



# Annual Report and Financial Statements

Year ended 31 March 2014

Charity registration no. 1112339  
Charity Registration no. SC041210 (Scotland)  
Company Registration no. 5609241 (England & Wales)

## CHAIR'S REPORT

I believe we will look back and see the last 12 months as Mentor's breakthrough year.

Mentor has been championing prevention since 1998 and the world has caught up. There is a groundswell of belief amongst politicians and public that we need to intervene as soon as possible to tackle social, economic, educational and health harms effectively and to give all young people the best chance in life. What's more, commissioners and policy makers are increasingly getting the message that health harms are interrelated and that a topic-based 'silo' approach is wasteful and often unhelpful.

We know that to protect children and young people from alcohol and drug harms they need more than bald facts - they need to develop self-confidence, ambition to achieve, and skills to resist negative peer pressure.

We aim to build a sustainable prevention ecosystem to protect our children from a raft of interrelated risky behaviours, and this year, we have moved significantly closer to achieving this bold ambition.

The figures tell the own story – our income has increased by over 40% with 4 new projects now underway. Just after the end of the financial year, we were delighted to learn that the Education Endowment Foundation had awarded Mentor a prestigious grant of £820,000 over four years to conduct a random controlled trial of a classroom intervention, The Good Behaviour Game, at 74 schools in the north-west of England. This is a significant step towards our goal to bring evidence-based programmes to the mainstream.

Mentor is working with partners around the country and across government in England and Scotland to pilot and sustain evidence based programmes. Our projects benefit young offenders, school pupils, parents, local groups, grandparents and teachers.

Trustees wish to thank Mentor staff for their exceptional skill and dedication in developing the charity so it has become a national fulcrum of prevention expertise, in both policy and practice. We also thank our funders, our partners, our volunteers and everyone who takes part in our projects.

There has never been a better time to invest in prevention and the future of our children.

I hope we may count on your support.

Sim Scavazza  
Chair – Board of Trustees

**Mentor's vision** is a world that provides opportunities for the healthy development of children and young people free from the harm caused by drug misuse.

**Our mission** is to prevent drug misuse and promote the health and well-being of children and young people.

**MENTOR INTERNATIONAL**  
Mentor UK is part of Mentor International, the leading international NGO on prevention. Mentor International delivers effective prevention programmes around the world and through its Prevention Hub is the centre of knowledge and information about effective policy and practice.

## **THE CASE FOR PREVENTION; what's driving us**

*Prevention and early intervention help to ensure that our children have the best chance to reach their full educational and personal potential.*

### **Improving Health & Wellbeing Outcomes**

Two in five young people say they have been drunk at least once before the age of 13. For every year a young person doesn't drink alcohol, they are 10% less likely to misuse alcohol as an adult. The UK continues to have one of the most serious drug problems in Western Europe.

Twice as many young people in the UK have used 'legal highs' as the average for the rest of Europe.

### **Improving Educational and Employment Outcomes**

Adolescent drinking once or twice a week is associated with scores around 30 points lower (equivalent to 5 grades, or the difference between an A\* and an E in one subject).<sup>1</sup>

### **Reducing antisocial behaviour & crime**

The link between substance misuse and offending behaviour is well established. Some 80% of young male offenders say alcohol contributed to their offending<sup>2</sup> and according to prisoner surveys at Scotland's national holding facility for young offenders aged 16-21, 77% were drunk at the time of their offence<sup>3</sup>.

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<sup>1</sup> DfE 2010

<sup>2</sup> SPS 2009

<sup>3</sup> HMP Polmont

## **Narrowing the equality gap**

Effective wellbeing and prevention programmes benefit all children but are particularly effective for disadvantaged children, helping to reduce educational and health inequalities.

### **Massive cost savings**

**A schools' programme to prevent alcohol misuse would be cost effective even if it cost £75 million and resulted in just 1.4% less alcohol consumption amongst young people.**<sup>4</sup>

Young people's drug use costs billions in crime and health costs, unemployment due to missed education and puts a massive strain on housing and other local resources.

PriceWaterhouseCoopers estimates that the lifetime cost of a problematic male drug user is over £827,000, or £859,000 for a female.<sup>5</sup>

### **The sign of a civilised society**

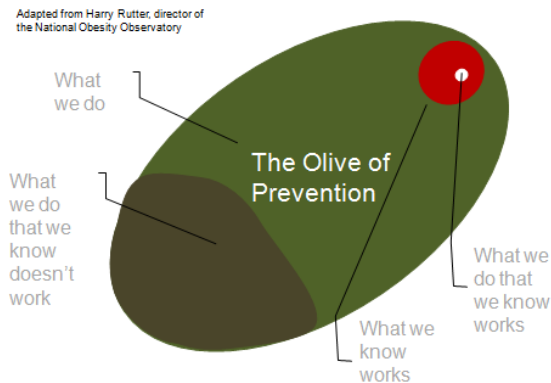
As a society we have a moral obligation to give all our children and young people the best possible chance to achieve their social and personal potential. This means investing in the right programmes and policies to promote children's wellbeing and protect them from risk, including alcohol and drug harms and the related risks of unsafe sex, educational and health disadvantage and antisocial behaviour.

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<sup>4</sup> NICE 2009

<sup>5</sup> PWC 2008

## MISUNDERSTANDING WHAT WORKS; What's stopping us



Compared with funds available for treatment services, funding for prevention is minimal. Yet it is not so much lack of investment which retards progress in prevention as lack of intelligent investment.

Prevention is an emerging science but often the evidence we do have about what works is ignored.

This can be disastrous.

Scared Straight, a programme designed to keep young people out of the criminal justice system, actually increased the risk offending. The Social Research Unit calculated that for every child receiving the Scared Straight intervention (cost £55), it costs a further £14,268 to put right.<sup>6</sup>

Yet many are convinced that dramatic scare tactics are all that's needed to stop young people using drugs.

## MENTOR'S STRATEGY

Our strategic goals 2014 – 2017 are:

- **To influence prevention policy in the UK, championing evidence-based prevention**
- **To identify and deliver programmes to prevent or reduce alcohol and drug harms to young people**
- **To work with partner to embed successful programmes delivering quantifiable benefits in health and education into the mainstream**

Research has shown that

- Cautionary stories
- Information-only lessons
- Focus on harm or fear
- Harsh or inconsistent punishment

***Don't work***

And yet, we continue to use them ...

<sup>6</sup> American Academy of Political and Social Science 2003

## REVIEW OF ACTIVITIES 2013 - 2014

### PROJECTS



***"the new drug and alcohol information and advice service for practitioners delivered by Mentor UK provides accurate, up-to-date information and resources"*** Lord Taylor of Holbeach 2013

ADEPIS (the Alcohol & Drug Education & Prevention Information Service), funded by the Department for Education to March 2015, is a free national service for schools, allowing heads, teachers and governors to take a lead on alcohol and drug prevention. ADEPIS is a partnership between Mentor, Adfam and Drugscope, listed on Ofsted's website and regularly referenced in Parliament.

The unique service is a hit with both schools and commissioners, providing expertise and resources, in the form of downloadable toolkits and briefing papers and free regional seminars, which are unavailable elsewhere. The ADEPIS Quality Standards for alcohol and drug education are now used by national bodies as we plan to develop them for practitioners beyond the classroom.

***"teachers & non-experts value the expertise the site provides"*** Bexley CC

***"a great central place for resources & information"*** KIP Education

***"your leaflet is perfect for educating parents in addition to children"*** teacher



The pioneering project at HMI Polmont to reduce reoffending due to alcohol misuse amongst young male offenders has consistently outperformed expectations quantitatively and qualitatively.

In this second year the three-year project, the programme for mainstream offenders aged 18 – 21 has been revamped based on feedback from participants and the Development Group. Breaking Out is now working with under 18s, special category and remand prisoners, with 'boot camp' sessions for gym users.

In Year 3, Breaking Out will focus on linking with community-based services to help participants access support or use their skills to support peers.

David, seen here receiving his Dynamic Youth Award, completed the 12-week programme and then joined the *Breaking Out* Development



Group. He has now been out of prison for year – his longest period ever – and will train as a mentor.

*Breaking Out* builds on Mentor's experience creating effective peer education programmes in tough environments. The project is funded by Comic Relief, and the Robertson, Gannochy and Arabella Duffield Trusts.





*Youth Insight* is a two-year project funded by the City Bridge Trust to narrow the gap between organisations developing policies to prevent harm caused by drugs and alcohol, and young Londoners themselves. It builds on the work of *the London Youth Involvement Project* which completed in summer 2012.

The 18 Youth Insight Advisors aged 15 – 18 have now completed an investigation into young people’s views on New Psychoactive Substances (NPS), presented at a conference in Cambridge and to the Home Office review, launched by Minister for Crime Prevention Norman Baker in December 2013.

They are also working with NHS England (London region) continues on formulating young people’s views on the new primary care standards and towards a special event in October 2014 they have called in October, where policy makers from key organisations across London will hear the cases for involving young people in policy development and formation.

**Youth Involvement is a golden thread running through Mentor’s work since 1998 because we know that for prevention to be effective, we must listen to and learn from young people. There is no room for tokenism. We involve young people in focus groups, policy work and peer education development and delivery.**



Mentor in Scotland continues its groundbreaking work with kinship carers and is now in the final year of a three-year project funded by The Big Lottery to deliver tailored support to 180 vulnerable kinship care families.

**Kinship carers are fulltime carers of the child of another member of the family. Many are grandparents**

**Seventy percent of children in kinship care have parents who abuse drugs or alcohol.**

Working in Edinburgh and the Lothians, *Families Together* creates a sustainable support network for kinship care families by establishing the practical help families need. The project will also look at how this can be replicated at Scotland’s other local authorities.

In 2014, *Families Together* completed 12 months work in Midlothian and will move for the final year to Edinburgh.

At the start of the project, eight in 10 kinship carers said they had no knowledge of other services and no access to helpful information. They felt unsupported, unappreciated and were worried about money.

Twelve months on, 94% of the kinship carers we worked with were happy and confident in their role and eight in 10 told us the children they cared for had grown in confidence and had a positive future.



Having worked with kinship care families since 2004, Mentor has a deep understanding of this often ignored group. We have listened to needs, helped set up support groups and, alongside kinship carers, trained health and social workers.

***It happens so quickly really. You don't have a bedroom, clothes, anything. We got absolutely nothing – no preparation, no nothing.***

Donald, kinship carer

Mentor's guide for kinship carers has twice been reprinted by Scottish Government and was the foundation of a guide for kinship carers in England published with Grandparents Plus.

Mentor's expertise was formally recognised by Scottish Government in May 2013 when Mentor became its strategic partner in kinship care, aiming to break the intergenerational cycle of poorer outcomes for looked after children in kinship care.

Over two years, Mentor is researching and evaluating different interventions and recommending appropriate road-testing. Finally, Mentor will produce for local authorities and practitioners a toolkit setting out a suite of evidence based programmes which can be delivered to kinship carers across the country.



The joint Alcohol & Youth Offending Project *Demon Drink* between Mentor and Alcohol Concern researched links between alcohol use and criminal activity amongst young Londoners receiving non-custodial court sentences.

The 12-month study was funded by Trust for London with research overseen by Middlesex University.

***“Something happens you can just turn and go angry and... it's mad. I reckon [alcohol's] worse than some drugs.”***  
Male Offender aged 16

*Demon Drink's* findings were presented to a packed conference of London's policy officers and youth offending workers in December 2013. They heard confirmation of strong links between alcohol misuse, mental health issues, and educational disengagement

***“I got kicked out in the middle of year 8 ... that's when I started going down the wrong path.”*** Male Offender aged 16

London's youth culture is unique nationally in recording higher usage of cannabis and relatively low use of alcohol which may, however, be under-reported by young people due to cultural sensitivities.

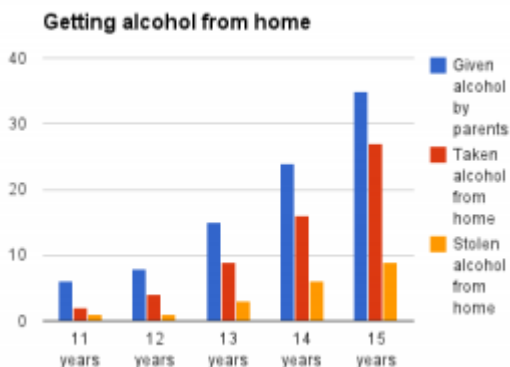
Mentor is now working with Alcohol Concern to embed this learning into campaigning work. The findings have been used to develop Mentor's programme FOR adolescents, including *Future U* for disengaged young teens, *Youth Insight* and ADEPIS.



Parents can influence their teenager's drinking habits and have much more power than they may think.

Mentor is working with Brighton & Hove City Council and the University of Sussex to evaluate *Effekt*, a programme which has proved successful in other European countries.

*Effekt* will be piloted at local secondary schools and if successful, replicated across the City and publicised to other local authorities.



**One third of fifteen year olds said they were given alcohol by their parents in the last four weeks, and one in ten say they stole alcohol from home in the same period.<sup>7</sup>**

<sup>7</sup> HSCIC 2012

## CAMPAIGNING

To achieve change at national level, we must influence national policy. We focus on the specific issue of getting evidence-based alcohol and drug education into schools, within the PSHE curriculum, working with other NGOs. This is a longer term strategic goal not a quick win.

### The outcomes we seek

- **PSHE be a statutory entitlement for all school children and young people**
- **PSHE is judged as a core subject by OfSTED**
- **PSHE addresses risk and resilience within an integrated curriculum, eschewing a topic-based approach**
- **PSHE teachers are trained consistently**

Mentor's influence at national level continues to grow and we were delighted when our work with the Department of Health to broker a pledge with the alcohol industry finally bore fruit in July 2014.

The Alcohol Education pledge provides start-up funding for LEAF, the Lifeskills Education & Alcohol Foundation.

### Working with the alcohol industry

from Mentor's Ethical Policy

Mentor will consider, on a case by case basis, partnerships with all organisations who share our aims, including the alcohol industry. We will not consider or accept funding or other support from sources, whether commercial or otherwise, which would compromise the independence of our decision making, project delivery, evaluation or reporting.



## **INCOME**

Our overall income for 2013 - 2014 was significantly higher than the previous year.

Whilst the bulk of our income currently continues to come from statutory funding and trusts and foundations, we are committed to building diverse income streams and planning for this continues – see Fundraising below.

Statutory	306,396
Trusts & Foundations	275,213
Other	47,063
Total	628,672

## **EXPENDITURE**

Charitable expenditure, that is money directly spent to protect children and young people from the harms of drugs and alcohol, represented 92 % of our total expenditure in 2013 - 14, over seven different projects. Work in Scotland continues to increase and now corresponds to almost 50% of our total spend on charitable activities.

Fundraising accounted for 5% of our total expenditure and returned on a ratio of 22:1.

## **FUNDRAISING**

Mentor's Strategic Plan 2014 – 17 has helped us to sell Mentor to a broader base of supporters and we began 2014 – 15 in the most robust position ever, with 90% of income already assured.

Just after the close of the financial year, Mentor was delighted to be awarded funding by the Education Endowment Foundation of £800,000 over four years.

This is a significant step for Mentor and is already resulting in a higher profile and new networks.

By the end of 2013 – 14, Mentor had a roster of fully-funded projects for the coming year and excellent prospects, which have since come to fruition, of achieving fundraising targets for growth in 2014 –15, including unrestricted funding to support development. Next year our income is projected to increase beyond £1m

We are very grateful to all our supporters, including those who wish to remain anonymous.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Structure**

Mentor Foundation UK is a registered charity and company limited by guarantee, governed by its Memorandum and Articles, dated 1 November 2005.

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

Each Trustee is provided with an induction pack, which includes Charity Commission guidance on the roles and responsibilities of charity trustees. The Board endeavours to ensure that it maintains an appropriate mix of skills and experience to enable it to fulfil its mission, and also to ensure that it adequately represents the communities it serves and takes the appropriate steps to fill gaps in the necessary skills.

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

### **Staffing**

The Chief Executive is accountable to the Board of Trustees, chaired by Sim Scavazza, and manages other Mentor staff (nine full time and seven part time during 2013 – 14). Some tasks were undertaken by external contractors.

## **REFERENCE AND ADMINISTRATIVE DETAILS AND FINANCIAL INFORMATION AND STATEMENTS**

### **Trustees**

Sim Scavazza (Chairman)  
Rachel Lee (*appointed December 2013*)  
Colin McCleod  
The Rt. Hon. the Lord Mancroft  
Martin Paisner  
The Hon. Sir David Sieff  
Sir Jack Stewart Clark (*resigned September 2014*)  
Helen Watson  
Dr Astrid Wissenburg  
Antonia de Gier (*appointed June 2014*)

### **Chief Executive**

Michael O'Toole (*from October 2014*)  
Paul Tuohy (*to July 2014*)

### **Registered Office (from 18 Sep 2014)**

CAN – Mezzanine  
49-51 East Road  
London  
N1 6AH

### **Professional Advisors**

Auditors  
H W Fisher & Company  
Acre House  
11-15 William Road  
London NW1 3ER

Bankers  
HSBC  
90 Baker Street  
London W1M 2AX

Solicitors  
Berwin Leighton Paisner  
Adelaide House  
London Bridge  
London EC4R 9HA

## **Finances**

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 Memorandum and Articles of Association, the Companies Act 2006, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

## **Review of the Financial Position**

In 2013 – 14 substantial funding was gratefully received from the following:

Arabella Duffield Trust, Big Lottery Fund, City Bridge Trust, Comic Relief, Dorset Foundation, Department for Education, Gannochy Trust, Robertson Trust, Scottish Government, Trust for London.

Our grateful thanks to all donors, particularly those who elected to remain anonymous, and to individuals who have supported Mentor's work.

## **Reserves Policy**

The Board of Trustees has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be between three and six months core costs, which for 2013 -14 equated to a minimum of £117,267 in general funds.

Trustees recognise the need to prioritise fundraising for unrestricted grants and donations, so as to reinstate unrestricted reserves to at least three months' running costs as soon as possible. However, some of our core costs are covered by restricted income, so the level decided upon is intended to offset any fluctuations in

receiving payments of grants and to ensure that other restricted funds are not used.

The total reserves, including restricted funds, still falls short of the agreed minimum and our challenge during 2014 – 15 is to ensure that the target is reached.

## **Investment Policy**

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

## **Risk Management**

The Board of Trustees is required to assess the major risks to which the charity is exposed and establish systems to mitigate these risks. The Board is also required to ensure that the charity complies fully with the law and eliminates all risk of breaching the law. Mentor Foundation UK has a Risk Management and Legal Compliance Strategy that comprises identification of risks, evaluation of their potential impact, design of risk management and legal compliance programmes followed by implementation and review points. The primary risk during the year was the financial stability of the charity.

## **Asset cover for funds**

Note 10 sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

### **Public benefit statement**

The sections of this report above entitled 'Review of Activities' sets out Mentor Foundation UK objectives and reports on the activity and successes in the year to 31 March 2014 as well as explaining the plans for the current financial year. Mentor's work benefits children and young people, teachers, health professionals, and families.

The Directors have considered this matter and concluded:

1. That the aims of the organisation continue to be charitable;
2. That the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need;
3. That the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay; and
4. That there is no detriment or harm arising from the aims or activities.

### **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.

### **Re-appointment of auditors**

H W Fisher & Company were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006 a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

On behalf of the Board of Trustees

**Sim Scavazza**

Chair

Dated.....



## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources, including its net income and expenditure for the year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and which enable them to ensure that the accounts comply with the Companies Act 2006 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

**MENTOR FOUNDATION UK (A  
COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF MENTOR  
FOUNDATION UK**

We have audited the accounts of Mentor Foundation UK for the year ended 31 March 2014 set out on pages 16 to 23. 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 and the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement on page 13, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

We have been appointed as auditor under Chapter 2 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under these Acts. Our

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

**Scope of the audit of the accounts**

An audit involves

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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Opinion on other matter prescribed by the Companies Act 2006**

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

**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 Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**S P Mehta (Senior Statutory Auditor)**  
**for and on behalf of H W Fisher &**  
**Company**  
**Chartered Accountants**  
**Statutory Auditor**  
Acre House  
11-15 William Road  
London NW1 3 ER  
United Kingdom

Dated:

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H. W Fisher and Company is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.