

MOBEX NORTH EAST
(A Company Limited by Guarantee)

MOBEX NORTH EAST
(A company limited by guarantee)

UNAUDITED
MANAGEMENT COMMITTEE'S REPORT AND FINANCIAL STATEMENTS
For the Year ended 31 March 2011

Registered number: 02973399
Charity number: 1041710



CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1-2
Management Committee's Report	3-9
Independent Examiner's Report	10-11
Statement of Financial Activities	12
Balance Sheet	13
Notes to the Accounts	14-23

MOBEX NORTH EAST
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS
TRUSTEES AND ADVISERS**
For the Year ended 31 March 2011

Management Committee

Derek Shingleton, Chair
Tom Bird, Secretary
Sonya McDonough, Trustee
James Walder, Treasurer
Andrea Ward, Trustee
Rebecca Armstrong, Adviser
Linda Rutter, Adviser

Company registered number
02973399

Charity registered number
1041710

Registered Office
Unit 3-5
Stoddart Street
Shieldfield Industrial Estate
Newcastle upon Tyne
NE2 1AN

Company Secretary
T Bird

Chief Executive Officer
D Gilchrist

Accountants
Ryecroft Glenton
Chartered Accountants
32 Portland Terrace
Newcastle upon Tyne
NE2 1QP

Bankers
Royal Bank of Scotland
31 Grey Street
Newcastle upon Tyne
NE1 8AS

MOBEX NORTH EAST
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS
TRUSTEES AND ADVISERS**
For the Year ended 31 March 2011

Advisers (continued)

Solicitors

Muckle LLP
Time Central
32 Gallowgate
Newcastle upon Tyne
NE1 4BF

MOBEX NORTH EAST
(A Company Limited by Guarantee)

MANAGEMENT COMMITTEE REPORT
For the Year ended 31 March 2011

The Management Committee, who are also directors of the Charitable Company for the purpose of the Companies Act, submit their annual report and the financial statements of Mobex North East (the charitable company) for the year ended 31 March 2011. The Management Committee confirms that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provision of the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" issued in March 2005.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

Mobex North East is a charitable company limited by guarantee and was set up by a Memorandum of Association on 4 October 1994. It is constituted under Articles of Association dated 4 October 1994 and is a registered charity number 1041710.

The principal object of the charitable company is to provide learning opportunities for groups of young or disadvantaged people from the North East, to enable them to fulfil their potential using development training through quality outdoor adventure and the arts.

There have been no changes in the objectives since the last annual report.

b. METHOD OF APPOINTMENT OR ELECTION OF MANAGEMENT COMMITTEE

Members of the Management Committee are appointed through contact by existing Trustees and staff, with the purpose of providing a spread of experience, knowledge and expertise.

c. POLICIES ADOPTED FOR THE INDUCTION & TRAINING OF MANAGEMENT COMMITTEE

Currently there are no formal procedures for the induction and training of members of the Management Committee. Such training is carried out on an ad hoc basis and includes introductory meetings with the Chair and Project Director. Information is provided on the role and responsibilities of Trustees and on the aims and objectives of Mobex.

d. ORGANISATION STRUCTURE AND DECISION MAKING

The Management Committee, comprising five trustees, is responsible for the overall strategy, direction and management of the charity. The staff structure is flat, with a Project Director at the head who has responsibility for implementing decisions made by the Trustees, managing all aspects of the activities of the charity, securing funding for activities and networking with other relevant bodies. Below the Project Director there is an Operations/Partnership Manager who, although responsible for the Probation project, deputises for the Project Director in his absence. There are then several project leaders and an Administration and Finance Officer, plus several volunteers.

MOBEX NORTH EAST
(A Company Limited by Guarantee)

MANAGEMENT COMMITTEE REPORT
For the Year ended 31 March 2011 (continued)

e. RISK MANAGEMENT

The Management Committee has assessed the major risks to which the charitable company is exposed, in particular those related to the operations and finances of the charitable company, and are satisfied that systems and procedures are in place to mitigate our exposure to major risks

OBJECTIVES AND ACTIVITIES

a. POLICIES AND OBJECTIVES

In setting objectives and planning for activities, the Management Committee has given due consideration to general guidance published by the Charity Commission relating to public benefit

The objectives of Mobex North East are to

- 1 advance the education of young and disadvantaged people living in the North East, offering opportunities for recreation, arts and leisure time activities of an enterprising and challenging nature, so that their quality of life may improve, and
- 2 promote the spiritual, mental and physical development of young and disadvantaged people through outdoor adventure and environmental exploration, so that they can grow to full maturity as individuals and as members of society

b. STRATEGIES FOR ACHIEVING OBJECTIVES

The over-riding strategy that Mobex North East adopts to achieve its objectives is to provide support for groups which already exist in a particular field. The majority of young and disadvantaged people with whom we deal belong to a group that comes to us to engage our expertise to help them achieve their objectives. Mobex North East rarely makes direct contact with young or disadvantaged people.

c. ACTIVITIES FOR ACHIEVING OBJECTIVES

Mobex North East implements its strategy through the provision of activities for young and disadvantaged people in the North East area.

ACHIEVEMENTS AND PERFORMANCE

a. REVIEW OF ACTIVITIES

In the last year Mobex North East has continued to deliver services to vulnerable and disadvantaged people throughout the North East. Our achievements were highlighted by two awards at the beginning of 2011 - the High Sheriff of Tyne and Wear presented Mobex with an award for our Peer Education programme and we were national winners of the Kids Count Inspiration Awards best contribution for youth issues.

MOBEX NORTH EAST
(A Company Limited by Guarantee)

MANAGEMENT COMMITTEE REPORT
For the Year ended 31 March 2011 (continued)

Anti-social behaviour – our work with young people at risk of anti-social behaviour continued throughout 2010 and came to an end in March 2011. This programme, which was funded through the Youth Sector Development Fund, enabled us to deliver constructive activities to over 1,200 young people. Although this programme came to an end in March 2011, work continues with young people being trained to become Peer Educators.

Offenders – We have delivered all the 100 contractual days as well as the additional 10 days in the first and second quarters. This equates to 918 offender days which equates to an 83.4% attendance, exceeding the 80% target stated in the contract. Mobex has worked with 52 offenders this year of which 37 or 70% have been high risk offenders, this also exceeds the target of 50% set out in the contract. The contract states 10% of the attendance should be by female offenders, we only achieved 1% although the percentage of female's referred is actually 5.2%.

NEET – our Mobex Challenge programme has achieved great success this year working with young people who are not in Employment, Education or Training (NEET). With funding from the Northern Rock Foundation we have exceeded the numbers laid down in our objectives by 50%. With over 120 people participating in the programme many went on to gain employment, further education, training or volunteering. Twelve organisations referred young people to the programme. Mobex Challenge continues to offer young people who may be classed as having a 'poverty of aspiration' the chance to identify and develop skills that they can transfer to the job market.

"Once more Mobex have provided activities that help our young people to focus on risk and their behaviour. Understanding that behaviour can have an impact on their future employment is important and the Mobex Challenge programme provides the opportunity to challenge behaviour."

Worker – Phoenix Detached Project

"The activities were hard but I have learnt so much – even in such a short time."

Participant from Stonham Home

School Inclusion – Funding from the Paul Hamlyn Foundation has enabled Mobex North East to work with Kenton School in Newcastle and Meadowdale Middle School in Bedlington on a project that engages young people either in their transition from secondary school to employment, training, etc or the transition from Middle School to High School. Students were identified as either having issues regarding academic progress or lacked self-esteem and confidence to make a positive transition. It was this project that enabled Mobex to become the national winners of the Kids Count Inspiration Awards best contribution for youth issues. This work continues into 2012.

Changing the Physical Landscape (CPAL) – funding from County Durham Sport made it possible for Mobex to move into a new area. We targeted the Easington area of County Durham to work with adults at risk of Cardio Vascular Disease (CVD). We formed a partnership with Stonham Housing and worked with a group of adults who

MOBEX NORTH EAST
(A Company Limited by Guarantee)

MANAGEMENT COMMITTEE REPORT
For the Year ended 31 March 2011 (continued)

were not only at risk of CVD but who also had mental health issues. This programme was a great success for these participants who, when the programme ended, went on to continue with outdoor activities.

Mental Health – we understand the importance outdoor activities and art activities can have on the well being of people at risk of or suffering from mental health issues. This year we have supported three mental health groups, one through CPAL and two others. Key Enterprise are based in North Tyneside and we delivered a number of days to their clients where we incorporated arts with the outdoors and also had them involved in environmental work.

Walker Challenge is a mental health group that supports each other with the help of volunteers and have raised funds for a number of challenges in which Mobex has been brought in to provide specialised support. During the summer a group from Walker Challenge walked the distance from Carlisle to Wallsend, a magnificent feat that enabled them to then plan a walk from Berwick to Newcastle. This walk took place during the summer in 2011 with funding from EcoMinds. Not only did they complete this walk but they also collected rubbish from the coastline and turned it into art for an exhibition in September 2011.

Creative Adventures – this innovative programme combines art with the outdoors and over the last 12 months has worked with a number of groups creating wild and wonderful works of art. During the summer of 2010 staff worked with young people from Barnardo's to wrap trees with brightly coloured fabric in the National Trust grounds at Gibside. They worked with women involved with the drug and alcohol support project Escape to create a giant swan, which was floated on the River Wansbeck. They are in the process of raising funds to purchase a new yurt in order to continue with our outdoor classroom work with young people with learning needs.

Charity abseils – with support from the Vermont Hotel in Newcastle we have facilitated abseils for other charities and good causes to raise much-needed funds. During the last 12 months we have supported 18 charities that have raised between them in excess of £65,000.

Other work – there has been a downturn in work from youth groups during the school holidays which we put down to the YSDF funded project that offered free activity days. However, there has been an increase in work with adults and the use of our climbing tower at community events.

A grant from LEAF will enable us to pilot an environmental project we are naming EnAct – this will see participants (mainly young people) in canoes helping to clean rivers – think Wombles with paddles.

MOBEX NORTH EAST
(A Company Limited by Guarantee)

MANAGEMENT COMMITTEE REPORT
For the Year ended 31 March 2011 (continued)

b. INVESTMENT POLICY AND PERFORMANCE

No specific written investment policy exists. However, arrangements are in place to ensure that surplus funds are transferred to a high interest bank account. During the year funds fell slightly from £153,108 to £151,788, a reduction of £1,320. This overall position is made up of a reduction in restricted funds of £13,901, but an increase in unrestricted funds of £12,581. This is a better financial performance than the overall financial position shows. Steps will be taken to maintain the trend of increasing the level of unrestricted funds to a more acceptable level within the next few years.

c. FACTORS RELEVANT TO ACHIEVE OBJECTIVES

The staff team is the major strength of Mobex North East. There is a rich blend of outdoor education trainers, youth workers, art trainers and volunteers. A specific strength lies in the fact that a number of the staff have grown through the organisation from volunteer to staff member and have been involved in the charity for a number of years. They bring an in-depth understanding of and empathy with the problems faced by young people today. They can work sympathetically with the Mobex philosophy of leading young people to their own level of understanding and learning through reflecting on their life experience and enhancing positive change in outlooks.

FINANCIAL REVIEW

a. RESERVES POLICY

It is the policy of Mobex North East to maintain reserves at a level roughly equivalent to half of the annual operating expenditure. It is believed that this is adequate to ensure that, in the event of failure to secure funding, six months is a reasonable length of time in which to resolve any difficulties.

However the level of reserves was significantly reduced in the two years ended March 2008 and there are further pressures on reserves in 2011. Once the financial position has been stabilised a review on the policy on reserves will be undertaken this year and it is our aim to restore the level of unrestricted reserves to a more acceptable level.

b. PRINCIPAL FUNDING

The financial statements show that the five areas of income secured to fund the activities of Mobex North East were as follows:

	£	
Grants from funders of the voluntary sector	107,668	27.4%
Income generated from charitable activities	112,643	28.7%
Government grant	171,057	43.5%
Investment income	1,281	0.3%
Other income	146	0.1%
	<u>392,795</u>	
	=====	

MOBEX NORTH EAST
(A Company Limited by Guarantee)

MANAGEMENT COMMITTEE REPORT
For the Year ended 31 March 2011 (continued)

PLANS FOR THE FUTURE

a. FUTURE DEVELOPMENTS

Mobex North East constantly strives to develop and improve our services, exploit opportunities, listen to the views of our stakeholders and extend our resources

In addition to the work that has already taken place over the last twelve months we are seeking to cultivate partnerships that will enable us to engage in delivery within the health sector, with particular emphasis on CVD, obesity and mental health. We know that doing regular physical activity can make you feel good about yourself and it can have a number of benefits for your health. Regular physical activity also helps to control weight, and may help ease stress, anxiety and depression.

We have identified other areas where the intervention of programmes delivered by Mobex North East could have beneficial results i.e. housing support agencies, organisations working with the elderly and drug and alcohol support agencies and domestic violence agencies. We will expand our work with offenders, further developing our substantial expertise in this area by linking with employers to offer mentoring and other employment support. We will instigate seminars where we will bring together groups of people from the same sector to engage in dialogue with us about how to develop our services to fit with their agenda, we are calling these groups "critical friends".

The majority of the programmes we design and deliver involve young people and we are keen to expand our Peer Education and Young Leaders programmes that engage young people in the work we deliver to others. Young people will be trained as volunteers to support Mobex staff in their delivery. They will train towards various awards in the outdoors, youth work and the environment. An offshoot of this will be to offer work placements, further training and volunteer opportunities, apprenticeship and eventually salaried employment.

The above plans are dependant on resources being available. Although numerous bids for funding are currently in place, the decision of the Probation service in September 2011 to end the contract with Mobex North East has placed us in an extremely difficult financial position. Current resources are sufficient to continue the provision of our services up until the end of December 2011. Decisions on the funding applications in place may result in the Charity ceasing to deliver its services on a temporary basis.

MANAGEMENT COMMITTEE'S LIABILITY

The members of the Management Committee of the Charitable Company guarantees to contribute an amount not exceeding £10 to the assets of the Charity in the event of winding up.

MOBEX NORTH EAST
(A Company Limited by Guarantee)

MANAGEMENT COMMITTEE REPORT
For the Year ended 31 March 2011 (continued)

MANAGEMENT COMMITTEE'S RESPONSIBILITIES

The Management Committee (who are also directors of Mobex North East for the purposes of Company Law) are responsible for preparing the Management Committee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company and Charity law requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing these financial statements the management committee are required to

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the charities SORP
- Make judgements and estimates that are reasonable and prudent,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue

The Management Committee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Committee is also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report the Management Committee has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Management Committee on 1st December 2011 and signed on its behalf by



Tom Bird, Secretary

MOBEX NORTH EAST
(A Company Limited by Guarantee)

INDEPENDENT EXAMINERS REPORT
For the year ended 31st March 2011

INDEPENDENT EXAMINER'S REPORT TO THE MANAGEMENT COMMITTEE OF
MOBEX NORTH EAST

I report on the financial statements of the charitable company for the year ended 31 March 2011 which are set out on pages 12 to 23

This report is made solely to the charitable company's Management Committee, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under Section 44 of that Act. My work has been undertaken so that I might state to the charitable company's Management Committee those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the charitable company's Management Committee as a body, for my work, for this report, or for the opinions I have formed.

RESPECTIVE RESPONSIBILITIES OF MANAGEMENT COMMITTEE AND
EXAMINER

The Management Committee, who are also directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Management Committee consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the Act) and that an independent examination is needed. The charitable company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of England and Wales.

Having satisfied myself that the charitable company is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to

- examine the financial statements under section 43 of the Act
- follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7) of the Act, and
- state whether particular matters have come to my attention

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination is carried out in accordance with the general directions given by the Charity's Commission. An examination includes a review of the accounting records kept by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Management Committee concerning such any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

MOBEX NORTH EAST
(A Company Limited by Guarantee)

INDEPENDENT EXAMINERS REPORT
For the year ended 31st March 2011 (continued)

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention

- 1 which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities

have not been met, or

- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached

Signed 

Dated 2nd December 2011

Detlev Anderson FCA
Ryecroft Glenton
Chartered Accountants
32 Portland Terrace
Newcastle upon Tyne
NE2 1QP

MOBEX NORTH EAST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
For the Year ended 31 March 2011

	Note	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	277,840	885	278,725	253,365
Investment income	3	-	1,281	1,281	564
Incoming resources from charitable activities	4	11,229	101,414	112,643	141,952
Other incoming resources		-	146	146	78
		289,069	103,726	392,795	395,959
RESOURCES EXPENDED					
Charitable activities	5	280,736	111,135	391,871	373,704
Governance costs	9	-	2,244	2,244	1,964
		280,736	113,379	394,115	375,668
TOTAL RESOURCES EXPENDED	8				
		8,333	(9,653)	(1,320)	20,291
NET INCOME BEFORE TRANSFERS					
Transfers between funds		(22,234)	22,234	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		(13,901)	12,581	(1,320)	20,291
Total funds at 1 April 2010		74,227	78,881	153,108	132,817
TOTAL FUNDS AT 31 MARCH 2011		60,326	91,462	151,788	153,108

The notes on pages 14 to 23 form part of these financial statements

BALANCE SHEET
As at 31 March 2011

	Note	£	2011 £	2010 £
FIXED ASSETS				
Tangible assets	12		37,856	59,311
CURRENT ASSETS				
Debtors	13	18,589		34,520
Cash at bank and in hand		<u>118,800</u>		<u>101,034</u>
		137,389		135,554
CREDITORS: Amounts falling due within one year	14			
		<u>(23,457)</u>		<u>(41,757)</u>
NET CURRENT ASSETS			113,932	93,797
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>151,788</u>	<u>153,108</u>
CHARITY FUNDS				
Restricted funds	15	60,326		74,227
Unrestricted funds	15	91,462		78,881
			<u>151,788</u>	<u>153,108</u>

The Management Committee considers that the charitable company is entitled to exemption from the requirement to have an audit under the provisions of Section 477 of the Companies Act 2006 ("the Act") and members have not required the company to have an audit for the year in question in accordance with section 476 of the Act. The Management Committee acknowledges its responsibilities for ensuring that the charitable company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at 31 March 2011 and of its loss for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Management Committee on 1st December 2011 and signed on their behalf by



Tom Bird
Secretary



Derek Shingleton
Chair

MOBEX NORTH EAST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2011

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

The Management Committee would like to highlight that since the year end it has been extremely challenging to find funding to support the activities of the company. In addition, we were unsuccessful in retendering for Probation contract. The lack of future funding indicates the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. To address this concern, there was a restructure in October 2011 and the Management Committee are considering a range of options to allow the company to continue to operate.

1.2 CASH FLOW

The financial statements do not include a Cash Flow Statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.3 LEASING AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charitable company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods.

1.4 COMPANY STATUS

The charitable company is a company limited by guarantee. The members of the company are the Management Committee named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £10 per member of the charitable company.

MOBEX NORTH EAST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2011 (continued)

1.5 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Management Committee in furtherance of the general objectives of the charitable company and which have not been designated for other purposes

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

Investment income, gains and losses are allocated to the appropriate fund

1.6 INCOMING RESOURCES

All income resources are included in the Statement of Financial Activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy

Where grants or donations are received in respect of costs over a particular period of time specified by the donor, those amounts are recognised over the period of time specified. Other grants where entitlement is not conditional on the delivery of a specific performance by the charitable company are recognised in full when the charitable company becomes unconditionally entitled to the grant

Incoming resources from charitable activities represents income earned from the provision of youth welfare activities. This income is recognised to the extent that the charitable company has provided the services. Where incoming resources are received in advance of the service, they are deferred

1.7 RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources

Support costs are those costs incurred directly in support of expenditure on the objects of the charitable company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charitable company and compliance with constitutional and statutory requirements

MOBEX NORTH EAST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2011 (continued)

1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets/groups of assets costing more than £500 are capitalised. Some assets/group of assets falling below this de minimis limit are capitalised due to their nature.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful economic lives on the following bases:

Motor vehicles	- 4 years straight line
Office equipment	- 3 years straight line
Other fixed assets	- 2-5 years straight line

1.9 OPERATING LEASES

Rentals under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

2. VOLUNTARY INCOME

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Grants and Donations	277,840	885	278,725	253,365

Restricted grants and donations were received towards the primary charitable activity of youth welfare.

3. INVESTMENT INCOME

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Bank interest receivable	-	1,281	1,281	564

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Youth welfare – provision of training courses	11,229	101,414	112,643	141,952

MOBEX NORTH EAST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2011 (continued)

5. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2011 £	Support costs 2011 £	Total funds 2011 £	Total funds 2010 £
Youth welfare	274,831	117,040	391,871	373,704

6. DIRECT COSTS

	Youth Welfare £	Total 2011 £	Total 2010 £
Activity costs	29,215	29,215	26,528
Motor and travelling expenses	20,080	20,080	18,262
Equipment and tool repairs	1,773	1,773	4,731
Staff training	576	576	6,027
Lease interest			1,892
Wages and salaries	186,500	186,500	156,505
National insurance	15,231	15,231	13,330
Depreciation	21,456	21,456	17,503
	274,831	274,831	244,778

7. SUPPORT COSTS

	Youth Welfare £	Total 2011 £	Total 2010 £
Equipment and tool repairs	1,599	1,599	4,274
Printing postage, stationery and advertising	4,433	4,433	4,191
Premises and office costs	41,133	41,133	33,488
Sundry expenses	4,980	4,980	3,798
Insurance	9,420	9,420	8,652
HR including Recruitment costs	813	813	21,827
Wages and salaries	49,756	49,756	48,065
National insurance	4,906	4,906	4,631
	117,040	117,040	128,926

MOBEX NORTH EAST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2011 (continued)

8. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs	Depreciation	Other costs	Total	Total
	2011	2011	2011	2011	2010
	£	£	£	£	£
Youth welfare	256,393	21,456	114,022	391,871	373,704
Governance	-	-	2,244	2,244	1,964
	256,393	21,456	116,266	394,115	375,668

9. GOVERNANCE COSTS

	Unrestricted	Total	Total
	funds	funds	funds
	2011	2011	2010
	£	£	£
Independent Examiner's Fees	2,126	2,126	1,800
Trustees meeting costs	118	118	164
	2,244	2,244	1,964

10. NET INCOME

This is stated after charging

	2011	2010
	£	£
Depreciation of tangible fixed assets – owned by the charity	21,456	17,503
Independent Examiner's Fees	2,126	1,800

MOBEX NORTH EAST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2011 (continued)

11. STAFF COSTS

Staff costs were as follows

	2011	2010
	£	£
Wages and salaries	236,257	204,570
Social Security costs	20,136	17,961
	256,393	222,531

The average monthly number of employees during the year was as follows

	2011	2010
	No.	No
Provision of Courses	7	7
Support staff	1	1
	8	8

No employee received remuneration amounting to more than £60,000 in either year

MOBEX NORTH EAST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2011 (continued)

12. TANGIBLE FIXED ASSETS

	Motor vehicles £	Office Equipment £	Training Equipment £	Total £
COST				
At 1 April 2010	48,952	16,826	161,314	227,092
Disposals	-	-	(441)	(441)
At 31 March 2011	<u>48,952</u>	<u>16,826</u>	<u>160,873</u>	<u>226,651</u>
DEPRECIATION				
At 1 April 2010	38,622	16,826	112,333	167,781
Charge for the year	2,486	-	18,969	21,455
On Disposal	-	-	(441)	(441)
At 31 March 2011	<u>41,108</u>	<u>16,826</u>	<u>130,861</u>	<u>188,795</u>
NET BOOK VALUE				
At 31 March 2011	<u>7,844</u>	<u>-</u>	<u>30,012</u>	<u>37,856</u>
At 31 March 2010	<u>10,330</u>	<u>-</u>	<u>48,981</u>	<u>59,311</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2011 £	2010 £
Training equipment	<u>-</u>	<u>33,025</u>

13. DEBTORS

	2011 £	2010 £
Outstanding amounts due from participants and donors	13,958	17,994
Other debtors	1,494	4,177
Prepayments and accrued income	<u>3,137</u>	<u>12,349</u>
	<u>18,589</u>	<u>34,520</u>

MOBEX NORTH EAST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2011 (continued)

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Net obligations under finance leases and hire purchase contracts	-	16,650
Trade creditors	10,301	11,389
Accruals and deferred income	13,156	13,718
	<u>23,457</u>	<u>41,757</u>

15. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers in/out £	Carried Forward £
UNRESTRICTED FUNDS					
General Funds	78,881	103,726	113,379	22,234	91,462
RESTRICTED FUNDS					
Creative Adventures	(1,018)	14,068	9,232	(726)	3,092
Mobex Challenge	11,676	52,794	36,276	-	28,194
Salary Funding	-	2,925	2,925	-	-
Disability	25,642	2,040	25,642	-	2,040
Paul Hamlyn Project	1,996	20,416	15,323	-	7,089
YSDF Project	30,429	171,057	179,252	(22,234)	-
Staff Training	5,502	-	-	-	5,502
CPAL	-	11,229	11,995	726	(40)
EnAct	-	5,190	79	-	5,111
Peer Educators	-	9,350	12	-	9,338
	<u>74,227</u>	<u>289,069</u>	<u>280,736</u>	<u>(22,234)</u>	<u>60,326</u>
Total of funds	<u>153,108</u>	<u>392,795</u>	<u>394,115</u>	<u>-</u>	<u>151,788</u>

Creative Adventures

Monies were received from County Durham Sports and the Sir James Knott Trust to fund the salaries of two arts workers. These workers have involved various groups in arts related activities with a particular emphasis on disability, learning needs and mental health.

Mobex Challenge

With funding from the Northern Rock Foundation, this programme engages young people who are NEET (Not in Education, Employment or Training) to address areas

MOBEX NORTH EAST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2011 (continued)

such as communication, confidence, teamwork and raising aspirations. This is a 3-year programme ending in December 2011 and aims to work with 80 young people per year.

Salary Funding

Funding from the Henry Smith Charity was agreed towards the Project Director's salary over a three-year period. The funding represented 100% of the salary in 2008, two-thirds in 2009 and falling to one-third in 2010.

Disability

Financial support of £24,000 was received from the Lloyds TSB Foundation for this financial year, which enabled Mobex to design and deliver leadership training to young people with physical and learning disabilities. This programme ended in December 2010 after having worked with over 75 young people from 12 charitable organisations and schools in the last 12 months.

Staff Training

Funds were received from the Handley Trust towards the training of staff and trustees in financial administration and management reporting.

Changing the Physical Landscape (CPAL)

Funding from County Durham Sport made it possible to work with adults at risk of Cardio Vascular Disease (CVD).

EnAct

A grant from the Local Environment Action Fund (LEAF) will allow us to pilot an environmental programme that will incorporate the John Muir Award and have young people involved in clearing litter and rubbish from local rivers and lakes.

School Transition/School Inclusion

The Paul Hamlyn Foundation are funding a 3 year programme that uniquely combines Mobex projects in East Lothian, the North West and ourselves to support young people who are having difficulties in their schools either through behaviour, self esteem or academically.

This year we will have worked with pupils from Kenton School in Newcastle and Meadowdale Middle School in Bedlington.

Anti social behaviour project

Funding through the Youth Sector Development Fund (YSDF) came to an end in March 2011. This funding allowed Mobex to not only develop constructive activities for young people at risk of anti social behaviour on Friday and Saturday nights but it also allowed us to put in place systems to become commission ready and therefore look at long term sustainability of the charity.

Peer Eds

Grants were received from the Sir James Knott Trust and the Willan Trust to enable Mobex to continue its work to train young people to become Peer Educators.

MOBEX NORTH EAST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2011 (continued)

TRANSFERS

At 31 March 2011, the end of the project, there was a surplus on the YSDF fund. This was created by the accounting treatment of the lease costs and has therefore been transferred to unrestricted reserves as the depreciation for future years will be charged to unrestricted reserves.

SUMMARY OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers In/Out £	Carried Forward £
General Funds	78,881	103,726	113,379	22,234	91,462
Restricted Funds	74,227	289,069	280,736	(22,234)	60,326
	153,108	392,795	394,115	-	151,788

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2011 £	Unrestricted Funds 2011 £	Total funds 2011 £	Total funds 2010 £
Tangible fixed assets	-	37,856	37,856	59,312
Current assets	60,326	77,063	137,389	135,554
Creditors due < 1 year	-	(23,457)	(23,457)	(41,758)
	60,326	91,462	151,788	153,108

17. OPERATING LEASE COMMITMENTS

At 31 March 2011 the charitable company had annual commitments under non-cancellable operating leases as follows:

	2011 £	2010 £
EXPIRY DATE:		
Within 1 year	-	6,250