

Charity Registration No. 1069085

Company Registration No. 03512607 (England and Wales)

MOTIV8 SOUTH LIMITED
TRUSTEES' REPORT AND CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2017

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MOTIV8 SOUTH LIMITED

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MOTIV8 SOUTH LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Professor Mark Button - Chair Steve Dimon Valerie Hopkins Mark Mitchell Joanne Purdy Lisa Sigalet Adam Swanson Cdr Julian Titmuss
Resources Sub Group	Lisa Sigalet - Chair Professor Mark Button Steve Dimon Adam Swanson Cdr Julian Titmuss
Officers in attendance	Charlie Adie Clare Ansell Marina Tuck Martin Wood
Chief Executive	Charlie Adie
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

MOTIV8 SOUTH LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION (Continued)

Bankers

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

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

Solicitors

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

Shoosmiths
Russell House
1550 Parkway
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Hampshire
PO15 7AG

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their report and consolidated accounts of the charity and its subsidiary for the year ended 31 March 2017 which also meet Companies Act requirements for a directors report and accounts.

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 Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

REFERENCE AND ADMINISTRATIVE INFORMATION

Refer to pages 1 and 2.

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:

Caroline Andow	(retired 24 th November 2016)
Professor Mark Button	Chair of Motiv8 Board
Steve Dimon	Chair of Bicycle Recycling South (BRS) Ltd Board
Valerie Hopkins	Vice Chair of Motiv8 Board
Mark Mitchell	Chair of Service Delivery and Development sub-group
Joanne Purdy	
Colin Thorpe	(retired 24 th November 2016, but remains a Director of BRS)
Lisa Sigalet	Chair of Resources sub-group (maternity leave from April 2017)
Adam Swanson	
Cdr Julian Titmuss	Chair of Resources sub-group (assumed role from April 2017)

Observer to the Board, who served during the year:

Lady Louisa Portal	(appointed as President of Motiv8, 24 th November 2016)
Councillor Ryan Brent	

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. The organisation continues to seek new Trustees who can complement the existing Board, and expects to make further appointments during the next twelve months. 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.

Trustees wish to express sincere thanks to the two trustees who retired at the AGM in November 2016. Colin Thorpe first joined the Board in May 2007 and served for nearly 10 years during which time he brought considerable business acumen and specialist IT knowledge to the organisation, and served on a

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Trustees (continued)

wide variety of committees especially supporting the organisation getting to grips with cash flow. Colin has stepped down as a trustee but remains an active Director of Bicycle Recycling South Ltd. Caroline Andow joined the Board in November 2014 whilst undertaking a doctorate in criminology, and contributed to aspects of operational delivery and impact measurement. Caroline will remain linked to Motiv8 through her academic work at Winchester University identifying post graduate criminology students to support with research and analysis of Motiv8's work.

The Board maintains a structure of sub-groups preceding each full Board meeting, currently there are two:

- **Resources Sub-Group**
- **Service Delivery and Development Sub-Group**

These allow for the subject matter to be reviewed and scrutinised in detail. Sub-groups are chaired by a trustee with further 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 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. These meetings can include reviewing the strategic effectiveness and overall governance of Motiv8, in which case they are held without officers present although officers may be invited to present on a specific item to inform discussion. This typically happens once per year, most recently in December 2016. 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.

Since 1st April 2014 Bicycle Recycling South Ltd (BRS) has operated as a social enterprise wholly owned by Motiv8 South Ltd. BRS has its own board of Directors consisting of Steve Dimon (Chair), Colin Thorpe and Charlie Adie. The current BRS Board made up of 1 Trustee of Motiv8, 1 senior officer of Motiv8 and 1 independent member ensures an appropriate level of scrutiny and accountability to Motiv8.

It has been a long held ambition of the charity to appoint a Patron or similar. In 2016 trustees took the decision to turn this ambition into reality and appoint someone to this ambassadorial role; as such a Job Description was drawn up. At the same time consideration was made of who might be approached, and for many an ideal candidate was, the then current High Sheriff of Hampshire, Lady Louisa Portal. Waiting until her Sherival year came to a close the CEO approached Lady Louisa in June 2016. Following discussions with the Chair and other trustees, and a revision of the role title to President, Lady Louisa became Motiv8's first President in November 2016. The Trustees would like to thank her for her commitment and support of the charity, and we look forward to working together to raise the profile of the organisation, and in doing so serve more people.

Remuneration of Key Management Personnel

The goal of Motiv8's pay and remuneration policy for key management personnel is to offer fair pay to attract and retain appropriately qualified staff to lead, manage, support and deliver the charity's aims. Pay scales exist for each role within the organisation and incremental movement on those pay scales is linked to the achievement of agreed performance objectives and a robust appraisal process.

Risk Management

Motiv8 continues to build on the effective Risk Mapping process that was established in 2007. This approach 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

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Risk Management (continued)

Risk Management is a standing item at each Sub-Group and any area of risk that has shifted or is considered to be high is flagged and a suitable mitigation plan agreed and documented through the meeting minutes with actions put in place to ensure that it is managed. The significant majority of risks are reviewed as a matter of routine e.g. staff movements, competition, government policy etc; with any others being raised through Full Board meetings.

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, Health & Safety, HR, Quality, Premises and Marketing; these in turn feed into the Board meeting cycle. Each area of activity is reported to the Board quarterly through a Red/Amber/Green scorecard style report.

Trustees take a lead on reviewing risk, and 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 achieves the charity's objects primarily through direct service provision to young people and their families. Young people are those aged 9-24 with historically a focus on those aged 13-19. Direct service provision is a combination of providing:

- positive diversionary and development activities alongside
- targeted/intensive group and one-to-one activity.

Targeted and intensive 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, but can be through self-referral.

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.

Motiv8 actively works in partnership arrangements to ensure that we can serve more young people and families, and also to provide services that draw on the skills of different organisations. Each Community Based Team has local partnership arrangements, plus throughout 2016/17 Motiv8 has been part of the Transform consortium, led by national charity Barnardo's, delivering intensive family support across the whole of Hampshire.

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

Charity's strategic objectives

For the financial year 2016/17 Motiv8 was guided by the Motiv8 Business Plan 2016–2020. This published document sets out five key strategic objectives, namely:

1. Be child, young person and family focused in all we do.
2. Deliver life chances that lead to positive outcomes.
3. Have a skilled and flexible work force.
4. Be sustainable.
5. Be a partner of choice.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2017

OBJECTIVES AND ACTIVITIES (CONTINUED)

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

With reference to guidance issued by the Charity Commission, Trustees decide what activities the charity should undertake. There are dual priorities of delivering activities that provide a clear and demonstrable benefit whilst also achieving full cost recovery such that the organisation remains financially sustainable.

In 2016/17 Motiv8 maintained its structure operating under 3 specific brands, all of which were united in providing 'Life Chances for Young People' and increasingly meeting the needs of the whole Family:

- **Motiv8:** 3 community based teams (Portsmouth, Gosport & Fareham, Havant) offering a mix of diversionary, developmental and targeted provision in Community, Education and Employment.
- **Transform:** a consortium of Barnardo's, Motiv8, Family Lives and Step by Step delivering intensive family support across the whole of Hampshire through a multi-disciplinary team.
- **Bicycle Recycling:** a trading subsidiary of Motiv8, working in the community offering training and jobs to young people through 3 shops in Gosport and Portsmouth.

It is notable that from November 2016 it became apparent that Transform would not be bidding as a consortia to renew its contract with Hampshire County Council (HCC) to deliver Intensive Family Support. Rather Motiv8 and Family Lives bid separately as independent but partner organisations to HCC, and between them secured more than 50% of the new contract starting April 2017. For Motiv8 this work is now referred to as Motiv8 Family Support, effectively simplifying the structure of the organisation.

Throughout 2016/17, and into 2017/18, delivery remains summarised with the 3 functional headings of:

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

Motiv8 is committed to the participation and involvement of young people across all that we do. Different teams achieve this in different ways, but the common ethos is to involve young people in the design and delivery of services, and also to provide real opportunities for learning and development.

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.

ACHIEVEMENTS AND PERFORMANCE

Qualitative milestones:

- Completed an extension at Motiv8 Gosport, the outcome of a major capital fundraising effort, providing more space to deliver activities for young people and better spaces to meet partners.
 - Expanded work with the whole family to offer Targeted as well as Intensive Family Support (IFS); the outcome is that Motiv8 is the largest provider of commissioned IFS in Hampshire.
 - Developed education programmes to work with children and young people from Key Stage 2, Key Stage 3, Key Stage 4 and Post 16 (i.e. 9 to 25 year olds).
 - Increased Motiv8's emotional wellbeing offer, to include bespoke programmes across South East Hampshire, delivered in colleges, community centres as well as people's homes.
 - Involved with three Royal visits, including celebrations of the 40th anniversary of the Duke of Edinburgh Awards.
 - Developed a full Education & Employment programme within Bicycle Recycling offering progression pathways from Clubs through Work Experience to an accredited Bike Maintenance Academy.
 - Opened a third Cycle Hub and introduced a loan bike scheme inside HM Naval Base, Portsmouth, as well as delivering a large scale contract of business engagement for the local authority.
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MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2017

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Quantitative milestones:

- Motiv8 worked with **over 2400 young people** through a diverse range of activities, of which more than half the recipients received targeted or intensive support.
- In the four years since April 2013, Motiv8 as part of Transform has supported **887 families with Intensive Family Support**, who between them have **over 3000 children and young people**.
- Targeted group work supported **204 young people achieving positive outcomes** either through Duke of Edinburgh Awards or Operation Divert in partnership with Hampshire Constabulary.
- Provided a dedicated **emotional wellbeing service to 257 young people** in college and community settings.
- Worked in **partnership with 22 schools and colleges** and provided Duke of Edinburgh support to a further 8 schools and community groups.
- Bicycle Recycling developed a full education & employment programme, with **100% pass rate on the accredited Over 16 Academy** delivered in partnership with Highbury College.
- Bicycle Recycling's cycle hubs served **over 5000 customers with a further 1000 members of the public** being supported through the community delivered Bike Dr.

Motiv8 captures the voice of young people and families through case studies, the following provide an insight into what 'Life Chances for Young People' and their Families really mean:

Family Composition and History:

- Single mother with two children, one of whom currently lives in household.
- Mother struggling with poor mental and physical health.
- Son moved out of home due to anti-social behaviour, impacting on size of home (bedroom tax).
- Daughter's attendance less than 90%, suffering with low self-esteem.

Plan developed by Motiv8 worker in conjunction with mum and daughter:

- Daughter provided with 1-1 support to build her confidence.
- Family supported to build communication with school, and improve attendance.
- Targeted parenting support to help mother learn new techniques to handle daughter's behaviour.
- Enquiries and support to move daughter to new school closer to home.
- Supported mother to view new properties and liaise with housing officers.

The Outcome:

- Daughter's attendance above 90%.
- Daughter settled in new school, closer to home.
- Daughter engaged in extra-curricular activities and forming new friendships.
- Family moved to new home, and registered with local GP.
- Family in receipt of the correct benefits and able to access on-going support for health.

Family Composition and History:

- Mother and Father living with 7 children, 2 of which are adults.
- Eldest son living in poverty whilst awaiting court, relating to anti-social behaviour and currently unemployed and presenting substance abuse.
- Both parents out of work.
- Child 4 with mental health problems and poor behaviour.
- Child 5 presenting with ADHD and poor behaviour at school.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2017

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Multi Agency Plan developed by Motiv8 worker in conjunction with family:

- Arrange multi-agency approach and additional support for the family.
- Liaise between schools and family to ensure all children in appropriate school placements.
- Deliver coping strategies to support child 4's anxiety and reduce inappropriate language.
- Support children transitioning to different schools.
- Explore child 5's feelings and theories around anger.
- Worked with parents and support/advocate for family at meetings.

The Outcomes:

- Children are all now in appropriate school or further education.
- In school support now in place.
- Eldest child has completed time in prison and attends his probation, now residing out of the family home and secured a full time job.
- Parents now considering attending a part time course at college.

In addition to producing quantitative and qualitative data, Motiv8 reviews progress against the 5 Strategic Objectives in the Business Plan:

1. **Be child, young person and family focused in all we do**

This objective forms a strategic underpinning for the organisation and has prompted specific activities:

- Motiv8 has defined the role of Family Support within the organisation, as recognising the benefit of working in a whole family approach when supporting children and young people.
- Working to develop parent engagement both through formal and informal family support, and identifying suitable training for staff such as Family Links as a way to reinforce this work.
- Embed customer satisfaction measures across the organisation, to provide a clear voice to both young people and partner organisations.

2. **Deliver life chances that lead to positive outcomes**

Across the organisation delivering Life Chances and the associated positive outcomes have become key, examples include:

- Motiv8 schools delivery provides social development programmes leading to improved school attendance and accredited outcomes.
- Motiv8 emotional wellbeing services provide a constructive outlet for young people to share their feeling and explore options.
- Motiv8 family support offers families a structured plan leading to improved school attendance, reduced anti-social behaviour and improved health.
- Bicycle Recycling's education and employment pathway provides work experience, qualifications and, for some, paid employment.

All of the above are reinforced by clear models of practice to provide an evidence base to support work.

3. **Have a skilled and flexible work force**

Motiv8's work is only possible through the dedication and hard work of its staff, both paid and unpaid. An important aspect is to ensure effective continuous professional development (CPD) including more recently training in whole family work as well as the traditional emphasis on targeted youth support. Motiv8 continues to evolve its training matrices and invest time and resource into new staff induction through to ensuring that, where appropriate, staff are retrained as the needs of the organisation change.

An important aspect of staff wellbeing is effective supervision, and appropriate resilience across the organisation. This work is independently verified through external audit by Investors In People.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2017

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

4. **Be sustainable**

The financial climate in which Motiv8, and similar organisations, operate remains challenging; so it is satisfying to deliver a surplus for the consolidated charity which includes a profit from Motiv8's trading subsidiary Bicycle Recycling. The trading model of income generation has become increasingly important over the past 5 years, and it has transferred effectively in the way Motiv8 provides services to schools.

Motiv8 has seen successes in private income generation through Trusts, Community fundraising and Corporate support, but all of this has been on a relatively modest scale. This is an area that Trustees are committed to developing over the next 12 months.

Another aspect of being sustainable is good cost control, and it is satisfying that infrastructure was reduced to 12% of turnover for the financial year 2016/17.

5. **Be a partner of choice**

Partnership continues to be a strength for Motiv8, evidenced through extensive partnerships for each team within the organisation. Despite significant external pressures, Motiv8 has maintained constructive relationships with all of its local authority partners, as well as developing new partnerships with major partners such as the Royal Navy and University of Portsmouth.

FINANCIAL REVIEW

The Consolidated Statement of Financial Activities for the year ended 31 March 2017 is set out on page 16 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 £1,318,333 for the year ended 31 March 2017, of which £1,136,700 was on unrestricted funds and £181,633 was restricted. There was a total surplus of £23,646 and at 31 March 2017 there were total funds of £418,556 of which £93,472 were restricted, £233,639 designated and £91,445 unrestricted.

Reserves policy

The policy is reviewed annually, and it currently reads:

Policy

It is the policy of MOTIV8 that unrestricted funds 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.

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 three years.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2017

FINANCIAL REVIEW (CONTINUED)

Procedure (continued)

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 31 March 2017 funds totalling £233,639 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 19 to the accounts.

Financial Rules

Trustees apply the following rules when managing the organisation's financial stability:

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 (PBR) associated activity.
3. Teams that wish to consider forecast budgeting can do so to a maximum of 10% of their 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 Received & Guaranteed, Pipeline and PBR income.

The Finance Department, led by the Finance Director, has been effective at providing high quality timely financial information at both a whole organisation and team level through the year. Trustees express their sincere thanks for the diligence and scrutiny with which this work is undertaken.

Funding

Motiv8 place great significance on partnership working. Trustees acknowledge the contribution of the following organisations that have supported Motiv8 over 2016/17 and without whom the charity would be unable to operate:

- Portsmouth City Council
 - Positive Activities, Duke of Edinburgh, Future in Mind, Leaders Fund (Reunification), Traded 1-1 support.
- Hampshire County Council
 - Youth Support Service (YSS), Intensive Family Support Service/Transform (via Barnardo's), Children's Services Integrated (CSI) Grants, Traded 1-1 support & inclusion groups.
- Gosport Borough Council
 - Local supporting troubled families, Community Safety, You Decide, Music Project.
- Havant Borough Council
 - Community Safety, Local supporting troubled families.
- Fareham Borough Council
 - Local supporting troubled families.
- Hampshire Office of the Police & Crime Commissioner:
 - Operation Divert & YIP, Intensive Support Services.
- Ministry of Defence
 - Armed Forces Covenant Fund.
- Lottery
 - We Big Local, Awards for All.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2017

FINANCIAL REVIEW (CONTINUED)

Funding (continued)

- Hampshire and Isle of Wight Community Foundation:
 - Solent Community Fund, Hate Crime, Comic Relief (Gosport Music Project).
- Schools and Colleges:
 - Portsmouth College, Harbour School Portsmouth, Virtual School Portsmouth.
 - Hayling College, South Downs College, Park Community School, Bourne Community College, Woodland School.
 - St Vincent's College, The Key Centre, Brune Park Community College, Bay House School.
 - Henry Cort School, Brookfield School, Lord Wilson School, Cams Hill, Fareham Academy, Crofton School, Baycroft School.
 - The Bridge Eastleigh, Virtual School Southampton.
- BBC Children in Need
- Sir Jeremiah Coleman Trust
- Quilter Cheviot
- Gosport Rotary Club
- Brockhurst Baptist Church
- First Wessex
- Lennox Hannay Charitable Trust
- Lions Club Gosport
- Lions Club Hayling Island
- Paulsgrove Community Association
- Paulsgrove and Wymering Trust
- Royal Navy Charitable Grants, including RNRMC and RN&RM Sports Lottery
- Shoosmiths

The Trustees also wish to thank all the individuals that have supported the organisation through regular and one off donations, including supporting fundraising events and through the donation of goods to Bicycle Recycling.

Asset cover for funds

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

Future plans

Trustees continue to review the organisations future plans against the approved Business Plan 2016-2020 against which there is a detailed Action Plan. The executive summary is provided below.

Motiv8 Business Plan 2016-2020

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. Work is based in the Community, in Schools and Colleges 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.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2017

FINANCIAL REVIEW (CONTINUED) Motiv8 Business Plan 2016-2020 (continued)

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 2016-2020 are to:

1. Be child, young person and family focused in all we do.
2. Deliver life chances that lead to positive outcomes.
3. Have a skilled and flexible work force.
4. Be sustainable.
5. Be a partner of choice.

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.

CHANGES IN FIXED ASSETS

The movements in fixed assets in the year are set out in note 12 to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The charity trustees are responsible for preparing a trustees' annual report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company and charity 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 have:

- selected suitable accounting policies and then applied them consistently;
- observed the methods and principles in the Charities SORP;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepared the accounts on the going concern basis.

MOTIV8 SOUTH LIMITED

TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2017

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

The trustees have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements 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 and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the charity or for publication is reliable;
- the charity complies with relevant laws and regulations;
- the Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

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 15 June 2017 and signed on their behalf



**Professor Mark Button - Chair
Trustee**

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 2017 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated and Parent Charitable Company Cash Flows and the related notes set out on pages 16 to 35. 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 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 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on pages 12 and 13 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) and for satisfying themselves that the charity's accounts give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements 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 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

In our opinion the accounts:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006 and the Charities Act 2011.

Opinion on other matters 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.

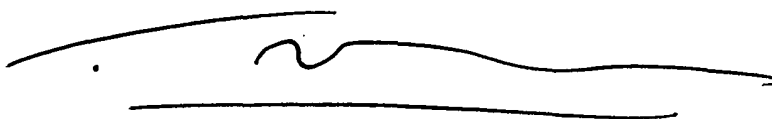
MOTIV8 SOUTH LIMITED

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 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts of the parent company 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 PETER MILLETT ACA (Senior Statutory Auditor)
For and on behalf of Jones Avens

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

15 June 2017

MOTIV8 SOUTH LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Income:						
Donations	3	68,947	-	10,153	79,100	47,600
Income from charitable activities:						
Provision for services for Young People and Families	4	851,298	-	152,077	1,003,375	1,192,136
Income from other trading activities:						
Bicycle Recycling South Limited	5	216,117	-	19,403	235,520	153,565
Income from investments	6	338	-	-	338	452
Total Income		1,136,700	-	181,633	1,318,333	1,393,753
Expenditure						
Expenditure on raising funds						
Income generation and publicity costs		35,827	-	-	35,827	38,922
Bicycle Recycling South Limited	5	194,637	-	19,403	214,040	152,208
Expenditure on charitable Activities						
Provision of services for Young People and Families	7	886,582	-	158,238	1,044,820	1,190,936
Total Expenditure		1,117,046	-	177,641	1,294,687	1,382,066
Net income/(expenditure)		19,654	-	3,992	23,646	11,687
Transfer between funds	10	(48,787)	52,419	(3,632)	-	-
Net movement in funds		(29,133)	52,419	360	23,646	11,687
Reconciliation of funds						
Fund Balances at 1 April 2016		120,578	181,220	93,112	394,910	383,223
Fund Balances at 31 March 2017		91,445	233,639	93,472	418,556	394,910

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

The notes form part of these financial statements

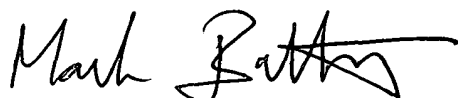
MOTIV8 SOUTH LIMITED

CONSOLIDATED AND COMPANY BALANCE SHEETS AS AT 31 MARCH 2017

	Notes	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Fixed assets					
Tangible assets	12	295,093	229,863	292,037	229,863
Investment	13	-	-	1	1
Social investment	14	5,000	5,000	5,000	5,000
Total Fixed Assets		300,093	234,863	297,038	234,864
Current assets					
Stocks		10,495	5,105	-	-
Debtors	15	140,247	86,111	167,752	98,563
Cash at bank and in hand		124,955	270,337	95,387	253,988
Total Current Assets		275,697	361,553	263,139	352,551
Liabilities					
Creditors: amounts falling due within one year	16	(157,234)	(201,506)	(144,677)	(192,505)
Net current assets		118,463	160,047	118,462	160,046
Total assets less current liabilities		418,556	394,910	415,500	394,910
The funds of the Charity:					
Restricted funds	18	93,472	93,112	93,472	93,112
Unrestricted funds:					
Designated funds	19	233,639	181,220	230,583	181,220
Other charitable funds					
General fund		91,445	120,578	91,445	120,578
Total charity funds		418,556	394,910	415,500	394,910

The trustees have prepared group accounts in accordance with Section 398 of the Companies Act 2006 and Section 138 of the Charities Act 2011.

The accounts were approved by the Board on 15 June 2017



Professor Mark Button – Chair
Trustee

Company Registration No. 3512607
Charity Registration No. 1069085

The notes form part of these financial statements

MOTIV8 SOUTH LIMITED

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 31 MARCH 2017

	Notes	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Net cash (used in)/provided by Operating activities	22	(77,561)	143,078	(94,114)	140,428
Interest received		338	452	338	452
Proceeds from the sale of fixed assets		7,200	4,150	7,200	4,150
Purchase of fixed assets		(75,359)	(38,557)	(72,025)	(38,557)
Net cash (used in)/provided by investing activities		(67,821)	(33,955)	(64,487)	(33,955)
(Decrease)/ increase in cash and cash equivalents in the year		(145,382)	109,123	(158,601)	106,473
Cash and cash equivalents at the beginning of the year		270,337	161,214	253,988	147,515
Total cash and cash equivalents at the end of the year		124,955	270,337	95,387	253,988

The notes form part of these financial statements

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Motiv8 South Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 6 Queen Street, Portsmouth, Hampshire, PO1 3HL.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Bicycle Recycling South Limited, on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption in section 408 of the Companies Act 2006.

1.3 Going concern

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

1.4 Charitable 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.

1.5 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies (Continued)

1.5 Incoming resources (continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of Covenant is recognised at the time of the donation.

Donated services and facilities are included at estimated market value being the estimated value of the services 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.

1.6 Resources expended

Resources expended including 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.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation and any impairment losses. 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	10-25% straight line
Motor vehicles	20 - 50% straight line

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies (Continued)

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.10 Financial instruments

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

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies (Continued)

1.10 Financial instruments (Continued)

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

Derecognition of financial liabilities

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

1.11 Employee benefits

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

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

1.12 Leasing and hire purchase commitments

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

1.13 Investments

Fixed asset investments are stated at market value.

1.14 Stock

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

1.15 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.

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

2 Financial performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary which operates cycle shops and provides training and employment opportunities for young people.

The summary financial performance of the charity alone is:

	2017 £	2016 £
Income	1,102,216	1,240,188
Gift Aid from subsidiary company	18,424	1,357
	1,120,640	1,241,545
Expenditure on raising funds	(35,827)	(38,922)
Expenditure on charitable activities	(1,064,223)	(1,190,936)
	20,590	11,687
Net income		
Total funds brought forward	394,910	383,223
Total funds carried forward	415,500	394,910
Represented by:		
Restricted income funds	93,472	93,112
Unrestricted designated funds	230,583	181,220
Unrestricted general funds	91,445	120,578
	415,500	394,910

3 Donations

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Individual donations	13,062	10,153	23,215	17,087
Donated services and facilities	55,885	-	55,885	30,513
	68,947	10,153	79,100	47,600

Donated services and facilities comprise the estimated market value of legal services, peppercorn rents, vehicle maintenance, printing services, building works, computer support and furniture. In the previous year there were restricted individual donations of £6,367, the balance of donations, of £41,233, were unrestricted.

The charity benefits greatly from the work of its volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in these accounts.

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

4 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Statutory local income	526,933	60,800	587,733	707,352
Charitable services and grants	316,444	91,277	407,721	480,441
Other income	7,921	-	7,921	4,343
	<u>851,298</u>	<u>152,077</u>	<u>1,003,375</u>	<u>1,192,136</u>
Unrestricted funds				1,110,010
Restricted funds				82,126
				<u>£ 1,192,136</u>

Included within income from charitable activities are the following:-

Statutory local income

Portsmouth City Council Positive Activities	106,146	175,417
Hampshire County Council Youth Support Service	180,249	276,286
Hampshire Office of the Police & Crime Commissioner		
Intensive Support Services	29,000	29,000
Operation Divert/YIP Programmes	30,000	30,000

Charitable services

Barnardo's Transform (Hampshire Intensive Family Support Service)	299,606	293,957
Barnardo's NEET Funding (Phase II)		100,705

Charitable grants

J Paul Getty Jnr Trust	-	47,500
BBC Children in Need	24,495	24,295
Quilter Cheviot Foundation	20,000	-

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

5 Income from trading activities of subsidiary

Bicycle Recycling Limited operates community cycle venues in Portsmouth and Gosport carrying out servicing and repairs, second hand bike sales and bicycle maintenance. It also offers apprenticeships and opportunities to volunteer.

	Year ended 31 March 2017		Year ended 31 March 2016	
	£	£	£	£
Income				
Bicycle sales, servicing, courses, merchandise and bike hire		191,934		118,053
Grants received		36,760		30,135
Other income		6,826		5,367
Interest received		-		10
		<u>235,520</u>		<u>153,565</u>
Expenditure				
Cost of sales		37,496		31,154
Salaries, wages and other staff costs		154,446		97,829
Utilities and support costs		22,098		23,225
		<u>214,040</u>		<u>152,208</u>
Net profit as per Subsidiary accounts		21,480		1,357
Amount distributed to charity		(18,424)		(1,357)
		<u>3,056</u>		<u>-</u>
Total assets		54,524		30,977
Total liabilities		(51,467)		(30,976)
Funds (representing share capital and reserves)		<u>3,057</u>		<u>1</u>

6 Investment income

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
Interest receivable	338	-	338	452
	<u>338</u>	<u>-</u>	<u>338</u>	<u>452</u>

NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Provision of Services £	Total 2017 £	Total 2016 £
Staff costs		825,745	825,745	958,597
Volunteer costs		489	489	1,603
Partners		38,925	38,925	47,050
Activities		35,752	35,752	44,679
Support costs	8	124,106	124,106	132,879
Governance costs	8	19,803	19,803	6,128
		1,044,820	1,044,820	1,190,936

8 Support costs

Support costs	Support Costs £	Governance Costs £	2017 £	2016 £	Basis of allocation
Premises	66,368	-	66,368	74,110	Charitable
Communications	15,883	-	15,883	19,017	Charitable
Transport	12,141	-	12,141	15,565	Charitable
Computers	19,512	-	19,512	16,336	Charitable
Subscriptions	3,819	-	3,819	3,920	Charitable
Audit and accountancy	-	6,330	6,330	5,100	Governance
Legal and professional fees	-	12,577	12,577	-	Governance
Trustee indemnity insurance	-	896	896	1,028	Governance
Depreciation	9,851	-	9,851	11,594	Charitable
Profit on sale of fixed assets	(2,000)	-	(2,000)	(4,150)	Charitable
Other expenses	(1,468)	-	(1,468)	(3,513)	Charitable
	124,106	19,803	143,909	139,007	

	2017	2016
	£	£

Auditors remuneration		
Audit fees	4,670	4,670
Accountancy services	1,660	1,660
Overprovision in previous year	-	(1,230)
Bicycle Recycling South Limited	1,050	2,045
Depreciation	10,129	11,594
Profit on sale of fixed assets	(2,000)	(4,150)
Operating lease rentals – land and buildings	21,034	20,790
equipment	3,768	3,583

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

9 Trustees

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

10 Transfers

The transfers in the year were as follows:

	Unrestricted Funds £	Designated Funds £	Restricted Funds £
Fixed assets fund	(57,419)	57,419	-
Depreciation transfers	3,632	-	(3,632)
Premises fund	5,000	(5,000)	-
	<u>(48,787)</u>	<u>52,419</u>	<u>(3,632)</u>

11 Employees

Number of employees

The average monthly headcount was 65 employees (2016: 75). The average monthly number of employees during the year was

	2017 Number	2016 Number
Chief Executive	1	1
Direct Charitable Staff	31	37
Bicycle Recycling Staff	9	7
	<u>41</u>	<u>45</u>

Employment costs

	2017 £	2016 £
Wages and salaries	909,909	966,327
Social security costs	66,821	74,325
Other pension costs	10,403	9,714
	<u>987,133</u>	<u>1,050,366</u>

There were no employees whose annual remuneration was £60,000 or more. Total key management personnel compensation of the charity and of the group was £134,193 (2016: £138,359).

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

12 Tangible fixed assets (Group)

	Freehold Land & Buildings £	Leasehold Land & Buildings £	Computer Equipment £	Fixtures, fittings & Equipment £	Motor vehicles £	Total £
Cost						
At 1 April 2016	228,342	11,447	41,371	45,759	57,206	384,125
Additions	52,325	-	4,806	18,228	-	75,359
Disposals	-	-	-	-	(5,200)	(5,200)
At 31 March 2017	280,667	11,447	46,177	63,987	52,006	454,284
Depreciation						
At 1 April 2016	14,013	11,447	41,371	30,583	56,848	154,262
Charge for the year	4,497	-	319	4,955	358	10,129
Eliminated on disposal	-	-	-	-	(5,200)	(5,200)
At 31 March 2017	18,510	11,447	41,690	35,538	52,006	159,191
Net book value						
At 31 March 2017	262,157	-	4,487	28,449	-	295,093
At 31 March 2016	214,329	-	-	15,176	358	229,863

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

12 Tangible fixed assets (Company)

	Freehold Land & Buildings £	Leasehold Land & Buildings £	Computer Equipment £	Fixtures, fittings & Equipment £	Motor vehicles £	Total £
Cost						
At 1 April 2016	228,342	11,447	41,371	45,759	57,206	384,125
Additions	52,325	-	4,806	14,894	-	72,025
Disposals	-	-	-	-	(5,200)	(5,200)
At 31 March 2017	280,667	11,447	46,177	60,653	52,006	450,950
Depreciation						
At 1 April 2016	14,013	11,447	41,371	30,583	56,848	154,262
Charge for the year	4,497	-	319	4,677	358	9,851
Eliminated on disposal	-	-	-	-	(5,200)	(5,200)
At 31 March 2017	18,510	11,447	41,690	35,260	52,006	158,913
Net book value						
At 31 March 2017	262,157	-	4,487	25,393	-	292,037
At 31 March 2016	214,329	-	-	15,176	358	229,863

13 Fixed asset investments

Market value at 1 April 2016 and 31 March 2017	£
	1

Historical cost:

At 31 March 2017 and 31 March 2016	1
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MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

13 Fixed asset investments (continued)

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	Class	Shares held %
Subsidiary undertakings			
Bicycle Recycling South Limited	England and Wales (company number 8848765)	Ordinary	100

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

Principal Activities	Capital and Reserves £	Profit/(loss) for the year ended 31 March 2017 £
Operation of Community Cycle Venues	3,057	3,056

Bicycle Recycling South Limited was incorporated on 16 January 2014.

14 Social investment Group and Company

£

At 1 April 2016 and
At 31 March 2017

5,000

Motiv8 South Limited owns 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.

15 Debtors

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade debtors	83,501	24,705	75,878	20,325
Amounts owed by group undertakings	-	-	38,910	21,976
Other debtors	1,642	502	1,642	502
Prepayments and accrued income	55,104	60,904	51,322	55,760
	140,247	86,111	167,752	98,563

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

16 Creditors: amounts falling due within one year

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade creditors	22,969	14,650	20,588	12,813
Taxes and social security costs	24,251	20,718	18,912	17,435
Accruals	110,014	166,138	105,177	162,257
	<u>157,234</u>	<u>201,506</u>	<u>144,677</u>	<u>192,505</u>

Accruals includes deferred income of £84,076 (2016: £142,674) in respect of projects where funding has been received in advance of the following year.

17 Pension and other post-retirement benefit commitments Defined contribution

The company makes contributions on behalf of its employees into NEST Retirement Funds or into a Friends Provident Stakeholder Pension Scheme.

	2017 £	2016 £
Contributions payable by the company for the year	<u>10,403</u>	<u>9,714</u>

18 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:

	Movement in funds				
	Balance at 1 April 2016	Incoming resources	Resources expended	Transfers to General Funds	Balance at 31 March 2017
Toronto Place					
LandAid Charitable Trust Limited	56,325	-	-	(1,666)	54,659
The Clothworkers' Foundation	15,000	-	(15,000)	-	-
Buy A Brick campaign	6,367	2,166	(8,533)	-	-
OPCC	-	30,000	(30,000)	-	-
BBC Children in Need	-	24,495	(24,495)	-	-
Bicycle Recycling	13,761	-	-	(1,966)	11,795
D of E Participating Support Fund	-	7,386	-	-	7,386
Hampshire and Isle of Wight Community Foundation	-	21,214	(3,241)	-	17,973
Hampshire Police	-	29,000	(29,000)	-	-
Big Lottery Fund	-	9,093	(9,093)	-	-
Quilter Cheviot	-	20,000	(20,000)	-	-
Armed Forces Covenant	-	12,903	(12,903)	-	-
Lennox Hannay Charitable Trust	-	5,000	(5,000)	-	-
Gosport Rotary Club	-	6,154	(6,154)	-	-
Other	1,659	14,222	(14,222)	-	1,659
	<u>93,112</u>	<u>181,633</u>	<u>(177,641)</u>	<u>(3,632)</u>	<u>93,472</u>

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

18 Restricted funds (continued)

LandAid Charitable Trust Ltd donated £9,500 to install and equip a kitchen at Toronto Place, Gosport. LandAid awarded a grant of £50,000 for a new build ground floor extension to Toronto Place. The building was completed in this financial year.

The Clothworkers' Foundation have awarded a grant of £15,000 towards the building extension at Toronto Place which was completed during the financial year.

The Buy A Brick Campaign raised £8,533 towards the building extension at Toronto Place.

Hampshire Police and The Office of the Police & Crime Commissioner (OPCC) donated £59,000 for Divert Project/YIP Programmes during the year.

BBC Children in Need have awarded a grant of £74,014 over three years from 1 July 2015. The grant is to support young people with behavioural issues and living in families on low incomes with 1-2-1 and group sessions and trips out to improve confidence, develop life skills and better peer relationships.

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.

A sum of £7,386 was received to assist young people in the Portsmouth area to complete their Duke of Edinburgh awards.

Hampshire and Isle of Wight Community Foundation made a number of awards in the year towards a music project, hate crime prevention programmes and a Solent Community grant programme.

The Big Lottery Fund Awards for All has contributed £9,093 for Positive Activities – Breaking Down Barriers. This funded a new weekly youth group in Portsmouth to encourage community integration and cohesion.

The Quilter Cheviot Foundation awarded £60,000 over a three year period in support of the Havant Project from 1 April 2016.

The Armed Forces Covenant Fund awarded a grant of £12,903 to create an Armed Forces Bike Maintenance Club.

The Lennox Hannay Charitable Trust awarded £5,000 for the Bike Academy.

The Rotary Club, Gosport donated £6,154 towards the building extension at Toronto Place.

Further funds were received from Brockhurst Baptist Church, Lions Club of Hayling Island and others and are included within Other Funds.

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

19 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:

Group	Movement in funds			Balance at 31 March 2017
	Balance at 1 April 2016	Incoming resources	Transfers (to)/from General Fund	
Fixed assets fund	171,220	-	57,419	228,639
Social enterprise fund	5,000	-	-	5,000
Premises fund	5,000	-	(5,000)	-
	<u>181,220</u>	<u>-</u>	<u>52,419</u>	<u>233,639</u>

Company	Movement in funds			Balance at 31 March 2017
	Balance at 1 April 2016	Incoming resources	Transfers (to)/from General Fund	
Fixed assets fund	171,220	-	54,363	225,583
Social enterprise fund	5,000	-	-	5,000
Premises fund	5,000	-	(5,000)	-
	<u>181,220</u>	<u>-</u>	<u>49,363</u>	<u>230,583</u>

The fixed asset fund is an amount equivalent to the net book value of fixed assets at the balance sheet date, excluding assets represented by restricted fund balances.

A designation of £5,000 for the social enterprise has been carried forward. The premises fund designation of £5,000 was spent in the year.

20 Analysis of net assets between funds

Group	Unrestricted Funds	Designated Funds	Restricted Funds	Total
	£	£	£	£
Fund balances at 31 March 2017 are represented by:				
Tangible fixed assets	-	228,639	66,454	295,093
Social investment	5,000	-	-	5,000
Net current assets	86,445	5,000	27,018	118,463
	<u>91,445</u>	<u>233,639</u>	<u>93,472</u>	<u>418,556</u>

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

20 Analysis of net assets between funds (continued)

Company	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Fund balances at 31 March 2017 are represented by:				
Tangible fixed assets	-	225,583	66,454	292,037
Investments	1	-	-	1
Social investment	5,000	-	-	5,000
Net current assets	86,444	5,000	27,018	118,462
	<u>91,445</u>	<u>230,583</u>	<u>93,472</u>	<u>415,500</u>

21 Commitments under operating leases

At 31 March 2017 the company had annual commitments under non-cancellable operating leases as follows:

	Land and Buildings		Other	
	2017 £	2016 £	2017 £	2016 £
Expiry date:				
Within one year	3,142	7,142	-	-
Between two and five years	6,000	6,000	3,768	3,768
	<u>9,142</u>	<u>13,142</u>	<u>3,768</u>	<u>3,768</u>

22 Reconciliation of net movement in funds to net cash flow from operating activities:

Notes	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Net movement in funds	23,646	11,687	20,590	11,687
Adjustments for:				
Depreciation charges	10,129	11,594	9,851	11,594
Profit on sale of fixed assets	(7,200)	(4,150)	(7,200)	(4,150)
Interest received	(338)	(452)	(338)	(452)
Decrease/(increase) in stock	(5,390)	258	-	-
Decrease/(increase) in debtors	(54,136)	311,009	(69,189)	314,429
Increase/(decrease) in creditors	(44,272)	(186,868)	(47,828)	(192,680)
Net cash provided by operating activities	<u>(77,561)</u>	<u>143,078</u>	<u>(94,114)</u>	<u>140,428</u>

MOTIV8 SOUTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31 MARCH 2017

23 Legal status of the company

The company is limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1.

24 Related Party Transactions

Stephen Dimon is a director of Bicycle Recycling South Limited and managing director of 1st Computer Services who provide computer services to the group. The company sponsored cycling vests and provided free of charge IT support and cabling estimated at £6,688. The purchase of computer equipment and further IT services amounting to £7,776 was on an arm's length basis.

There were no other related party transactions which require disclosure.