



The Revolving Doors Agency

Trustees' Annual Report and Financial Statements

For the year ended 31 March 2010

Our mission is to create opportunities for people caught up in a cycle of crisis, crime and mental illness to transform their lives.

We do this by developing solutions that bring excluded people into the mainstream of support.

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Foreword by Chair of the Board of Trustees

The twelve months to March 2010 were a time of intense change for the Revolving Doors Agency against a background of great economic and political uncertainty.

During the year we completed a process of organisational renewal, putting in place a new model of working backed by a consortium of funders and a new structure to deliver this. We welcomed a new chief executive, Dominic Williamson, to lead our sharper focus on influencing policy. And, taking into account the challenging times ahead, we set out a new strategic plan to take us forward over the next five years.

In putting together the new strategy I think we really demonstrated the approach we take in all our work – involving expert partners from across the country and, most importantly, putting the experience of service users at the heart of what we do. Our new strategy is stronger for all their input.

But of course the world didn't stand still while we undertook these deliberations. The team lobbied on a number of crucial consultations including *New Horizons*, the new national framework for mental health, and the government's offender health plan following Lord Bradley's review. Our service user forum fed into these and other consultations. We were pleased to see changes in the final documents where our messages have been taken on board. With a general election in the offing, we also worked to build a greater understanding of our work among politicians in the three main parties.

Our policy and influencing work draws on two primary sources of knowledge – our national service user forum and our partnership and development work. Both these areas went from strength to strength during the year.

Last summer Tina Braithwaite, who had led on service user involvement for us over the previous year completed the new Senior Management Team as Director responsible for this area. Terry Murtagh joined us as Service User Involvement Coordinator in the autumn. This increased capacity has enabled us to expand the forum and launch a new Young People's Forum.

Our national development and partnership work, directed by Catherine Hennessy and supported during the year by Anna Page and Sarah Anderson, has continued to directly impact on people's lives and to change services and systems. This period saw the launch of exciting new services in HMP Lewes and in Birmingham. Several other pilots in our National Development Programme gained mainstream funding beyond the initial pilot year. Sadly one pilot, in North Devon, fell victim to the tightening budgets, but not before valuable lessons had been learned about delivering custody based services in a rural area.

A range of other projects have made progress: we fed into the Green Paper from the Transition to Adulthood (T2A) alliance funded by Barrow Cadbury and in June 2010 undertook a series of visits to services by young people under this banner, which will inform

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two publications due for launch in June 2010. Our families project has moved into a new phase following the publication of our research last year.

All this work is possible due to the generous support of our committed funders. We are very grateful to them, to the Offender Health directorate and others who continue to support our work. As these accounts show, this support has enabled us to put the organisation on a stable financial footing during this year.

On behalf of the board I would like to thank the members of our service user forum, our regional advisers and other associates, our patrons and our other partners for all their support during the year.

Thanks to the staff team who have worked tirelessly during a period of considerable change to ensure we continue making a difference, not least to Rosie Ong, our Financial Controller, Marty Perrett who keeps the office running efficiently and Kate Shore our fundraiser.

Thanks too, to our departing trustees, James Fulton and to Alan Cohen, for the work they contributed, and a warm welcome to Nick Maguire.

Sadly during this year we lost a good friend. Gillie Johnson, who died after a brief illness, was a Revolving Doors founder, former trustee, patron and huge supporter of our work. She is missed enormously by the huge network of people who knew her and not least the trustees and staff at Revolving Doors.

People often tell me that Revolving Doors Agency punches well above its weight. As we move into a new decade with the huge challenges of the deficit and political change, this will have to continue. But as this report shows we end this year in good shape to achieve the change we want to see.

Gary Lashko
Chair of Trustees

14 September 2010

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The Trustees, who are Directors for the purposes of company law, present their report and audited accounts for the year ended 31st March 2010.

Reference and administrative details of the Agency, its Trustees and Advisors

The accounts have been prepared in accordance with the accounting policies set out on pages 21 and 22 and comply with the Agency's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities issued in March 2005.

The members of the Board at the date of this report, and who served during the year ended 31 March 2010 are as follows:

	C Askew
	A Cohen (Resigned 14 June 2010)
	J Fulton (Resigned 14 June 2010)
	G Lashko (Chair)
	E Liberda-Moreni (Honorary Treasurer)
	P Ryan
	J Weston
	D Walton
	N Maguire (from 14 June 2010)
Chief Executive	Kevin Ireland (4 August 2008 – 30 June 2009)
	Dominic Williamson (from 1 July 2009)
Company Secretary	Elizabeth Liberda-Moreni
Company number	2845452
Charity registration number	1030846
Principal office	Units 28 & 29, The Turnmill 63 Clerkenwell Road London EC1M 5NP
Telephone	020 7253 4038
Facsimile	020 7553 6079
Email	admin@revolving-doors.org.uk
Website	www.revolving-doors.org.uk
Auditors	PKF (UK) LLP Farringdon Place, 20 Farringdon Road London EC1M 3AP
Bankers	CAF Bank Limited Kingshill, West Malling, Kent, ME19 4TA Co-operative Bank Plc 1 Balloon Street Manchester M60 4EP

Structure, governance and management

Status

The Revolving Doors Agency is registered under the Companies Act 2006 as a company limited by guarantee and not having a share capital. The Agency is registered as a charity under registration number 1030846.

The Directors, who are also the Trustees of the Agency, have no beneficial interest in the Agency other than as members. All of the Trustees are members of the Agency and guarantee to contribute £1 in the event of a winding up.

Recruitment and appointment of Trustees

The Board has the power to appoint additional Trustees. The Agency has detailed job descriptions for Board members in general, and for the Treasurer and Chair in particular. Recruitment is carried out by advertising, with support from personal recommendation where appropriate. The Agency endeavours through the recruitment methods adopted to reach groups of people who are under-represented in its employment, those who are members of the communities in which the Agency works, and those who can bring relevant skills and experience to the work of the Board.

Induction and training of Trustees

The induction and training of Trustees includes the provision of up to date financial and other information about the Agency, Charity Commission publications giving guidance on the role of trustees, a skills audit, and a meeting with the Chief Executive.

Organisational structure

The Agency's (full-time equivalent) staff averaged 8 during 2009/10 and currently number 9. Staff work within project teams, reporting either directly or through line managers to the Senior Management Team. The Chief Executive, who is part of the Senior Management Team, is accountable to the Agency's Board of Trustees.

We engage a team of consultants including our Regional Advisers who deliver our work across the country and on a number of other projects.

Risk management

The Trustees assess the strategic, business and operational risks facing the Agency during their reviews of the Agency's performance during the year, and when formulating plans for future periods. Policies and procedures are developed to minimise identified risks.

The Trustees prioritised the following areas of external risk as they restructured the organisation with a tighter focus on influencing policy, commissioning and implementation:

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- The impact of the downturn in the economy and its influence on independent and, in particular, public sector funding. This could affect not only the Agency's potential to raise funds for its own future operations, but also the extent to which resources are available for public sector commissioning and service delivery.
- The impact of a change in government, deficit reduction programmes & changes in national policy with respect to criminal justice and the treatment of offenders and how this will impact in terms of local commissioning practice.

Whilst both of the above issues create opportunities for Revolving Doors Agency, they also constitute the key areas of risk and will be carefully monitored and responded to during the coming year. Additionally, Trustees sought to address a key internal risk:

- Consolidating and retaining an effective team to deliver the necessary impact in influencing policy, commissioning and service delivery, whilst sustaining a small voluntary organisation at a time of considerable uncertainty.

Objectives and activities

During the previous financial year the Board agreed a new package of funding with a group of charitable trustees which established a "new model" for the organisation. This new model gives a greater focus in our work to influencing policy, building on our previous and current work. Dominic Williamson started as chief executive in July 2009. During autumn and winter 2009 the senior management team and the trustees carried out a thorough review of the organisation's strategy. The renewed strategy was launched in April 2010, and sets our new strategic vision and aims.

The following objectives reflect our strategy up to the end of the period of this report.

Objectives

Our mission is to create opportunities for people caught up in a cycle of crisis, crime and mental illness to transform their lives. We have two principal objectives in seeking to achieve this:

- Developing and demonstrating new approaches; and
- Bringing about change through influencing policy and practice.

Developing new approaches

We research and develop new approaches to increasing the resilience of people with multiple needs, so that the chasm between the revolving door cycle and full social inclusion can be bridged.

Bringing about change

Local service improvements need to be mirrored by national policy change. We work across the following areas to improve the response of a range of Government departments: poverty; multiple needs; imprisonment; early intervention; and choice.

Meeting these objectives involves the following activities:

- establishing and promoting a clear understanding of the issues faced by this group;
- working with other organisations to establish how they can contribute effectively to improved outcomes;
- testing the effectiveness of different approaches to reaching, supporting and empowering the client group;
- disseminating our learning and that of our partners in forms that are trusted by other organisations, and equipping them to meet their own objectives;
- promoting the central importance of service user involvement to improving outcomes for this client group, and
- building lasting networks and alliances between the fields of mental health, social and housing support and criminal justice.

Public Benefit

The Trustees are aware of the need to ensure that the objects, aims and activities of the Agency comply with the Charity Commission guidance on public benefit and have taken due account of this guidance. As the following section explains, they have undertaken in the past year a comprehensive review of the charity's aims and how best these can be achieved. As a result, action has been taken to strengthen the capacity of the Agency to meet developing needs amongst the 'revolving door' target group.

In terms of public benefit, the Agency's activities (described in detail below) are targeted at a particularly disadvantaged group in society – people with multiple needs including poor mental health who come into contact with the criminal justice system. Our research and activities over many years demonstrates the extent to which this group is disadvantaged by lack of access to effective support and services, as well as suffering disproportionately from poor health, poverty and other social disadvantage.

Activities during 2009 -2010

I. Development and Partnerships

Our partnerships and development programme aims to stimulate innovation in service delivery through multi-agency partnership and collaboration in service delivery. Our work in this area has expanded rapidly since 2007 and the programme now includes our National Development Programme, our Safer Neighbourhood Team (SNT) partnership project in Islington and the Milton Keynes Link Worker Plus Project.

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During 2009/10 our National Development Programme portfolio of projects continued with seven achieving funding beyond their initial pilot year, to be paid directly to delivery agencies. In total, the programme has now made contact with 1200 individual adults with multiple needs. In addition four of the pilots have provided long term support to 250 people. Overall the programme has enabled us to work in partnership with more than 100 statutory and voluntary agencies across seven English regions.

An independent evaluation of the programme by the Centre for Public Innovation is due to be published in July 2010. The learning from the programme will be showcased at a conference in November 2010 and we plan to use our new website to disseminate our findings to a wide range of local leaders.

Our new work in 2009/10 includes the development of a partnership project to meet the needs of older prisoners with multiple needs at HMP Norwich and work with partners to examine with needs of offenders with mental health problems in Middlesbrough.

Our development and partnership work is specifically supported by the Lloyds TSB Foundation and Offender Health.

2. Families and Social Networks

Our research "*Unfamiliar Territory: adults services 'thinking family'*" focused on practitioners working with adults with multiple needs and explored their attitudes towards including families in their work. It found that practitioners and organisations often lack both resources and competence in undertaking work with families. In 2009/10, we have been working with three partners, St Mungo's, Thames Valley Partnership and Plias Resettlement to use this learning to develop practice based responses to identified need.

In partnership with St Mungo's, our work has focused on the needs of homeless women with multiple needs and the "invisibility" of their families. This work will now be incorporated into the St Mungo's Women's Strategy. With Thames Valley Partnership, our work has been concentrated on improving access to family services for the families of adults with multiple needs. Finally, with Plias resettlement, we have been working to explore peer support for families of black and minority ethnic adults with multiple needs.

Our families project is supported by the Tudor Trust.

3. Service User Involvement

Service user involvement in the work of Revolving Doors has continued to gain in strength over this year. We recruited to two new posts in the new structure: Tina Braithwaite, who has been running our work in this area for a year was appointed as Director of Service User Involvement, and Terry Murtagh joined as Service User Involvement Co-ordinator.

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The national service user forum has increased in membership and its quarterly meetings are regularly attended by around 30 service users. A young people's forum has also been established for service users aged 18-28 years and the meetings are attended by around 20 members. Members of both forums have experienced multiple problems and have had contact with the criminal justice system.

Over the year we have delivered a number of training courses to forum members including *Training for Trainers* and *Research Skills*. We aim to involve the members who have received this training in delivering training to other organisations and in research projects.

Forum members have contributed considerably to our new strategy and our economic modelling work. Some forum members have generously contributed video stories and had their photographs taken for our new website.

Forum members took part in a wide range of opportunities to influence policy and practice. Three forum members are developing a guide to service user involvement commissioned by Clinks. Other members successfully completed a piece of research commissioned by the Making Every Adult Matter (MEAM) coalition on the experience of services by people with multiple needs. The resulting publication, *'Multiple Needs' - Services Users Perspectives* is available via our website. A member of the Forum attended the Labour and Conservative Party conferences to jointly present MEAM's report. Forum members have also joined the newly formed Health and Criminal Justice service user advisory panel which is feeding into the programme board responsible for implementing Lord Bradley's review recommendations.

Our service user involvement work is supported specifically by the Paul Hamlyn Foundation.

4. Influencing Policy

Revolving Doors has increased its focus and activity on influencing policy. Our goal is to change the policy, funding, guidance and delivery structures that can improve services to our target group on the ground. Our approach is to engage positively with policymakers, offering our expertise and knowledge and connecting them to people with direct experience of the issue through our national service user forum.

During this period, one of the most important opportunities for us was *New Horizons*, the new national framework for mental health services. As well as our formal submission to the consultation, Dominic met with senior Department of Health officials including the government's mental health csar Louis Appleby and raised our client group directly with the minister responsible, Phil Hope, at the Labour Party conference. We were pleased then that our key message has been included in the final document launched in December. In relation to offenders it says:

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"Very many of this group have multiple problems. The mental health of the majority of these offenders is managed in the community, but in many cases they experience poor access to treatment, which contributes to offending or re-offending."

We also responded to a consultation by the Association of Chief Police Officers and the National Police Improvement Agency on new guidance on *Police Responses to People with Mental Ill Health and/or Learning Disabilities*. Our contribution, helped by input from members of our Forum, led to changes in the final guidance which now refers to multiple needs.

With a General Election expected Dominic attended the three main party conferences and Catherine joined him at the Conservative Conference in Manchester. The aim was to establish a profile with key political figures and deepen understanding of relevant political agendas to inform our strategy. Danny Mitchell, one of our Service User Forum members, was a guest speaker at the Making Every Adult Matter coalition fringe meetings at both the Conservative and Labour events.

Young adults are over represented in the criminal justice system and young people with multiple needs are particularly at risk. As members of the Transition to Adulthood Alliance (T2A), coordinated and funded by the Barrow Cadbury Foundation, we helped shape the T2A manifesto and attended the events at the party conferences.

As we reported last year, we had made particular efforts to inform Lord Bradley's important review of mental health and learning disability in the criminal justice system. One of the recommendations in his subsequent report was an expert advisory group to support the government's work on offender health. In November we received our formal invitation to join the National Advisory Group. We subsequently worked with Rethink, Together and officials at the Department of Health the government's offender health programme board hears directly from service users.

In this period members of the team took part in a wide range of opportunities to engage with policymakers. For example, Dominic spoke at a Centre for Public Policy Seminars event about the House of Commons justice committee report on *Justice Reinvestment*. This report, which adds weight to many of our messages, drew on evidence given by Catherine during its inquiry and she is quoted at various points in the report. We sponsored a category at the Home Office's Justice Awards at the Banqueting Hall in Whitehall, participated in a round table seminar on adults with multiple needs at the Institute of Government and fed into a Total Place conference and the All Party Parliamentary Group on Complex Needs and Dual Diagnosis. Dominic also met with Phil Wheatley, Head of NOMS.

Our policy, influencing and communications work is supported by the "new model funding" provided by Esmée Fairbairn Foundation, City Parochial Foundation, Henry Smith Charity, Lankelly Chase Foundation, Monument Trust, Pilgrim Trust and the Tudor Trust.

Future Plans

During the year we undertook a detailed strategic review. This involved discussion with a wide range of stakeholders including our patrons, funders and delivery partners across the country. Our service user forum contributed throughout and their views significantly shaped the final document. The document, launched in April 2010, sets out our new organisational vision and strategic aims:

Our vision is that by 2025 there is an end to the revolving door of crisis and crime, when anyone facing multiple problems and poor mental health is supported to reach their potential, with fewer victims and safer communities as a result.

Strategic aims

To make progress over the next five years we will bring people together to improve services and find solutions that stop the revolving door of crisis and crime. Our priorities will be to:

1. Win political commitment - Political leaders in central and local government and in opposition understand the case for reform and implement an effective policy framework.
2. Involve people with direct experience – People with experience of multiple problems and the criminal justice system are engaged in improving local services and national policy.
3. Improve frontline responses - Leaders, managers and frontline workers in the criminal justice system and public services promote a culture of inclusion and partnership.
4. Support local leadership - Local leaders and commissioners across criminal justice, health, housing, social care, substance misuse and other sectors work together to improve outcomes.
5. Build a stronger organisation - Revolving Doors Agency has the resources, skills and support necessary to influence change within a sustainable business model.

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Patrons

The Agency is grateful for the continued interest and expertise offered by senior supporters who act as patrons, ambassadors and advisors for our work.

Revolving Doors Agency's Patrons at the date of this report are:

Rt. Hon. Hilary Armstrong	Member of Parliament for North West Durham and former Cabinet Minister for Social Exclusion
Ian Bynoe	Acting Deputy Chair, Independent Police Complaints Commission
Viscount Colville of Culross QC	Former Chair of the Mental Health Act Commission and Parole Board for England and Wales
His Honour Judge Fabyan Evans	
Rose Fitzpatrick	Deputy Assistant Commissioner, Metropolitan Police
Professor John Gunn OBE	Emeritus Professor - Institute of Psychiatry
Chris Holmes	Youth Justice Board Member
Bharat Mehta	Chief Executive, City Parochial Foundation
Lord David Ramsbotham	Former Chief Inspector of Prisons
Dru Sharpling CBE	London Director - Crown Prosecution Service
Joe Simpson	Consultant
Ann Windiate	Former Director, Medway Social Services
Peter Wrench	Director of Strategy and Assurance, National Offender Management Service

During the year Baroness Julia Neuberger stood down as patron - we are grateful to her for her service and support over the years.

Sadly one of our founders and patrons Gillie Johnson died following a brief illness. She was a former trustee and a great supporter of Revolving Doors Agency and she will be missed.

Financial review

Total income for the year to 31 March 2010 totalled £1.4m, an increase of 40% over 2008-9. This reflects a welcome improvement in our funding position with the development of our new organisational model, supported by a consortium of funders. This new model funding backs our strategic charitable activities focussing on policy and influencing, informed by collaborative innovation in best practice on the ground, and underpinned by service user involvement. It completes our move away from direct service delivery.

This income includes £0.4m grants for joint initiatives, but delivered substantially by our partners, notably the Islington Neighbourhood Link scheme and the Milton Keynes Link Worker Plus project.

Total expenditure was £1.2m, an increase of 24% compared to the previous year. This was the year in which we restructured, appointing a new Chief Executive, initiating new policy, influencing & communications activities, continuing to develop operational pilot programmes, and intensifying service user participation.

Reserves policy

It is Revolving Doors' policy to maintain unrestricted funds, which are the funds expendable at the discretion of the Trustees, at a level equal to approximately three months unrestricted expenditure. Unrestricted reserves were comfortable throughout the year, and were at the level of eighteen months unrestricted expenditure at year end. The Agency aims to maintain its reserves target by working towards full cost recovery in all its funding applications, and by seeking direct funding of staff roles that contribute to effective delivery of its strategic objectives.

Investment policy

It is the Agency's policy to hold short term deposits, to obtain the best interest possible consistent with access requirements and limitations, at a minimal risk to the Agency.

Principal funding sources

Revolving Doors Agency has successfully obtained support from a consortium of funders to proceed with its new strategic model. We are indebted to all our funding partners, without whom our work would not be possible. A full list of the Agency's funders is given on page 23, in note 2 to the financial statements.

Future funding

The Agency has been fortunate in obtaining pledges of funding support that will ensure that its operating costs are met in full in 2010/11, with a substantial contribution in 2011/12. Further funding is now being sought for the shortfall in 2011/12, and funding for new initiatives and opportunities.

Statement of Trustees' responsibilities

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year that 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 net income or expenditure, of the charity for the year. In preparing those financial statements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping accounting records that 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.

Disclosure of information by the trustees to the auditors

Each of the trustees has confirmed that so far as they are aware, there is no relevant audit information of which the Agency's auditors are unaware, and that they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the Agency's auditors are aware of that information.

Charitable and political donations

During the year the Agency made no political or charitable donations.

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Auditors

The trustees are inviting a number of auditors, including our present auditor, PKF (UK) LLP, to tender and will be recommending an auditor for appointment at the next Annual General Meeting.

Approved by the Board and signed on its behalf by

Gary Lashko
Chair of Trustees

14 September 2010

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE REVOLVING DOORS AGENCY

We have audited the financial statements of The Revolving Doors Agency for the year ended 31 March 2010 which comprise the statement of financial activities, the balance sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also the directors of the company for the purposes of company law) for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') and for being satisfied that the financial statements give a true and fair view are set out in the statement of trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the trustees' annual report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with those accounting records, if we have not received all the information and explanations we require for our audit or if certain disclosures of trustees' remuneration specified by law are not made.

We read other information contained in the annual report and consider whether it is consistent with the audited financial statements. This other information comprises only the Foreword by Chair of the Board of Trustees. We consider the implications for our report if

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we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

Basis of audit opinion

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

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

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the trustees' annual report is consistent with the financial statements.

Ian Mathieson
Senior statutory auditor
For and on behalf of PKF (UK) LLP, Statutory auditors
London, UK
15 September 2010

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The Revolving Doors Agency
Statement of financial activities
Incorporating the income and expenditure account
for the year ended 31 March 2010

	Notes	Unrestricted funds	Restricted funds	Total 2010	Total 2009
		£	£	£	£
Incoming resources					
	2				
Incoming resources from generated funds					
Voluntary Income		641,025		641,025	67,364
Bank deposit interest		4,930		4,930	25,275
Incoming resources from charitable activities			658,966	658,966	824,035
Other incoming resources	3	96,040	–	96,040	77,704
Total incoming resources		741,995	658,966	1,400,961	994,377
Resources expended					
Costs of generating funds	4	52,454		52,454	13,986
Charitable activities	5	145,125	845,244	990,369	812,204
Governance costs	6	37,364		37,364	50,372
Other resources expended	7	83,815		83,815	65,155
Total resources expended		318,758	845,244	1,164,002	941,717
Net incoming / (outgoing) resources		423,237	-186,278	236,959	52,660
Gross transfer between funds	14	–	–	–	–
Net movement in funds		423,237	-186,278	236,959	52,660
Total funds brought forward		60,393	301,562	361,955	309,295
Total funds carried forward		483,630	115,284	598,914	361,955

A comprehensive description of charitable activities can be found on pages 8 to 11.

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

All results have been derived from continuing activities unless otherwise stated.

The Agency has no other recognised gains or losses other than those stated above.

The notes on pages 21 to 27 form part of these accounts.

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The Revolving Doors Agency
Company Number: 2845452
Balance sheet as at 31 March 2010

	Notes	Unrestricted funds	Restricted funds	Total 2010	Total 2009
		£	£	£	£
Current assets					
Debtors	11	76,160	192,534	268,694	117,065
Cash on short term deposit		358,538	94,851	453,389	-
Cash at bank and in hand		93,670	188,531	282,201	740,378
		528,368	475,916	1,004,284	857,443
Less: Current Liabilities					
Creditors: amounts falling due within one year	12	44,738	360,632	405,370	495,488
		483,630	115,284	598,914	361,955
Net assets					
Reserves					
Unrestricted income funds		483,630	-	483,630	60,393
Restricted income funds	14	-	115,284	115,284	301,562
		483,630	115,284	598,914	361,955

The notes on pages 21 to 27 form part of these accounts.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small entities.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

Gary Lashko
Chair
14 September 2010

Elizabeth Liberda Moreni
Honorary Treasurer
14 September 2010

Notes to the accounts for the year ended 31 March 2010

1. Principal accounting policies

Basis of preparation of accounts

The accounts are prepared under the historical cost convention and include the results of the charity's operations, which are described in the Trustees' Report.

The accounts have been prepared in accordance with the requirements of the Charities Act 1993. Applicable United Kingdom Accounting Standards and the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005) have been followed in the preparation of these accounts.

The accounts are prepared on a going concern basis. The Board is confident that the operation of the Agency and the delivery of the current programmes are ensured for the foreseeable future and that the Agency can continue to meet its commitments as they fall due.

During 2009-10, the Agency has maintained its reserves target of at least 3 months expenditure. The Agency has also been fortunate in obtaining pledges of funding support that will ensure that its operating costs are met in full in 2010/11, with a substantial contribution also in future years.

Tangible fixed assets and depreciation

All assets costing over £500 and with an expected useful life exceeding one year are capitalised.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis

Equipment	–	33 $\frac{1}{3}$ % of cost
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Leases

Rentals payable under operating leases are transferred to the Statement of Financial Affairs on a straight line basis over the lease term.

Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Grants and donations from government and other agencies and charitable foundations are included as income from activities in furtherance of the charity's objectives where these amount to a contract for services, but as voluntary income where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Grants for the purchase of fixed assets are recognised in full in the year in which they are received.

Resources expended

Expenditure is included in the statement of financial activities when incurred and includes any attributable VAT which cannot be recovered.

Resources expended comprise the following:

The costs of generating voluntary income include the salaries, direct costs and support costs associated with generating voluntary income.

The costs of activities in furtherance of the Agency's objectives comprise expenditure on the Agency's primary charitable purposes as described in the Trustees' Report.

Governance costs comprise those costs attributable to constitutional and statutory requirements and to the strategic management of the Agency.

Certain shared costs (support costs) are apportioned between the activities listed above on the basis of direct staff involvement in these areas. The percentages used are given in note 8 to the accounts.

Taxation

The Agency is a registered charity, and therefore is not liable for Income Tax or Corporation Tax on income derived from charitable activities, as it falls within the various exemptions available to registered charities.

Pension Contributions

The Agency operates a defined contribution pension scheme on behalf of its staff. Contributions are paid to an insured scheme and are charged to the Statement of Financial Activities in the year in which they are paid. The assets of the scheme are held separately from those of the Agency in an independently administered fund. The pension costs charged in the accounts represent the contributions payable by the charity during the year in accordance with FRS 17.

Unrestricted and restricted income and reserves

Unrestricted income and reserves comprise those monies which may be used towards meeting the charitable objectives of the Agency at the discretion of the Board, or are given specifically to fund core costs.

The restricted income funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed condition.

The Revolving Doors Agency

Notes to the accounts for the year ended 31 March 2010

2 Incoming Resources

All grants are shown at the agreed level of funding for the year 2009/10

	2010	2009
	£	£
Voluntary income		
Donations	1,025	364
Grants for new model funding		
City Parochial Foundation	30,000	7,000
Department of Health	300,000	–
London Housing Foundation	–	30,000
The Monument Trust	150,000	30,000
The Tudor Trust	30,000	–
Esmée Fairbairn Foundation	30,000	–
The Lankelly Chase Foundation	30,000	–
The Henry Smith Charity	30,000	–
The AB Charitable Trust	10,000	–
The Pilgrim Trust	30,000	–
Total voluntary income	<u>641,025</u>	<u>67,364</u>

Incoming resources from charitable activities

Grants

Barrow Cadbury Trust	47,608	37,512
Big Lottery Fund	100,394	82,362
Clinks	–	5,000
Communities & Local Government	267,000	89,000
Department of Health	40,000	366,667
Esmée Fairbairn Foundation	30,000	60,000
Friends Provident Foundation	16,484	75,596
HM Prison Service	20,000	20,000
Homeless Link	3,480	–
Lloyds TSB Foundation for England and Wales	50,000	50,000
The Monument Trust	–	30,000
National Probation Service	2,500	–
Paul Hamlyn Foundation	29,000	–
The Tudor Trust	52,500	7,898
	<u>658,966</u>	<u>824,035</u>

3 Other incoming resources

Other income comprises

Secondment of staff, and related cost reimbursements	70,059	56,155
Income from licencing surplus office space	12,225	12,000
Fees for staff release	13,756	9,000
Miscellaneous income	–	549
	<u>96,040</u>	<u>77,704</u>

Revolving Doors Agency
Trustees' Report and Financial Statements
for the year ended 31 March 2010

4 Costs of generating funds

	2010	2009
	£	£
Direct employment costs	35,044	1,656
Consultancy & contractors	1,375	8,080
Fundraising costs	408	–
Support costs	15,627	4,250
	52,454	13,986

5 Costs of charitable activities

	Unrestricted funds	Restricted funds	2010	2009
	£	£	£	£
Direct employment costs	55,496	135,012	190,508	204,823
Recruitment	–	1,374	1,374	2,006
Training and staff development	–	725	725	2,273
Payments to associates	18,652	68,714	87,366	154,471
Contractors	28,176	–	28,176	–
Communications & IT	12,168	4,278	16,446	4,320
Meetings and events	–	5,230	5,230	4,463
Travel and subsistence	1,017	4,726	5,743	8,893
Evaluation & other costs	–	34,163	34,163	8,895
Service user involvement meetings, training, travel & fees	4,868	30,883	35,751	–
Payments to partner agencies	–	480,259	480,259	265,190
Support costs	24,748	79,880	104,628	156,870
	145,125	845,244	990,369	812,204

6 Governance costs

	2010	2009
	£	£
Audit fees and associated costs	8,098	7,322
Direct employment costs	10,124	4,822
Consultancy & contractors	5,600	24,240
Sundry legal costs, subscriptions and meetings	9,027	1,299
Support costs	4,515	12,689
	37,364	50,372

7 Other resources expended

	2010	2009
	£	£
Direct employment & related cost reimbursements	68,679	56,155
Support costs	15,136	9,000
	83,815	65,155

Revolving Doors Agency
Trustees' Report and Financial Statements
for the year ended 31 March 2010

8 Support costs

	2010	2009
	£	£
Direct employment costs	52,593	64,379
Recruitment	9,836	18,110
HR advice and staff welfare	2,317	2,288
Training and staff development	1,723	4,227
Consultancy & contractors	1,200	18,454
Communications	–	619
Meetings and events	–	378
Travel and subsistence	–	44
Premises and office services	72,072	73,991
Moving & dilapidations	165	–
Miscellaneous costs and recoveries	–	319
	<u>139,906</u>	<u>182,809</u>

The percentages used to allocate support costs to the expenditure headings in the Statement of Financial Activities are as follows:

	2010	2009
	%	%
Costs of generating voluntary income	11.2	2.3
Governance costs	3.2	6.9
Other resources expended	10.8	4.9
Charitable activities	74.8	85.8
	<u>100.0</u>	<u>100.0</u>

9 Operating surplus/(deficit)

The operating surplus/(deficit) is shown after charging:

	2010	2009
	£	£
Depreciation of tangible fixed assets	–	472
Auditors' remuneration - audit fees	8,280	7,322
Amounts charged under operating leases for office equipment	12,877	13,237

10 Staff costs and emoluments

	2010	2009
	£	£
Salaries	313,629	293,957
National insurance	33,719	30,652
Pension costs	9,117	5,902
	<u>356,465</u>	<u>330,511</u>

Pension costs represent contributions paid to a defined contribution scheme on behalf of the Agency's employees. The assets of the scheme are held separately from those of the Agency in an independently administered fund. Contributions by the Agency are payable at a rate of 7% of gross salary.

There was one employee whose annual emolument was £60,000 or more. No pension contribution was made for this employee in 2009-10. (2009 – None)

The average number of (full-time equivalent) staff employed by the Agency during the year was as follows:

	2010	2009
Support staff	2	2
Staff on secondment	1	1
Staff employed in charitable activities	5	7
	<u>8</u>	<u>10</u>

Revolving Doors Agency
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11 Debtors

	Unrestricted funds	Restricted funds	Total 2010	Total 2009
	£	£	£	£
Grant income debtors	65,000	178,000	243,000	100,660
Prepayments & other debtors	11,160	14,534	25,694	16,405
	<u>76,160</u>	<u>192,534</u>	<u>268,694</u>	<u>117,065</u>

12 Creditors

Amounts falling due within one year

	Unrestricted funds	Restricted funds	Total 2010	Total 2009
	£	£	£	£
Deferred income	-	66,276	66,276	220,436
Expense creditors	12,048	103,356	115,404	142,019
Taxation and social security	-	-	-	7,920
Accruals and other creditors	32,690	191,000	223,690	125,113
	<u>44,738</u>	<u>360,632</u>	<u>405,370</u>	<u>495,488</u>

Commitments under operating leases for office equipment at the year end totalled £35,408, payable over 3 years. (2009 – £48,645 over 4 years)

	2010	2009
	£	£
Movements on deferred income during the year		
Balance brought forward at 1 April 2009	220,436	341,750
Released during the year	-220,436	-341,750
Received and deferred during the year	66,276	220,436
Balance carried forward at 31 March 2010	<u>66,276</u>	<u>220,436</u>

13 Related party transactions

No Trustee received any remuneration during the year (2009– £nil). One trustee was reimbursed travel expenses of £136 (2009– £38).

Revolving Doors Agency
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14 Restricted funds

The Agency's restricted funds consist of charitable and central and local statutory funding subject to specific trusts.

	Balance at 31.3.09 £	Income £	Expenditure £	Balance at 31.3.10 £
National Development Programme	203,740	100,000	230,990	72,750
Service User Forum	77,755	32,480	98,123	12,112
Safer Neighbourhood Teams	–	140,394	140,394	–
Transition to Adulthood	646	47,608	35,688	12,566
Link Worker Plus	–	267,000	267,000	–
Financial Exclusion	–	16,484	16,484	–
Strengthening Families	19,421	52,500	54,065	17,856
Other Programmes	–	2,500	2,500	–
	<u>301,562</u>	<u>658,966</u>	<u>845,244</u>	<u>115,284</u>