charity number

1069085

Company number

3512607

Registered office

6 Queen Street
Portsmouth
Hampshire
PO1 3HL

Auditors

Jones Avens Limited
53 Kent Road
Southsea
Portsmouth
Hampshire
PO5 3HU

Bankers

Royal Bank of Scotland
3A Edinburgh Road
Portsmouth
Hants
PO1 1DA

Caf Bank Limited
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

MOTIV8 SOUTH LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Solicitors

Co-operative Bank plc
91 Commercial Road
Portsmouth
Hampshire
PO1 1BQ

Blake Morgan
Harbour Court
Compass Road
North Harbour
Portsmouth
PO6 4ST

Shoosmiths
Russell House
1550 Parkway
Whiteley
Hampshire
PO15 7AG

MOTIV8 SOUTH LIMITED

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MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2014

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their report and accounts for the year ended 31 March 2014.

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 Articles and Memorandum of Association, the Companies Act 2006 and the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" issued in March 2005.

REFERENCE AND ADMINISTRATIVE INFORMATION

Refer to legal and administrative information at the beginning of this report and accounts.

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 twelve 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:

Professor Mark Button – Chair of Board

Tim Caley

Ric Carey – Chair of Finance sub-group and Vice Chair of Board

Julia Hughes – Chair of HR sub-group

Mark Mitchell - Chair of Service Delivery and Development sub-group

Richard Mitchell

(resigned 12th March 2014)

Joanne Purdy

Colin Thorpe

Lisa Sigalet

(appointed 22nd May 2014)

Recruitment to the Board is overseen by the Chair, supported by the Chief Executive. There is a documented process whereby an interested party is provided with background information prior to meeting with the Chief Executive who provides an overview of the organisation. All prospective appointees then meet the Chair before being invited to observe at a Board meeting, during which there is the opportunity for the prospective trustee and other trustees to ask questions prior to a formal vote being taken by the existing trustees. New trustees and observers are recruited to the Board as is felt necessary to provide diversity in membership and knowledge in subject matter. Training and induction into all aspects of Motiv8 continues to be delivered to new trustees and is available to existing trustees.

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.

It is the view of the trustees that the Board is currently strong and well placed to provide effective governance and direction to the organisation, at the same time active steps are being taken to increase Trustee numbers from 8 to closer to the maximum of 12. Thanks is expressed to all those that have served on the Board, especially to Richard Mitchell as he stepped down after five years including being the chairman of the Service Delivery and Development Sub-Group.

The Board maintains a structure of sub-groups preceding each full Board meeting, these allow for the subject matter to be reviewed and scrutinised in detail. Sub-groups are chaired by a trustee with further

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014

trustees making up the membership, and input provided by officers. The chair of each sub-group, or their designate, then provides feedback and brings recommendations to quarterly full Board meetings. The three sub-groups of the Board have continued to meet throughout the year covering:

- **Finance**
- **Human Resources**
- **Service Delivery and Development**

The Board also meets on an as required basis to discuss either 'task and finish' activities or extra-ordinary decisions that need to be taken outside of the routine cycle of governance meetings. During the past 12 months two such groups have been established under the following headings and activity:

- **Bicycle Recycling:** to oversee setting up Bicycle Recycling from being a project within Motiv8 to becoming a separate trading subsidiary wholly owned by Motiv8. Motiv8 Trustee Colin Thorpe was appointed by the full Board to oversee this process and he was joined in the working group by Motiv8 Chief Executive Charlie Adie and Bicycle Recycling Manager Guy Partleton. The working group has been supported by solicitors firm Shoosmiths who have provided their services Pro-Bono for which the Board are exceptionally grateful. This work resulted in Bicycle Recycling South Ltd being registered with Companies House in January 2014 and going active from 1st April 2014.
- **Portsmouth City Council (PCC) Positive Activities:** Motiv8 was awarded 'preferred provider' status by PCC through an open tender process in October 2013. At this stage officers of Motiv8 and PCC met to negotiate contractual terms, and it quickly became apparent that TUPE (Transfer of Undertakings of Personnel) was an item that would not be resolved quickly and without professional support. Both parties instructed legal support, in Motiv8's case through Blake Lapthorn, and Motiv8 officers actively involved the Trustees in every stage of the discussions. The result has been the TUPE transfer of 4 staff from PCC to Motiv8 on 1st July 2014 to coincide with the contract starting.

In addition the Board meet to review their strategic effectiveness and discuss issues relating to the overall governance of Motiv8. Much of this meeting is held without officers present although officers may be invited to present on a specific item to assist in informing discussions. The meeting happens typically once per year. The chair of trustees feeds back to the Chief Executive and an appropriate action plan is drawn up which is then monitored at subsequent full Board meetings. In the past 12 months such a meeting was chaired by an experienced independent facilitator.

Risk Management

Motiv8 continues to build on the effective Risk Mapping process that was established in 2007. The Board, led by the chair of the Finance Sub-Group, considers risk in line with Charity Commission guidance under five headings:

1. Governance and Management
2. Operational Risk
3. Financial Risk
4. Environmental and External factors
5. Compliance Risk

The overall risk scores and narrative that accompanies each item are the subject of on-going review and have resulted in a number of items having their scores adjusted and also clarity as to which items are reviewed as a routine part of the Board annual meeting cycle and which warrant a 'spot light' focus. This approach has been used to amend the agenda of sub-groups and ensure that the significant majority of risks are reviewed as a matter of routine.

Motiv8 continues to maintain a comprehensive Policy and Procedure Manual. During the past 12 months a series of updates have been introduced due to both legislative and operational changes. Amendments and new policies are introduced through a process known as 'Chapter 0', and will be incorporated into the main text of the document in the next major update in 2014.

Motiv8 officers manage risk on a day-to-day basis through the Management Team plus a series of routine meetings covering Operations, Finance, Fundraising, IT, Administration, Health and Safety, HR, Quality, Premises and Marketing; these in turn feed into the quarterly sub-groups of the Board and then full Board

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014

meetings. Each area of activity is reported to the Board quarterly through a Red/Amber/Green scorecard style report.

Having assessed and categorised risk to which the charity is exposed the Trustees are satisfied that systems are in place to mitigate exposure to the major risks.

OBJECTIVES AND ACTIVITIES

Charitable objects

The objects for which the association 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 objects primarily through direct service provision to young people, predominantly but not exclusively those aged 9-19. Direct service provision is a combination of providing positive diversionary and development activities alongside targeted group and one-to-one activity. Targeted work is aimed at those most at risk of offending, anti-social behaviour or disengagement from learning or employment. Typically targeting is done either via multi-agency referral or by the commissioning agency.

Motiv8 delivers its core services through Community Based Teams and the work is based on research and evidence to bring about lasting impact and reduced levels of crime. In addition to services delivered in the community each team works with local schools and training providers to promote attendance and supports young people into further training and employment.

In the past 12 months Motiv8 has worked within a consortium to deliver intensive family support across the county of Hampshire. This work has extended Motiv8's work both geographically and in terms of age profile. The style of delivery remains similar to well established provision and is based on forming positive relationships of trust.

At all times Motiv8 aims to be a leader and an innovator in its field as well as the local partner of choice, and the approach to delivery emphasises prevention and early help.

Charity's strategic objectives

In early 2013 the Trustees oversaw the development and approval of the Motiv8 Business Plan 2013–2016 which included the financial year 2013/14. This document has been published and is available on the company website. The key strategic objectives are:

1. Maintain community based Targeted youth and family delivery in all geographic areas.
2. Create more real employment opportunities for young people.
3. Develop participation opportunities for unpaid staff (volunteer, student, work experience).
4. Be recognised as a partner of choice.
5. Have robust infrastructure, business systems and resources.
6. Be sustainable with a focus on increasing proportion of non-statutory income.

Public Benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our Objects, Aims and Objectives and in planning future Activities. In particular, the trustees consider how planned Activities will contribute to the Aims and Objectives set.

Principal activities

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Following two years of returning a deficit, a priority for 2013/14 has been to stabilise Motiv8's financial position whilst seeking to maintain the growth in delivery that has been established during the past 3 years. In essence the decision was taken that all delivery/projects must achieve full cost recovery, or as a minimum full cost recovery must be achieved within each team.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014

For the benefit of clarity Motiv8 has delivered services through 5 operational teams in the year 2013/14 which is an increase of one from the previous year. These are 3 geographically based teams and 2 delivery specific teams:

- **Portsmouth:** delivery focus on targeted work in Community and Employment
- **Gosport & Fareham:** delivering a full complement of work in Community, Schools and Employment
- **Havant:** delivering a full complement of work in Community, Schools and Employment

- **Transform:** is a consortium led by Barnardo's along with Motiv8, Family Lives and Step by Step. Transform delivers the Intensive Family Support Service across the whole of Hampshire through a multi-disciplinary team based in Aldershot, Hedge End and Fareham.
- **Bicycle Recycling:** for 2013/14 operating as a social enterprise project within Motiv8 prior to moving to becoming a wholly owned trading subsidiary from 1st April 2014. Bicycle Recycling currently operates from 2 shops in Gosport and Portsmouth as well as community outreach.

The 5 operational teams are supported by a Head Office in Portsmouth where activities are split between **Infrastructure** and **Delivery Support**.

Throughout 2013/14 delivery remains summarised with the 3 function model of:

- **Community:** delivering both targeted and open access services embedded within priority communities
- **School:** working with schools to improve engagement and attendance, thereby improving attainment
- **Employment:** supporting training and employment including apprenticeships and work opportunities.

Alongside all of the above the active participation and involvement of young people remains paramount for successful delivery and 2013/14 has seen significant growth in young leaders and volunteers playing a very pivotal role in front line delivery. Motiv8 has also increased the number of apprentices working within the organisation and the range of functions that they can do which now includes Business Administration, Customer Service, Retail and Youth Work.

The organisation is made up of paid staff, volunteers, students on placement and apprentices, all of whom have contributed to the on-going delivery of positive outcomes for young people. The trustees would like to thank all of the staff for their hard work during the year and particularly volunteers who contribute so much to the work of the charity.

Most delivery is now in the form of contracts with public bodies, or prime contractors on behalf of public bodies. This is a shift from three years ago when the majority of income was still in the form of grants. The other shift during the same time period is away from central government funding to local authority. In the case of Motiv8 there are 2 main local authorities and then 3 borough councils, namely:

- Hampshire County Council (HCC): delivering Youth Support Services (YSS) and Intensive Family Support Service (delivered through Transform consortium led by Barnardo's)
- Portsmouth City Council (PCC): delivering Integrated Targeted Youth Support Services (ITYSS), Community Cycle Hub and more recently Positive Activities.
- Gosport Borough Council
- Havant Borough Council
- Fareham Borough Council

Motiv8 continues to deliver personal and social development programmes for schools, plus provide one-to-one support for young people in education settings.

Work centred on supporting young people into employment includes NEET (Not in Education, Employment or Training) delivery on behalf of HCC across South East Hampshire plus Motiv8 has remained part of a European Social Fund (ESF) project called Phase 2 aimed at Reducing and Preventing NEET. Phase 2 ended in December 2013, but a Phase 2 extension contract has been secured through until July 2015.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014

ACHIEVEMENTS AND PERFORMANCE

Motiv8 engaged with over **2500 young people** through 1:1 interventions, Group work, Family Support, Youth Hubs, Detached work, Employment provision, Social Enterprise and Schools Delivery.

Motiv8 in partnership with the Police piloted a new initiative in Havant called **DIVERT** to respond to high levels of ASB incidents among young people. This has resulted in **7 further DIVERT's commissioned**.

"I would like to happily report that the Anti-Social Behaviour no longer occurs. Since the start of DIVERT program I have suffered no incidents at all. The work and dedication ... working with the group that was responsible for the problems has been a great success."
Wecock Farm Local Resident

92 people volunteered with Motiv8 undertaking multiple roles in delivery, admin and retail, a **50% increase** on the previous year. **10 Volunteers progressed into paid employment** within Motiv8.

Motiv8 staff participated in an exchange programme with **Spanish** teachers and youth professionals to develop **initiatives to address Youth Unemployment**.

285 families were nominated to the Transform service. **91% of young people** with identified educational needs have **shown an improvement in their school/college attendance**, **88% of adults** with employment needs have **shown an improvement in their ability to enter & sustain employment, education or training**, and **94% of individuals** identified as having involvement in **ASB and Youth Crime** have shown **reductions in this area**.

"Transform, has helped us believe in ourselves again - especially me"
Mum of family supported

Young people supported by Motiv8 Gosport organised a Music Memorial Event **raising over £1000** and have **worked with local councillors** to improve their neighbourhood.

Motiv8 delivered **9 'Step Up'** personal and social development programmes to schools resulting in **63 young people** gaining **accredited qualifications**.

"J's attendance is currently 91% ... a huge improvement. J has had a much more settled school year. We have seen him grow in confidence. He is taking care with his appearance and has been engaging in healthier lifestyle choices ... and has had no behaviour issues in school".
Teacher, Brune Park School

Over **1000 young people** received support to help them into Education, Employment, and Training.

Bicycle Recycling opened its **2nd shop** and now has **2 apprentices, 10 paid staff** and during the past 12 months had **33 volunteers and 10 students** on work experience placements.

Motiv8 delivered **485 issue based sessions** through its Youth Hubs across South East Hampshire.

Motiv8 fundraiser '**Pebbledash**' was organised by **Motiv8 Volunteers** and Corporate sponsors.

100% of parents/carers of young people who received 1:1 targeted support in Portsmouth **rated the programme as good or excellent**.

"Christina (Motiv8 Senior Support Worker) encourages my daughter to feel more positive about her future."
Parent of young person receiving targeted support

Of young people involved in ASB or Crime **68%** identified that Motiv8 helped them a lot to **stay out of trouble with the Police** and **100%** said Motiv8 had been some help.

97% of young people said their **confidence had improved** because of the support received from Motiv8.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014

The above statements and statistics provide one aspect of performance monitoring during 2013/14, progress against the 6 Strategic Objectives is summarised below:

- 1. Maintain community based Targeted youth and family delivery in all geographic areas**

The past 12 months have seen success in expanding delivery in all geographic areas where Motiv8 had been present in 2012/13; in Havant this included developing a youth crime initiative alongside the Police called 'Operation Divert', in Gosport the team works directly with families referred through Supporting Troubled Families, in Portsmouth we have expanded capacity of Intensive Services aimed at the most prolific young offenders.

In addition we have developed Transform to deliver intensive family support across the whole of Hampshire, so for the first time Motiv8 employs staff working across all of North and West, as well as South East, Hampshire including the New Forest, Basingstoke and Aldershot.
- 2. Create more real employment opportunities for young people**

Motiv8 identified in 2011 that there were limited opportunities to employ young people, those aged under 25, within the organisation. This led to a twin track approach of seeking to create roles for young people within Motiv8's existing structure as well as developing a sustainable business to provide training and employment for young people. The latter has been delivered through Bicycle Recycling which in 2012 employed 1 staff member and 1 apprentice, by 2014 it employs 5 core staff, 2 apprentices, 6 part time staff plus 22 volunteers, as well as providing training and work experience opportunities to many more.

Within Motiv8's core business we now have young apprentices both in Business Administration and Youth Work roles. The youth work apprentice opportunities are a logical progression for those that get involved as young leaders and volunteers, as it provides paid employment plus on the job training.
- 3. Develop participation opportunities for unpaid staff (volunteer, student, work experience)**

Item 2 above focused on some of the work that young volunteers and work experience students have been involved in, but volunteering and student placements across the organisation for those of all ages have taken a significant step forward in 2013/14 with the re-establishing of the role of Volunteer Coordinator. Today there are volunteers working in all aspects of the organisation including front line in all five teams as well as administrative roles both at Head Office and within Bicycle Recycling. Motiv8 also has active working relationships with all local Universities (Chichester, Portsmouth, Southampton and Winchester) to support under and post graduate students; and with schools and training providers to support work experience.
- 4. Be recognised as a partner of choice**

Partnership within Motiv8 operates on a wide range of levels:

 - key to successful front delivery is receiving referrals, having partners that work alongside the core offer from Motiv8 and creating progression destinations.
 - being commissioned to deliver services, Motiv8 remains a major provider of targeted youth and family services to both Portsmouth City Council and Hampshire County Council, and in 2013/14 to the Office of the Police and Crime Commissioner.
 - involved in strategic and operational leadership of Children's Trust and Community Safety Partnership arrangements. In 2013 the Chief Executive started working with the five responsible authorities (Police, Local Authority, Fire Service, Health and Probation) within the Safer Portsmouth Partnership to consider new structures for delivery; this work resulted in securing £100k of consultancy support for the city of Portsmouth from the Cabinet Office.
 - supporting the voluntary sector and social enterprise. Motiv8 CEO remains Chair of Hampshire Alliance, Motiv8 Director of Operations is on steering group of Portsmouth Alliance.
 - Motiv8 increasingly works as a sub-contractor or in consortium with other national and regional charities e.g. Barnardo's, Family Lives and Step by Step.
 - Motiv8 is involved in the co-design of services such as Operation Divert developed with the Police as a youth crime prevention initiative targeting those causing most nuisance in a designated area.
- 5. Have robust infrastructure, business systems and resources**

Buildings from which Motiv8 operates have stabilised in 2013. However with support from LandAid and local corporate support e.g. Shoosmiths, Waitrose we have been able to enhance premises to

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2014

benefit young people. Bicycle Recycling has expanded to take on a 9 year lease of its second shop front in a prime location in Portsmouth.

2013 saw the introduction of cloud based IT, with Microsoft Outlook, Sharepoint and our finance system Sage, moving to the cloud. It is expected to roll out more cloud based systems in 2014.

An area of focus in 2013/14 was ensuring that community based teams had adequate back office support to allow front line staff to do the job that they are employed to do without the burden of excessive admin. This has resulted in appointing Team Administrators to Gosport and Havant, with Portsmouth due to appoint in 2014. These roles have a monitoring, HR and finance dimension.

6. Be sustainable with a focus on increasing proportion of non-statutory income

Having had the benefit of a Business Development Manager for a period of 18 months, we saw the opportunity to increase the capacity and diversity of income generation. However, this did not translate into increased income and as such the post was removed in August 2013.

Maintaining effective networks with key statutory stakeholders remains the principle method of maintaining awareness of current policy and identifying need, this in turn supports bidding for contracts.

As well as seeking to increase/sustain income generation, the other aspect of being sustainable is effective management of financial resources and in particular cash flow. The combination of moving from grants (often paid in advance) to contracts (consistently paid in arrears), the introduction of Payment By Results (PBR) contracts and managing the retail aspects of Bicycle Recycling have placed significant pressure on the Finance Department. This resulted in increasing the capacity of the department as outlined below under 'impact of new financial rules'.

Overall the year has been a success with Bicycle Recycling firmly established as a separate trading subsidiary of Motiv8 and achieving its objective of creating sustainable jobs and training, the significant geographic expansion of targeted delivery through Transform and re-establishing youth crime prevention work through Operation Divert. However, probably most significant has been coming through a difficult financial period of massive change politically and in the way in which charities are funded, and then to post a good year end result which is a platform on which to build sustainability for the next few years.

FINANCIAL REVIEW

The Statement of Financial Activities for the year ended 31st March 2014 is set out on page 15 of the financial statements. A summary of the financial results and the work of the charity are set out below.

There were incoming resources of £1,384,699 for the year ended 31st March 2014, of which £1,303,547 was unrestricted and £81,152 was restricted. There was a total surplus of £48,881 compared to a deficit of £110,410 for the previous year.

Reserves policy

The policy is reviewed annually, and it currently reads:

Policy

It is the policy of MOTIV8 that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months expenditure. These reserve funds could be put to one or more of the following purposes:

- Short-term tactical reserves
- Opportunistic reserves
- Long-term reserves used to reduce risk

Procedure

The first level of reserves is held for short-term tactical reasons. The charity keeps a minimum of two months' worth of expenditure to cover any short term setbacks in funding or cash flow difficulties. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in one or more funding sources, they will be able to continue the charity's core current activities while consideration is given to ways in which additional funds may be raised or specific activity brought to a controlled close.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014

Second are 'opportunistic reserves', set aside to enable the charity to evolve and take advantage of strategic development opportunities. This could be to cover up to 30% expenditure of a new activity backed by a full business plan showing full recovery in 3 years.

A third, long term reserves level is intended to reduce risks posed by large external changes in the environment in which the charity operates. This could include political changes, fall in stock market values or a major decline in donors' empathy to the cause. These risks, if realised would dramatically affect the charity's funding streams.

In parallel, the charity ensures that if reserves are called upon, they can be replenished.

At 31st March 2014 funds totalling £287,769 have been designated by the trustees in respect of funds represented by fixed assets, planned future development and contingency costs. More information on these designations is given in note 16 to the accounts. There were also general unrestricted funds carried forward of £65,754.

Impact of 'New Financial Rules' set in April 2013

From 2006 to 2013 Motiv8 worked to a forecast budget based on some well-established principals which had been referred to as the 'financial rules'. In the financial year 2012/13 it was found that due to the significant changes in political priorities and the move in Motiv8's income from predominantly grants to predominantly contracts these 'financial rules' left the organisation exposed to potential deficit.

For this reason the Trustees worked with the Chief Executive to establish 'new financial rules' in April 2013 which were applied for the first time in 2013/14. They are:

1. Expenditure must be considered for each team, and further more for each project and staff member within that team; rather than biased towards the whole organisation.
2. Each team to work on the basis of a balanced budget, recognising the cash flow variances brought about by different funding cycles due to financial years, academic years, start dates of funding and payment by results associated activity.
3. Teams that wish to consider forecast budgeting can do so to a maximum of 10% of that teams turnover pro rata'd for the remaining proportion of the financial year and based on evidence of previous positive track record at income generation. However, failure to deliver predicted income must be corrected within the remainder of the financial year.
4. Cash flow monitoring to be conducted on a monthly basis (as opposed to quarterly) and to take full account of R&G income, Pipeline income and Payment By Results (PBR) income.

Trustees are very grateful to the Finance Department for their diligence in working through these significant changes, and also to staff, especially operational managers, who have needed to adapt to a different way of working where financial scrutiny has been as tough as meeting operational targets.

This new way of working, alongside the additional work necessary to oversee the trading activities of Bicycle Recycling, has highlighted the lack of capacity within the Finance Department and resulted in the appointment of a new full time Finance Director to replace the role of part time Finance Manager. In addition Team Administrators have been introduced such that it is expected, over time, that more of the day to day financial data entry can take place at a team level.

Whilst accounting systems have been updated within the past 12 months, all of the changes described above have highlighted the limitations of the current system. A review is underway to identify a system with suitable capacity and resilience to see the organisation through the next 3-5 years. It is expected that a new system will be introduced in 2014/15.

Funding

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

- Portsmouth City Council
 - Integrated Targeted Youth Support Service (previously known as Priority D)
 - Intensive Support Services
 - 'Delivering Differently' Consultancy
 - Group Work Activities

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2014

- Community Cycle Hub
- EU Comenius Project
- Portsmouth Youth Offending Team: Integrated Resettlement Support (IRS)
- Hampshire County Council
 - Youth Support Service
 - Children's Services Integrated (CSI) Grant to Voluntary Sector
 - County Councillor Grants
- Hampshire Youth Offending Team: Integrated Resettlement Support (IRS)
- Gosport Borough Council
 - Bicycle Recycling
 - You Decide
 - Mayor of Gosport
- Havant Borough Council
 - Community Safety (Youth Delivery and Alcohol Reduction Work)
- European Social Fund / Skills Funding Agency / Barnardo's (NEET reduction/prevention)
- Hampshire Constabulary: Community Alcohol Partnership
- Hampshire and Isle of Wight Charitable Foundation:
 - Blue Lamp Trust
 - Apprentice Scheme in partnership with Youth Options
- Rank Foundation (Time to Shine)
- The Big Lottery / Catch22 (Community Spaces Challenge)
- Schools and Colleges:
 - Quayside Pupil Referral Unit, Gosport
 - Emotionally Vulnerable Unit, Fareham
 - Brune Park Community College, Gosport
 - Lord Wilson School, Fareham
 - Park Community School, Havant
 - Park Community Ventures, Havant
 - Oasis Academy, Southampton
- Wheatsheaf Trust
- LandAid Charitable Trust
- J Paul Getty Jr Charitable Foundation
- The Spring Arts and Heritage Centre
- Pfizers
- Shoosmiths
- Ahmarra Doors
- Individuals: Mr and Mrs Bolton, Mrs Cole, Ms Carnt, Sir John Chadwick.
- University of Portsmouth

Asset cover for funds

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

Future plans

Motiv8 has been operating to deliver The Business Plan 2013-16 for the past 12 months and at present considers that the strategic objectives set out within it will serve the organisation well over the next 12 months. The organisation, along with the country, is mindful of the General Election in May 2015 and the potential need to review objectives depending on the outcome.

The current Business Plan recognises the importance of Motiv8 having a presence within communities that we serve; whilst acknowledging that in challenging times we may not be able to deliver everything that we might wish to but being there as a consistent, professional and accessible organisation is even more important when the environment around us is changing so rapidly.

The Executive Summary of the Business Plan 2013-2016 sets out future plans:

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014

Executive Summary

Motiv8 is an independent, Portsmouth and Hampshire based, charity that works to improve the life chances of young people and their families by providing high quality targeted support to those identified as being at greatest need. Core activities centre around work in the Community, delivery in Schools and supporting young people into Employment. Front line staff, both paid and unpaid, are based in geographical teams with emphasis placed on priority neighbourhoods identified using national data and local intelligence.

Mission

Motiv8 exists to improve the life chances of young people. We do this to reduce the risk of offending, anti-social behaviour and disengagement from learning or employment.

Vision

Our vision is a society where all young people are healthy, stay safe, enjoy and achieve, make a positive contribution and achieve economic well-being.

Values - our work is guided by the following values:

- Building **positive relationships and trust** with young people, their parents/carers; and wider stakeholders such as commissioners, referral agencies and partner organisations.
- Providing **high quality, reliable and supportive services** that meet **identified needs**.
- Actively promoting **consultation and participation** with young people, our staff, other organisations and the local community.
- Striving for **excellence through continuous improvement** and committing resources to **innovation and creativity**.
- Being a high quality employer, supporting and **investing in all our people**, including unpaid staff e.g. volunteers and students, to ensure that staff remain motivated.
- We want the very best for all young people and to achieve this **we do what we say**.

Strategic Objectives – our strategic objectives for the period 2013-2016 are to:

1. Maintain community based Targeted youth and family delivery in all geographic areas.
2. Create more real employment opportunities for young people.
3. Develop participation opportunities for unpaid staff (volunteer, student, work experience).
4. Be recognised as a partner of choice.
5. Have robust infrastructure, business systems and resources.
6. Be sustainable with a focus on increasing proportion of non-statutory income.

Key Local Benefits

When we work in neighbourhoods targeted by our programmes, there is a demonstrable, long-term reduction in crime and anti-social behaviour because we have embedded consistent trusted adults working in teams in the communities they serve. These teams:

- are entrepreneurial in meeting changing needs and creating new opportunities.
- provide leadership capacity to engage in strategic Partnership arrangements.
- are resilient to changes in the political, economic and social landscape.

Success Measures – we measure success against the following key measures:

- A reduction in the number of first time entrants to the youth criminal justice system
- A reduction in the re-offending rates among young people
- Improved attendance at secondary school, contributing to improved and accredited attainment both in school and beyond
- Young people over 16 progressing in Education or moving into Training or Employment.

A full copy of the Business Plan 2013-2016 is available on the Motiv8 website.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2014

CHANGES IN FIXED ASSETS

The movements in fixed assets in the year are set out in note 9 to the financial statements.

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

A resolution proposing that Jones Avens be reappointed as auditors of the charity will be put to the annual general meeting.

Approved by the board of trustees on 24 July 2014 and signed on their behalf

Professor Mark Button - Chair
Trustee



MOTIV8 SOUTH LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of Motiv8 South Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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 judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity 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 2014 set out on pages 15 to 26. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 statement of trustees' responsibilities, the trustees, who are also the directors of Motiv8 South Limited 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.

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 charity'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' Annual 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 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 2014 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 requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

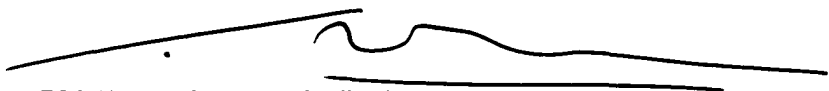
MOTIV8 SOUTH LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF MOTIV8 SOUTH LIMITED

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.



Timothy Millett FCA (Senior Statutory Auditor)
for and on behalf of Jones Avens Limited

**Chartered Accountants
Statutory Auditor**
53 Kent Road
Southsea
Portsmouth
Hampshire
PO5 3HU

Dated: 24 July 2014

MOTIV8 SOUTH LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2014

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2014 £	Total 2013 £
<u>Incoming resources from generated funds</u>						
Voluntary income	2	48,403	-	-	48,403	27,117
Investment income	3	2,755	-	-	2,755	2,498
		51,158	-	-	51,158	29,615
Incoming resources from charitable activities	4	1,252,389	-	81,152	1,333,541	1,242,065
Total incoming resources		1,303,547	-	81,152	1,384,699	1,271,680
<u>Resources expended</u>						
Costs of generating funds						
Income generation and publicity costs	5	46,329	-	-	46,329	51,872
Net incoming resources available		1,257,218	-	81,152	1,338,370	1,219,808
Charitable activities						
Provision of Services for Young People		1,210,211	-	54,434	1,264,645	1,318,154
Governance costs		24,844	-	-	24,844	12,064
Total resources expended		1,281,384	-	54,434	1,335,818	1,382,090
Net incoming/(outgoing) resources before transfers		22,163	-	26,718	48,881	(110,410)
Gross transfers between funds		(52,452)	52,758	(306)	-	-
Net (expenditure)/income for the year/ Net movement in funds		(30,289)	52,758	26,412	48,881	(110,410)
Fund balances at 1 April 2013		96,043	235,011	623	331,677	442,087
Fund balances at 31 March 2014		65,754	287,769	27,035	380,558	331,677

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

MOTIV8 SOUTH LIMITED

BALANCE SHEET

AS AT 31 MARCH 2014

	Notes	2014 £	£	2013 £	£
Fixed assets					
Tangible assets	9	212,769		203,808	
Investments	10	1		-	
Programme related assets	11	5,000		-	
		<u>217,770</u>		<u>203,808</u>	
Current assets					
Stocks		4,933		617	
Debtors	12	111,717		38,471	
Cash at bank and in hand		163,494		138,812	
		<u>280,144</u>		<u>177,900</u>	
Creditors: amounts falling due within one year	13	(117,356)		(50,031)	
Net current assets		<u>162,788</u>		<u>127,869</u>	
Total assets less current liabilities		<u><u>380,558</u></u>		<u><u>331,677</u></u>	
Income funds					
Restricted funds	15	27,035		623	
Unrestricted funds:					
Designated funds	16	287,769		235,011	
Other charitable funds		65,754		96,043	
		<u>380,558</u>		<u>331,677</u>	

The accounts were approved by the Board on 24 July 2014

Professor Mark Button - Chair
Trustee



Company Registration No. 3512607

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

1.2 Incoming resources

Donated services and facilities are included at estimated market value being the estimated value of the service or facility received.

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 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.

Fundraising and publicity costs include directly incurred expenses and time apportioned salary costs.

Direct charitable expenditure includes all expenditure directly related to the objects of the charity.

Governance costs are incurred in the governance of the charity and are primarily associated with constitutional and statutory requirements.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Below a value of £1,000 fixed assets are not capitalised. 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:

Freehold land is not depreciated	
Freehold buildings	2% straight line
Leasehold property	Over the period of the lease
Fixtures, fittings and equipment	20-50% straight line
Motor vehicles	20-50% straight line

The fixed assets are reviewed for impairment.

1.5 Leasing and hire purchase commitments

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

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies (Continued)

1.6 Investments

Fixed asset investments are stated at market value.

1.7 Stock

Stock is valued at the lower of cost and net realisable value.

1.8 Pensions

The charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

1.9 Accumulated 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 the notes to the accounts.

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 for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

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

2 Voluntary income

	2014 £	2013 £
Individual donations	10,374	9,517
Donated services and facilities	38,029	17,600
	<u>48,403</u>	<u>27,117</u>

Donated services and facilities comprise the estimated market value of legal services, peppercorn rents, vehicle maintenance and printing services.

3 Investment income

	2014 £	2013 £
Interest receivable	2,755	2,498
	<u>2,755</u>	<u>2,498</u>

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

4 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Service level agreements, grants and other income	1,190,612	81,152	1,271,764	1,228,647
Bicycle Recycling Project	61,777	-	61,777	13,418
	<u>1,252,389</u>	<u>81,152</u>	<u>1,333,541</u>	<u>1,242,065</u>

Included within income relating to Service level agreements, grants and other income are the following:-

Portsmouth City Council Integrated Targeted Youth Support Service	200,000	202,842
Barnardo's NEET Funding (Phase II)	153,015	196,709
Barnardo's Transform (Hampshire Intensive Family Support Service)	226,322	-
Hampshire County Council Youth Support Services	356,500	351,500
Hampshire County Council Children's Services Integrated Grant	63,456	81,500

5 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2014 £	Total 2013 £
Costs of generating funds					
Income generation and publicity costs	34,951	-	11,378	46,329	51,872
Charitable activities					
<u>Provision of Services for Young People</u>					
Activities undertaken directly	966,884	18,643	279,118	1,264,645	1,318,154
Governance costs	3,690	-	21,154	24,844	12,064
	<u>1,005,525</u>	<u>18,643</u>	<u>311,650</u>	<u>1,335,818</u>	<u>1,382,090</u>

Governance costs includes payments to the auditors of £4,228 (2013: £3,840) for audit fees and £3,450 (2013: £3,240) for other services.

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

6 Activities undertaken directly

	2014	2013
	£	£
Other costs relating to Provision of Services for Young People comprise:		
Other Staff Costs	11,915	16,318
Staff Training	11,165	9,574
Staff Travel and Subsistence	26,350	10,771
Bike and Tuck Shop Expenses	15,064	2,121
Partnered Delivery	35,307	43,438
Volunteer Expenses	4,440	3,954
Consultancy	-	7,446
Activities	36,114	57,538
Rent	48,518	44,315
Rates	4,573	3,236
Insurance	6,780	9,664
Utilities	7,711	6,217
Property Maintenance	13,214	11,194
Telephone	15,601	17,965
Printing, Postage and Stationery	6,651	7,038
Motor Expenses and Vehicle Hire	15,957	15,835
Repairs and renewals	3,052	8,319
Computer Expenses	14,402	4,939
Subscriptions	1,603	2,102
Sundry Expenses	464	197
Lease Payments	237	-
	<u>279,118</u>	<u>282,181</u>

7 Trustees

None of the trustees or any persons connected with them received any remuneration or expenses during the year.

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2014 Number	2013 Number
Chief Executive	1	1
Direct Charitable Staff	44	48
	<u>45</u>	<u>49</u>

Employment costs

	2014 £	2013 £
Wages and salaries	925,064	961,764
Social security costs	73,009	77,727
Other pension costs	7,452	6,558
	<u>1,005,525</u>	<u>1,046,049</u>

There were no employees whose annual remuneration was £60,000 or more.

9 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Computer Equipment £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost						
At 1 April 2013	182,781	18,427	68,735	38,707	52,906	361,556
Additions	6,618	-	1,448	19,538	-	27,604
Transfers	-	-	(28,812)	(12,486)	-	(41,298)
At 31 March 2014	<u>189,399</u>	<u>18,427</u>	<u>41,371</u>	<u>45,759</u>	<u>52,906</u>	<u>347,862</u>
Depreciation						
At 1 April 2013	4,884	10,423	66,944	34,622	40,875	157,748
On disposals	-	-	(28,812)	(12,486)	-	(41,298)
Charge for the year	2,700	6,515	2,057	2,996	4,375	18,643
At 31 March 2014	<u>7,584</u>	<u>16,938</u>	<u>40,189</u>	<u>25,132</u>	<u>45,250</u>	<u>135,093</u>
Net book value						
At 31 March 2014	<u>181,815</u>	<u>1,489</u>	<u>1,182</u>	<u>20,627</u>	<u>7,656</u>	<u>212,769</u>
At 31 March 2013	<u>177,897</u>	<u>8,004</u>	<u>1,791</u>	<u>4,085</u>	<u>12,031</u>	<u>203,808</u>

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

10 Fixed asset investments

	£
Market value at 1 April 2013	-
Acquisitions at cost	1
	<u>1</u>
Market value at 31 March 2014	1
	<u><u>1</u></u>
Historical cost:	
At 31 March 2014	1
	<u><u>1</u></u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Bicycle Recycling South Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit/(loss) for the year
Principle Activities	£	£
Bicycle Recycling South Limited Bicycle Recycling	1	-
	<u><u>1</u></u>	<u><u>-</u></u>

Bicycle Recycling South Limited is a dormant company incorporated on 16 January 2014.

11 Programme related assets

	£
At 1 April 2013	-
	<u>5,000</u>
At 31 March 2014	5,000
	<u><u>5,000</u></u>

Motiv8 South Limited purchased 5,000 £1 shares in Portsmouth Area Regeneration Trust (IPS) Limited part of PARITY Trust which supports the regeneration of deprived areas of southern Hampshire by providing affordable loans to people who cannot access finance from mainstream organisations. The investment can be withdrawn upon giving six months notice and represents less than 5% of the called up share capital of the society.

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

12 Debtors	2014 £	2013 £
Trade debtors	96,045	23,089
Other debtors	2,572	2,084
Prepayments and accrued income	13,100	13,298
	<u>111,717</u>	<u>38,471</u>

13 Creditors: amounts falling due within one year	2014 £	2013 £
Trade creditors	11,103	10,975
Taxes and social security costs	18,809	20,851
Accruals	87,444	18,205
	<u>117,356</u>	<u>50,031</u>

Accruals includes deferred income of £68,309 (2013: £1,000) in respect of projects where funding has been received in advance of the following year.

14 Pension and other post-retirement benefit commitments

Defined contribution

The charity will contribute 3% of an employee's salary to a Friends Provident Stakeholder Pension Scheme if the employee pays contributions of 3% or more. Contributions were paid in respect of ten employees (2013: ten employees).

	2014 £	2013 £
Contributions payable by the company for the year	<u>7,452</u>	<u>6,558</u>

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

15 Restricted funds

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

	Balance at 1 April 2013	Movement in funds		Transfers	Balance at 31 March 2014
	£	Incoming resources £	Resources expended £	£	£
J. Paul Getty Jr Charitable Trust	-	22,500	(22,500)	-	-
Gosport Borough Council	-	2,221	(2,221)	-	-
Hampshire Police	-	2,400	(2,400)	-	-
Big Lottery Fund	-	6,880	(6,880)	-	-
Big Lottery Community Space Challenge	-	9,185	(9,185)	-	-
Rank Foundation	-	7,000	(7,000)	-	-
LandAid Charitable Trust Ltd	-	9,500	(1,037)	(306)	8,157
Hampshire and Isle of Wight Community Foundation	-	2,042	(2,042)	-	-
Bicycle Recycling	-	17,693	-	-	17,693
Other	623	1,731	(1,169)	-	1,185
	<u>623</u>	<u>81,152</u>	<u>(54,434)</u>	<u>(306)</u>	<u>27,035</u>

The J. Paul Getty Jr Charitable Trust has donated £60,000 over a two year period to provide targeted support for vulnerable young people with effect from July 2013.

Gosport Borough Council donated £2601 as a YOUdecide Participatory Fund grant of which £1821 had been received at 31 March 2014 for the Light up Leesland project to engage young people accessing Leesland Skate Park. A grant of £400 was received from Councillor Burgess.

Hampshire Police Donated £4,000 for a Divert Project of which £2,400 was receivable during the year.

The Big Lottery Fund awarded a grant of £16,508 through its Local Papers programme to fund a year long project for a Gosport music night for young people in Gosport, Fareham and Portsmouth where they can learn to focus their energies and issues on producing music.

The Big Lottery Fund awarded Community Space Challenge to Catch22 (formerly Crime Concern). Motiv8 South has delivered services on behalf of Catch22 within Portsmouth and the surrounding areas to the value of £85,000. Further funding was received for grants for Supporting Change and Supporting Impact of which the final payment of £9,185 was received in the year.

The Rank Foundation granted £12,000 towards the cost of an internship at Motiv8 South of which the balance of £7,000 was received in the year.

LandAid Charitable Trust Ltd donated £9,500 to install and equip a kitchen at Toronto Place, Gosport which was expended in the year.

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

15 Restricted funds

(Continued)

Hampshire and Isle of Wight Community Foundation made two awards to fund 50% of the costs of employing an apprentice of which £2,042 was receivable in the year.

Portsmouth City Council donated Fixtures, Tools and Equipment to the Community Cycle Hub valued at £17,693. The fund will be released over nine years from 1 April 2014 to match the contract and the depreciation charged.

16 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 2013	Incoming resources	Resources expended	Transfers	Balance at 31 March 2014
	£	£	£	£	£
Fixed Assets Fund	203,808	-	-	8,961	212,769
People Development and Benefits Package Funds	5,000	-	-	-	5,000
Social Enterprise Fund	26,203	-	-	3,797	30,000
Premises Fund	-	-	-	15,000	15,000
Organisation Development	-	-	-	25,000	25,000
	<u>235,011</u>	<u>-</u>	<u>-</u>	<u>52,758</u>	<u>287,769</u>

The Fixed Asset Fund is an amount equivalent to the net book value of fixed assets at the balance sheet date.

Designations of £15,000, £3,797 and £25,000 were made in the year to the Premises, Social Enterprise and Organisation Development Funds in anticipation of future plans and commitments.

The People Development & Benefits Package Fund of £5,000 remains in anticipation of the new auto enrolment provisions.

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

17 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2014 are represented by:				
Tangible fixed assets	(25,850)	212,769	25,850	212,769
Investments	1	-	-	1
Programme related assets	5,000	-	-	5,000
Current assets	203,959	75,000	1,185	280,144
Creditors: amounts falling due within one year	(117,356)	-	-	(117,356)
	<u>65,754</u>	<u>287,769</u>	<u>27,035</u>	<u>380,558</u>

18 Commitments under operating leases

At 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014 £	2013 £	2014 £	2013 £
Expiry date:				
Within one year	4,580	4,705	-	-
Between two and five years	6,000	13,000	2,912	2,912
	<u>10,580</u>	<u>17,705</u>	<u>2,912</u>	<u>2,912</u>