

Company no. 2845452
Charity no. 1030846

**The Revolving Doors Agency
Report and Financial Statements
31 March 2013**



sayer vincent
auditors and advisors

The Revolving Doors Agency

Reference and administrative details

For the year ended 31 March 2013

Company number	2845452	
Charity number	1030846	
Registered office and operational address	Fourth Floor 291 - 299 Borough High Street London SE1 1JG	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: C. Clarke (appointed 19/03/2013) C Dykes C Laing G Lashko E Liberda-Moreni (resigned 18/09/2012) T MacInnes N Maguire C. Murphy (appointed 19/03/2013) D Walton J Weston (resigned 18/09/2012) D Williams	Chair Treasurer Treasurer
Principal staff	Dominic Williamson	Chief Executive
Bankers	Co-operative Bank Plc. 1 Balloon Street Manchester M60 4EP CAF Bank Limited Kingshill West Malling Kent ME19 4TA	
Solicitors	Bates Wells & Braithwaite London LLP 2-6 Cannon Street London EC4M 6YH	
Auditors	Sayer Vincent Chartered Accountants and Statutory Auditors 8 Angel Gate City Road London EC1V 2SJ	

The Revolving Doors Agency

Chair's report

For the year ended 31 March 2013

Making an impact in a time of change

Nowadays all charities are expected to demonstrate the difference they are making. Even when they deliver services directly to individuals this can be a challenge: you may be able to show positive change in someone's life, but can you prove that it was your intervention that brought about this change?

But Revolving Doors does not provide direct services. Our goal is to transform lives by changing the systems and policy that determine how services work for people with multiple and complex needs in contact with the criminal justice system. This sort of change comes about as a result of complex decision making processes which inevitably involve a myriad of actors and influences. For us therefore, demonstrating our impact requires a different approach.

Given this complexity, the team at Revolving Doors are constantly on the look out for evidence that local and national policymakers have used our material to achieve change. And over the twenty years since we were established, we can point to many examples where we have helped shift thinking, inform policy and influenced service delivery – all of which has improved opportunities for thousands of people.

In the year covered by this report we can point to some significant changes at national and local levels which have been shaped to a significant degree by our work. Recently, for example, I heard that a group of local councils in London have used our research and resources to help develop a successful proposal for one of the government's Community Budget Pilots which will focus on creating a new service tackling the multiple needs of short-sentenced offenders. This will directly impact on hundreds of people in the revolving doors group over the next few years and, if it is successful, this could encourage other areas to do likewise.

Similarly, I was delighted to hear that the mental health practitioner project that we helped get started in the Anawim women's centre in Birmingham as part of our National Development Programme recently received further funding to extend the project, ensuring that vulnerable women who use the centre can get quick access to support and treatment for mental health problems.

Through our SPARK programme we have joined with partners such as the Probation Chief's Association and the Local Government Association to disseminate learning from successful project to local leaders who can use this information to improve services in their local area.

On a national level we saw some important developments. A key policy message that we have been making for the past three years is that, if they are to make serious inroads into reoffending, the government must focus on addressing the needs of short sentenced prisoners. Currently people leaving prison after a sentence of less than 12 months get no support or supervision. We made the need to change this a core part of our policy work and lobbying over the past three years. We were pleased therefore when prime minister David Cameron said in a speech in October 2012:

"Today rehabilitation just goes to those who have been inside for a year or more. But that misses all those who go in for short sentences yet reoffend time and time again. So I want to look at making them part of the rehabilitation revolution too."

The Revolving Doors Agency

Chair's report

For the year ended 31 March 2013

Our response to the Ministry of Justice's consultation on the next stage of their rehabilitation revolution in February set out how we believe they can achieve this goal without the need to weaken the important work that probation services do.

Elsewhere we are helping government on the implementation of its commitment to extend the provision of criminal justice liaison and diversion services to every police custody suite and court in the country, a key recommendation from Lord Bradley's report. At the start of this year, as part of the Offender Health Collaborative, we were commissioned by the Department of Health to deliver a programme of work to support this commitment. Our role is to consult on and draw up good practice guidance for these services. The provision of high quality liaison and diversion services across the country will mean more people with mental health problems or learning disabilities accessing treatment and in many cases avoiding becoming caught up in the criminal justice system.

Finally in this year we have helped with what we see as one of the major breakthroughs in our area of work for some time. In summer 2012 the Big Lottery announced a new programme – Fulfilling Lives – which will invest £100 million over nine years into around 10 areas across the country. We provided advice to the Big Lottery as they developed this programme and were commissioned to bring service users together at an event during the design phase. We were pleased to see what a central part service user involvement will have in the programme from the start.

Later in the year we worked with the Making Every Adult Matter coalition to provide consultancy support to a number of the areas that were developing their local Fulfilling Lives strategies. Dominic, our chief executive, is part of the expert reference group which will continue to advise the programme as it gathers pace in the year ahead.

Together these changes, which we have helped to shape, will impact on the lives of thousands of people. We don't claim to be the sole parents, but there is a strong strand of Revolving Doors DNA in all of them.

So during this year we have seen progress on many fronts. However, along with other charities, we find ourselves in challenging times in terms of funding and we have had to make adjustments as we find it harder to secure core funding. At the end of the year we restructured the team to reduce our costs to compensate. Regrettably this involved one redundancy.

Despite the challenging times, the board is determined that Revolving Doors will continue to deliver on our crucial and unique mission, keeping people with multiple and complex needs on the agenda and focusing on system change that will deliver better services. We are grateful to the funders who continue to recognise the importance of this role.

In this year our service user forum has played a vital role in all our work and on behalf of the board I would like to thank all those forum members who have made such a valuable contribution.

The board would also like to thank two of their fellow Trustees who stood down during this period, Julie Weston and Elizabeth Liberda-Moreni. They both provided many years of valuable service to the team.

The Revolving Doors Agency

Chair's report

For the year ended 31 March 2013

Finally, on behalf of the board, I'd like to say thank you to the staff team and our associates for all their hard work over the past year. Their commitment, knowledge and determination to make a difference are evidenced in this report.

Gary Lashko
Chair

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

The trustees present their report and the audited financial statements for the year ended 31 March 2013.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005).

Structure, governance & management

The Revolving Doors Agency is a charitable company limited by guarantee, incorporated on 17 August 1993 and registered as a charity on 22 December 1993.

The company was established under a memorandum of association, which established the objects and powers of the charitable company and is governed under its articles of association.

Recruitment and appointment of Trustees

The board has the power to appoint additional Trustees. The agency has detailed role 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. Revolving Doors 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. In the year ahead we will seek to recruit trustees who have direct experience of the issues we address.

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 and other staff.

Organisational structure

Revolving Doors' (full-time equivalent) staff averaged 10.3 during 2012 - 2013. Our staff work within project teams, reporting either directly or through line managers to the senior management team. The chief executive, who leads the senior management team, is accountable to the board of Trustees.

We engage a team of consultants including our regional advisers who help deliver our work across the country and with staff on a number of other projects.

Risk management

The Trustees assess the strategic, business and operational risks facing the agency during their reviews of performance during the year, and when formulating plans for future periods. A risk register is maintained and regularly reviewed by Trustees. Action plans, policies and procedures are developed to manage and minimise identified risks.

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

The Trustees prioritised the following areas of risk in the year:

- We identified a number of risks involved in commercial tendering as we develop our social enterprise capacity. We are addressing this risk by seeking expert advice, developing our internal systems and processes and training staff in relevant skills. For example, we have adopted the Prince2 project management approach for our major projects. For some contracts we have formed consortia with other organisations, bringing additional capacity and skills together that have allowed us to be involved in contracts that would be beyond our current capacity.
- As a small organisation the loss or prolonged absence of staff could have a significant impact on our work. We manage this risk in a number of ways. We retain HR advice from an independent specialist to ensure that our policies and procedures are kept up to date. We operate a performance management approach which means that all staff have monthly supervision with their line managers and annual appraisals where personal development and organisational targets are aligned. In the year ahead we will develop our knowledge management approach to ensure that essential information is secured when staff leave.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 5 to the accounts.

Objectives

Our aims and objectives are set out in our five year strategic plan 2010 – 2015 which is available on our website. This was drawn up through a process of consultation with a wide range of stakeholders and with input from our service user forum throughout.

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.

Our mission is to demonstrate and share evidence of effective interventions and to promote reform of public services through partnerships with political leaders, policy makers, commissioners and other experts and by involving people with direct experience of the problem in all our work.

Our strategic plan 2010 – 2015 set out our five strategic goals:

Aim 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. We will make a strong economic case demonstrating the savings that can be achieved through effective interventions.

Aim 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.

Aim 3 - Improve frontline responses – Leaders, managers and frontline workers in the criminal justice system and public services promote a culture of inclusion and partnership.

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

Aim 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.

Aim 5 - Build a stronger organisation – Revolving Doors Agency has the resources, skills and support necessary to influence change within a sustainable business model.

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.

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 and complex 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.

Our work aims to improve the lives of this group in a number of ways. In the longer term we are seeking fundamental reform of policy that will deliver change across the country. To this end our strategy is focused on building understanding and commitment among political leaders and officials at national level and among a wide range of local leaders who have the power to change services in their area. We also have a more direct impact in the local areas in which we work. Through our development and partnership programmes we bring about change in services that have an immediate impact on the individuals using them.

Our involvement of people with direct experience of the issues we are tackling has a dual impact. Through their participation, forum members improve their skills, confidence and social networks, all of which helps in their recovery and reintegration into communities. At the same time they bring a powerful additional voice to our work to influence policy, giving politicians and officials the opportunity to explore directly what is and isn't working and how things can be made better.

2012 - 2013: A year in review

Our vision is that in every part of the country people with multiple and complex needs who are in contact with the criminal justice system receive effective support to enable them to turn their lives around. We know that to achieve this, a number of systems must be aligned so that services offer interventions that work with people in this group and work together so they can get the targeted and integrated support and treatment they need. These include, for example, police, prisons, probation, health, housing and drug services. Achieving this goal requires leadership from government and in local areas.

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

Aim 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. We will make a strong economic case demonstrating the savings that can be achieved through effective interventions.

With the increasing emphasis on localism, the way public services operate will be increasingly determined by the decisions of local leaders and commissioners. But national policy set within and across government departments will still shape the landscape within which these services operate to a considerable degree. Our primary policy goal therefore is the adoption by government of a comprehensive policy framework which will drive change across and through government departments and in local areas. We also work with ministers and government departments to advise on and influence relevant policy development and implementation.

As with all our work, our policy work usually involves developing and working in collaboration with other organisations. Bringing together organisations that share our analysis of issues and solutions gives us a stronger voice and reach. During this period we worked with a range of alliances including the Criminal Justice Alliance, the Transition to Adulthood (T2A) Alliance led by the Barrow Cadbury Trust, the Bradley Group, the Making Every Adult Matter (MEAM) coalition and the Care not Custody campaign among others.

Influencing the government's social justice strategy

In the previous year we had published a vision paper *Turning the Tide* with the Making Every Adult Matter (MEAM) coalition. This led to us being invited to be involved in thinking during the development of the government's social justice strategy, which incorporated some of our key messages in a chapter on the most disadvantaged adults.

During this year we have worked with the social justice team at DWP to consider ways that the strategy's recognition of the need to transform services for people with multiple and complex needs could be translated into concrete action on the ground. In June, together with MEAM, we published a progress report comparing the recommendations in *Turning the Tide* with the strategy. In September we met the secretary of state for work and pensions Iain Duncan Smith MP to press for further action in this area. In October our chief executive Dominic Williamson spoke at the national social justice conference, alongside Iain Duncan Smith and minister for civil society Nick Hurd MP. Following this we have started exploring the potential for extending the Troubled Families programme to individuals.

In February 2013 we published a response to the DWP's proposed Social Justice Outcomes Framework which drew on discussion with members of our service user forum. In the "Supporting the most disadvantaged adults" section, the government's proposed indicators focused on recovery from addiction, finding employment and reducing offending for ex-offenders and people in drug treatment. While they agreed that these were important, Forum members also argued for a stronger focus on health and wellbeing, as well as the inclusion of specific indicators on housing and mental health to ensure these crucial areas are seen as a priority going forward.

In March we helped the social justice team at DWP to develop a discussion forum on the Local Government Association's Knowledge Hub social network. It is hoped this will become a forum for local leaders to share ideas and good practice on the social justice agenda.

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

A key focus for the government has been on welfare reform, which it sees as core to its social justice agenda. We are working with members of our service user forum to capture the impact that benefit changes are having on them and will continue to monitor the interplay between welfare reform and other aspects of the government's social justice agenda. We are concerned that many of the changes are simply adding financial pressure on people who are only just coping anyway, while work remains a longer term goal for many.

As well as working to influence the cross cutting social justice agenda, we worked in detail on a number of other important areas of policy.

Justice reform

In January the government published their Transforming Rehabilitation consultation, setting out plans for the next stage of the "Rehabilitation Revolution". We were pleased to see that the justice secretary Chris Grayling has taken on board one of our central campaign messages, the need to prioritise support for offenders on short prison sentences who are currently outside of the scope of probation and who often have multiple and complex needs.

This recognition is a crucial step in the right direction. However, in our response to the consultation we also raised concerns about proposals to put the bulk of offender management services out to competition. The intention is that this will achieve savings through payment by results (PbR) structure, in the expectation that this will generate savings that can be used to extend rehabilitation to short sentenced prisoners. We are concerned that this risks disrupting existing collaborative work while failing to deliver the local partnerships necessary to address the multiple and complex needs of short sentenced prisoners.

Offender health

In the previous year we had worked with Rethink Mental Illness, the Centre for Mental Health and others to establish a new group to continue the work of the National Advisory Group on mental health and criminal justice which finished at the end of its two year lifespan. During this year the Bradley Group met three times, bringing together experts from over 30 organisations including the Magistrates Association, the Association of Chief Police Officers, the Prison Officers Association, as well as charities such as Together and Mencap. A key focus for the group was to ensure that the government keeps to its commitment to roll out criminal justice liaison and diversion services across the country. We pushed to ensure that service user involvement would be an integral part of the group's work and members of our service user forum contributed to a paper on workforce development. During this year our chief executive represented the Bradley Group on the government's Health and Criminal Justice Transition Board, which brings together senior civil servants from across Whitehall to oversee the government's offender health programme.

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

Driving local integration

In the past few years the systems that we are seeking to influence have been in flux during a period of reform and reorganisation. In some cases we have been able to take advantage of the changes, making the most of opportunities to influence the way new systems work. For example, following reform to health structures, the new Health and Wellbeing Boards and the local directors of public health will be important leaders for us. A key tool in this will be the Joint Strategic Needs Assessment (JSNA) through which each area identifies the needs of its population. During this year the Department of Health consulted on draft of the statutory guidance on JSNAs. We worked with a number of organisations concerned with vulnerable people to feed into this consultation. We were pleased to see that people with multiple and complex needs including offenders are now explicitly identified as a group that must be considered in drawing up local JSNAs. We will monitor the how local areas respond to this guidance, but this will help in making the case for change in local areas.

Making the financial case for change

During the year we were very pleased to welcome economist Elizabeth Cowell to the team who was seconded to us for six months from the Ministry of Justice through the Whitehall Industry Group. Liz's task was to take our Financial Analysis Model (FAM) to the next level of development and prepare it for peer review. The FAM is a tool we have developed to demonstrate the potential savings to the public purse that arise when someone is supported to escape from the revolving door of crisis and crime. Liz carried out a literature review of available evidence and re-engineered our original spread sheets to incorporate adjustments that respond to feedback on our original model. This included incorporating sensitivity testing and other functionality that was missing from the original model. We were grateful for academic support and oversight during Liz's secondment from Dr Michael Clark, research programme manager at the NIHR School for Social Care Research at the London School of Economics. Over the next year we will be using the FAM to link with research projects, such as the Engager 2 project run by Dr Byng, which can help generate the data we need to fill gaps in evidence identified by Liz's work.

Thinking longer term

Our strategy recognises that achieving our vision will not happen in one or even two Parliaments. Because of this we therefore take a long term view on policy development within the longer term political policymaking cycles. During this year we focused on engaging with the Labour Party's policy process with a view to influencing their potential future programme for government. We built on existing relationships and advice from our Patron Baroness Hilary Armstrong, who had been a minister in the Cabinet Office with responsibility for social exclusion policy under the last government. We worked with think tank IPPR who were commissioned by the LankellyChase Foundation to explore the legacy of Labour's social exclusion agenda. Members of our service user forum were interviewed for the report and participated in the launch event.

During the year Dominic Williamson met with the shadow justice secretary Sadiq Khan to feed into his policy thinking. We attended the Labour Party conference in Manchester where we had a series of one to one meetings with ministers and key influencers alongside a busy schedule of fringe meetings. In March we met Jon Cruddas MP, who was appointed by Ed Miliband MP to lead Labour's policy review leading to the next manifesto. Following our meeting Jon Cruddas agreed that tackling social exclusion was a big priority for the party going forward and agreed to come to a 'listening event' as part of IPPR's Condition of Britain programme, in April 2013, to hear from members of our service user forum.

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

Aim 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.

National service user forum

Amarjit Kaur came into post, as our new director of service user involvement just before the start of this year. Over the summer she worked with the board, staff team and forum members to draw up a new strategic plan for our service user involvement work, building on the aim to place the voice and experience of people with direct experience of the problem we are tackling at the forefront of all our work.

During this year our National Service User Forum has gone from strength to strength, supported by a grant from the Paul Hamlyn Foundation. Over the year, 44 service users with multiple and complex needs and contact with the criminal justice system took part in Forum meetings and other activities. Forum members were involved in developing responses to four government consultations:

- Punishment and Reform: Effective Community Sentences. June 2012¹
- Liberating the NHS: greater choice and control²
- Social Justice Outcomes Framework³
- The Mayor of London's Police and Crime Plan.

As well as informing our policy responses Forum members took part in opportunities to influence policy makers directly. For example, members met with Ministry of Justice officials in June 2012 to give their views on community sentences as part of the "Punishment and Reform: Effective Community Sentences" consultation.

During the year forum members were able to meet direct with members of both houses of Parliament. For example, Zoe Livingstone, a Forum member with experience of prison and probation, gave evidence to the Justice Select Committee on Women Offenders. Jeff Keller a Forum member who has had experience of being diverted from police custody into mental health services appeared before the All Party Parliamentary Group on multiple and complex needs to talk about his experiences.

As part of our work to influence future Labour Party policy, Forum members were interviewed by IPPR as part of their "*The politics of disadvantage: New Labour, social exclusion and post-crash Britain*"⁴ report. This report was launched at an event on 11 July attended by two Forum members.

We consulted members of the Forum as part of the development of a briefing to candidates for the Police and Crime Commissioners (PCC) elections. The aim of the briefing⁵ was to highlight the importance of dealing effectively with the 'revolving doors' group of offenders in order to reduce crime and maintain an efficient police force, and it offers solutions for PCCs to consider locally.

[1] <http://www.revolving-doors.org.uk/documents/effective-community-sentences/>

[2] http://www.dh.gov.uk/en/Consultations/Responsestoconsultations/DH_125442

[3] <http://www.revolving-doors.org.uk/documents/social-justice-outcomes-response/>

[4] http://www.lankellychase.org.uk/assets/0000/1508/IPPR_Report.pdf

[5] <http://www.revolving-doors.org.uk/documents/ending-the-revolving-door/>

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

Sally Lester assistant chief inspector of HM Inspectorate of Probation, met with Forum members in February 2013 to seek their views on the Inspectorate's new inspection criteria. Forum members expressed the view that organisations delivering probation services should be inspected on how they involve service users in developing their services. Sally provided us with this feedback by email a few days later:

"We have already incorporated some changes to ensure that we follow up how effectively trusts (and other providers) involve service users. We have agonised about whether to take this approach, or whether to try to interview service users ourselves. The comments of the group have helped us to decide on the former"

This is a very significant change which will ensure probation service users, many of whom have multiple and complex needs, have a say in shaping the service they receive.

Involving Forum members in our social enterprise

As with other areas of work, we have been able to offer the expertise and capacity of our National Service User Forum as part of our social enterprise efforts.

For example, in 2011, we were commissioned by the Trusthouse Charitable Foundation to evaluate five mental health projects they were funding in the criminal justice system. The evaluation was carried out by five Forum members who we trained in peer research. The report of the evaluation⁶ was launched at an event on 26 February 2013 with an audience of funders, policy makers, commissioners and service delivery organisations. Three of the peer researchers took part in the presentation of the report findings along with service users from most of the services covered by the report.

Operating in this way creates opportunities to demonstrate the value of service user involvement as well as generating a new source of income that can support our wider work. For example, in May 2013 we were asked by the Big Lottery to organise and facilitate a consultation with service users with multiple and complex needs to inform their plans to invest £100m in up to 15 areas in services for people with multiple and complex needs. Service user involvement became a central part of Big Lottery's plans for the programme and many of the areas have subsequently placed involvement at the forefront of their bids from the start.

[6] <http://www.revolving-doors.org.uk/documents/hope-inside/n>

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

Developing service user involvement in prisons and probation trusts

In May 2012 we were pleased to be awarded a contract from the Ministry of Justice to test methods of service user involvement in a number of prisons and probation trusts. The aim of the two-year project is to develop guidance and toolkits to support prisons and trusts to independently replicate successfully approaches. In the first year we have been working with Holloway and Norwich prisons, and Hertfordshire and Bedfordshire probation trusts. We have reviewed existing arrangements for service user involvement within each organisation working with managers, staff and service users. In the probation trusts we have recruited and trained service users in peer research. They will conduct research with other service users and staff on service delivery, make recommendations on improvements, and work with staff to implement change. In HMP/YOI Holloway we have involved prisoners in developing a process around enhanced disclosure which is aimed at ensuring vulnerable women access the services they need as quickly as possible after arriving at the prison. In Norwich prison we are working with staff and prisoners to improve current service user involvement processes.

In the next year we will test out the lessons from this work in a further group of probation trusts and prisons, making sure that approaches are practical and deliverable without expensive external support.

Aim 3

Improve frontline responses – Leaders, managers and frontline workers in the criminal justice system and public services promote a culture of inclusion and partnership.

During the process of drawing up our strategic plan members of our Forum pointed out that, while they understood that policy, commissioning and systems were important, it was what happened at the frontline of services that they ultimately experienced. Our aim three recognises the importance of maintained a focus on what could improve this experience. In the previous year we published a literature review of evidence around the drivers of the poor frontline experience. Work this year will build on that understanding.

Communities of Practice

Our Communities of Practice project, with the Social Care Workforce Research Unit at King's College London continued throughout the year. The project, funded by the Economic and Social Research Council (ESRC), brought together frontline staff from a diverse range of agencies to open up new learning and practise development opportunities in order to improve frontline responses to multiple and complex needs. We recruited and trained facilitators from partner agencies to develop Communities of Practice (CPs) in five areas around the country: Tower Hamlets, London (Providence Row Housing Association), Chelmsford (The Children's Society), Brighton (Brighton Oasis), Stoke (Chepstow House, Brighter Futures) and Calderdale (Calderdale Smartmove). We also worked to develop the Community of Practice in West Cumbria which was established as part of the initial King's College research project.

Most of the Communities of Practice met on at least six occasions. Members discussed clients among their caseload that they were finding particularly challenging, shared knowledge and considered how improved inter-professional working might improve responses to this group. A project newsletter captured and shared learning from CPs and shared information on emerging themes and relevant research findings.

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

The project concluded in February 2013 with the launch of two publications: *Little Miracles: Using Communities of Practice to improve front line collaborative responses to multiple needs and exclusions* concluded that, with only a small financial investment, communities of practice can reap many benefits in terms of delivering on the integration agenda. Participants from the six CPs reported improved skills and competencies in responding to multiple needs and exclusions, increased knowledge of the role and function of other agencies, and increased networks and contacts. We also produced a *Toolkit: Developing a community of practice*. The two publications were launched at a conference at King's College on 20 February where more than sixty attendees had a chance to hear directly from many of the worker involved in the programme, along with a key note speech by Ruth Allen, from the College of Social Work. We will continue to disseminate learning from the programme working with our partners at Kings College through a series of conferences and journal articles.

Aim 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.

Our local work over two decades has taught us that if local leaders are given the right information they are able to drive change in the services in their area which can help improve opportunities for people in the 'revolving doors' group.

Influencing Police and Crime Commissioners

Police and Crime Commissioners (PCCs) are important new local decision makers, responsible for setting local policing priorities and the police budget, holding the chief constable to account and working with partners to reduce crime and improve community safety.

Our First Generation project, funded by the Barrow Cadbury Trust, aimed to inform and influence candidates standing for the PCC elections held on 15 November 2012. The project involved working closely with the Transition to Adulthood Alliance to make the case for improved responses locally to the 'revolving doors' group and young adults in contact with the criminal justice system. The research phase of the work culminated in the publication of a background paper which examined the PCC role and their potential impact on young adults and people with multiple problems in contact with the criminal justice system. Using this research we then developed two briefing papers which were disseminated to 153 PCC candidates ahead of the November elections.

The briefing papers were launched at fringe meetings at all three major party conferences, held in partnership with the Transition to Adulthood Alliance. To coincide with the launch, we wrote articles for Police Professional magazine, the Local Government Association newsletter, Criminal Law and Justice Weekly and the New Statesman online.

In January 2013, our director of development and partnerships Catherine Hennessy gave evidence to the Police and Crime Scrutiny Committee of the London Assembly on the Mayor's draft police and crime plan, stressing the importance of working in partnership with mental health services in order to reduce crime and re-offending. We were pleased when many of these messages were incorporated in the final version of the plan.

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

Supporting the roll-out of liaison and diversion services

Lord Bradley's seminal report published in 2009 argued that many people in the criminal justice system have complex health and social care needs, including drug addiction, alcohol misuse and mental health problems. Liaison and diversion services seek to ensure that wherever offenders are in the criminal justice system, their health needs or vulnerabilities are identified and assessed and that they are linked to appropriate treatment services.

In 2010, building on work started by the previous government, the coalition government committed to a national roll out of diversion services across England by 2014, subject to business case approval. Alongside this investment, the Department of Health published a tender for a National Liaison and Diversion Development Network (NLDDN) to support the work of sites to improve health outcomes and reduce reoffending. In May 2012, Revolving Doors and our partners in the Offender Health Collaborative were selected to deliver the NLDDN.

The network, which brings together 101 adult and young people's liaison and diversion services based in police custody suites and criminal courts, was launched at a conference in November. As well as proving support to services, our primary role is to work with members of the NLDDN, stakeholders and service users to develop a framework for good practice for liaison and diversion services.

Completion of the analysis phase of the Big Diversion Project

In April 2012, we presented our findings from the analysis phase of the Big Diversion Project (BDP) to the project commissioners, the North East Offender Health Commissioning Unit. The analysis considered all liaison and diversion services for people with mental health problems or learning disabilities in the criminal justice system throughout the North East region. Following discussion with partners, commissioners and the BDP Advisory Group, a number of projects will be piloted over the remaining 18-months of the development phase. This work will be taken forward by our partners, Northumbria Tyne and Wear and Tees Esk and Wear Valley NHS Foundation Trusts.

SPARK

Our SPARK programme, supported by the Esmée Fairbairn Foundation, aims to support local leaders to increase the number and quality of local responses to people in the revolving doors group. In the current financial climate, we understand the importance of developing service responses based on local need and effective models of intervention. Following a detailed audience analysis in the first year of the project, we developed a range of resources to support local areas in developing innovative approaches to reducing reoffending and improving health and social care outcomes among the 'revolving doors' group.

To coincide with the Home Office's annual Integrated Offender Management (IOM) conference in July, we launched a briefing paper, *Integrated Offender Management: Effective alternatives to short sentences*. This was designed to support local areas in developing their IOM response to repeat short-sentence prisoners. We promoted the briefing at a range of regional and national events attended by local IOM leaders. Building on this, later in the year we were asked to develop guidance for London IOM teams on working with people with mental health problems and learning disabilities in contact with the criminal justice system. This guidance will be launched by the Mayor's Office for Policing and Crime in the coming months.

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

The commissioning arrangements for healthcare in police custody are changing from April 2013. We wanted to make sure that people who would use these services could have a say about what they would value from this change. We worked with our Forum members and other service users with multiple needs, mental health problems and learning disability to produce a briefing based on their experience of being in custody. Rethink Mental Illness and the Working For Justice group, which is supported by KeyRing Living Support Networks and the Prison Reform Trust helped us bring service users together to inform this work.

During the year we continued to work with local partners on a range of projects to improve service responses and test new ways of working.

‘Out and about’ older prisoners project at HMP Norwich

Prisoners over the age of 50 are one of the fastest growing age groups within the prison population, and represent 10% of the total population at any one time. Over half have mental health issues, and many experience additional challenges resettling into the community upon release. ‘Out and about’, a partnership project between Revolving Doors Agency, Age Concern UK, HMP Norwich and NHS Norfolk began in May 2011. Over a year, Age UK Norfolk staff and volunteers ran 63 group sessions for 152 individual prisoners aged over-50 at the prison. They also provided support to five prisoners resettling locally. A full evaluation was published in November 2012 the project has received on-going funding.

Launch of Everthorpe report

In January we published an evaluation of the Personalisation Pilot at HMP Everthorpe project, which was part of our National Development Programme. The pilot tested an innovative approach to prison resettlement, providing support to participants to develop life plans building on strengths and interests and assistance in working towards these goals on release. As interest in extending personalisation from the domain of social care grows, the pilot provides useful learning in translating the approach into a criminal justice context.

Learning from Australia

In October, our research and development manager Sarah Anderson became a Churchill fellow, following the publication of the report on her study trip to Australia the previous year. Her report, *New and innovative approaches to supporting those with Complex Needs*, has useful reflections from practice in Australia that are relevant in the UK and we will host an event to disseminate the findings next year.

Capital Gains

Our policy work in London continued thanks to support from the Trust for London. In the run up to the mayoral elections in May we had positive meetings with the main candidates’ teams and our messages were subsequently reflected in Ken Livingstone’s and Boris Johnson’s manifestos. Following the election we met staff at the Mayor’s Office for Policing and Crime and fed into the police and crime plan for London, seeing some significant changes between the draft and final plan that reflected some of our input. We worked with our panel of expert advisers and our service user group to develop core messages which we will take forward in a campaign in the year ahead.

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

Connect London

Connect London is a two year development programme funded by the London Housing Foundation, through which we are working in partnership with three London boroughs to improve responses in meeting the needs of the revolving doors group. In the second year of the programme we built on the analysis and support provided to partners in Brent, Islington and Newham focused primarily around Integrated Offender Management. In all three boroughs this has led to improved pathways for the 'revolving doors' group, particularly those who need support around mental or physical health and housing.

Aim 5

Build a stronger organisation – Revolving Doors Agency has the resources, skills and support necessary to influence change within a sustainable business model.

Building a successful social enterprise

In our strategic plan we recognised the need to diversify our income and said we would consider if we could successfully develop a social enterprise element to our work. During 2012 – 2013 we demonstrated that we could win tenders for work on a competitive basis and deliver commercial work that was relevant to our mission while generating profits to support our wider work. In this year we started delivering two major contracts for the Department of Health and the Ministry of Justice alongside a number of small pieces of work.

Fundraising

We were delighted to hear that both the Henry Smith Charitable Trust and the AB Charitable Trust will continue to support us with core funding - essential to the running of the organisation and allowing us to undertake policy work which is otherwise difficult to fund. Despite these successes, during this year we saw a number of other core grants come to an end, we have had to take steps to reduce our costs accordingly by restructuring our team including the loss of two posts within the central team. By reorganising our work we believe we can adjust to this change and will continue to grow our project work including our social enterprise consultancy.

Communication

Over the year we strengthened our position in the social media arena including on Facebook and Twitter where we have 3,500 followers including some of the key leaders we are seeking to influence. These channels are becoming increasingly important tools in staying in touch with our stakeholders and engaging new audiences in our work.

We saw the number of visitors to our website continue to grow by nearly 50% with an average of 3709 unique visitors per month during the year compared to 2505 the previous year. Our quarterly e-newsletter is emailed to 1,378 subscribers.

Impact

In February we published a summary impact report, designed to share what we have achieved in the first three years of our strategic plan in a succinct visual format.

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

Outline of work for next 12 months

Our five strategic aims, and the objectives we have set out to achieve them, form the basis of our annual operational plans. Here we set how we will take forward this plan during 2013-14.

Aim 1 – Win political commitment

We will continue to work with our partners to achieve the outcomes in our influencing strategy:

- The coalition government publishes, promotes and implements a social justice strategy that explicitly prioritises families and individuals with multiple needs
- Government departments implement policy changes which support improved responses to the revolving doors group in local areas
- Key London decision makers commit to and deliver policy changes which support improved responses to the revolving doors group in London by 2014
- The government accepts the business case for investment in services targeted at the revolving doors group
- The Labour leadership supports the need to prioritise policy on multiple needs and the revolving doors group and the three main parties include it in their 2015 general election manifestos.
- The Revolving Doors policy team has the resources, skills and relationships needed to influence change and a sustainable business model

Aim 2 – Involve people with direct experience

During the year ahead we will continue to make progress towards the outcomes set out in our service user involvement strategy:

- Service user involvement is integrated into all aspects of Revolving Doors from board membership to project development and delivery. We work in partnership with service users in our work to win political commitment, improve frontline responses and to support local leadership
- Revolving Doors works in partnership with other organisations to ensure service users are involved in the commissioning, design and delivery of services for people caught in the revolving door of crisis and crime
- Effective systems of service user involvement have been co-produced with offenders, which are replicable within a large number prisons and probation trusts
- Members of our National Service User Forum gain skills and experiences that support their recovery and enable them to move on from the revolving door of crisis and crime
- Revolving Doors has the capacity to deliver high quality successful service user involvement

We will continue to deliver our contract for the Ministry of Justice to improve service user involvement in prisons and probation services and will look for new opportunities to share our expertise in this area through social enterprise.

Following discussion with Forum members, this year we will launch a new forum for women, creating an opportunity to explore their distinct experiences and needs and enabling them to have a voice in the on-going debate about response to women in the criminal justice system.

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

Aim 3 – Improve frontline responses

Following the success of our Communities of Practice project we will set out in a new strategy how we will build on the findings of our Complex Responses report to improve frontline responses to the 'revolving doors' group. We will seek new funders who are willing to support our work in this area and develop new programmes to drive this work forward.

Aim 4 – Support local leadership

We will continue to work as part of the Offender Health Collaborative to support the government's programme to extend provision of liaison and diversion services. In the year ahead we will consult stakeholders and service users on a good practice guide.

Aim 5 – Build a stronger organisation

Since we launched our five year strategic plan in 2010 we have seen enormous change in our operating environment. We have responded to changes in the funding landscape by successfully developing our capacity to operate as social enterprise, winning a number of contracts. We believe there is potential to expand this further. The board recognises that in the light of these changes and the opportunities and risks we face, we need to ensure that we continue to have a strategic plan that is relevant and helps us to continue to drive change toward achieving our vision. We have agreed that we need to develop a new strategic plan during the next twelve months, a year early. To do this we will set up a series of opportunities to consult with our funders, patrons and other stakeholders during the summer and autumn so that the board can use our away day in December to make decisions on our direction. The new strategy will be agreed by Trustees at their meeting in January 2014 and we will being to deliver our new plan April.

A thank you to all of our funders

We rely on the commitment of the foundations and trusts that share our vision and have continued to back our work over the years. We are therefore grateful for the support from the Trustees and staff at:

AB Charitable Trust
The Barrow Cadbury Trust
The Big Lottery Fund
The Esmée Fairbairn Foundation
The Henry Smith Charity
The LankellyChase Foundation
The London Housing Foundation
The Monument Trust
The Paul Hamlyn Foundation
The Pilgrim Trust
Trust for London
Trusthouse Charitable Foundation
The Tudor Trust

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

Patrons

We also rely on the commitment and support of our patrons who work hard to promote our work. We offer our gratitude and thanks to our patrons:

Ian Bynoe, former acting deputy chair, Independent Police Complaints Commission
His Honour Judge Fabyan Evans
Rose Fitzpatrick, deputy assistant commissioner, Metropolitan Police
Professor John Gunn, professor of forensic psychiatry
Baroness Hilary Armstrong, Labour peer and former cabinet office minister
Bharat Mehta OBE, chief executive, Trust for London
Lord David Ramsbotham GCB CBE, former HM chief inspector of prisons
Dru Sharpling CBE, Her Majesty's Inspectorate of Constabulary
Joe Simpson, director of The Leadership Centre
Ann Windiate, former chief executive, Medway Social Services
Peter Wrench, consultant and writer, former Prison Service and Home Office Director

Statement of Trustees' responsibilities

The Trustees (who are also directors of The Revolving Doors Agency for the purposes of company law) are responsible for preparing the Trustees' 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 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 Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2013 was 11 (2012 - 9). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Financial Review

Review of results

Revolving Doors Agency raised a total of £701,780 in the year ended 31 March 2013, principally by:

- generating funds from donors, events and investments
- securing resources from funders through contracting or grants to carry out direct charitable activity.

This is a year on year reduction of 2.4% when compared to the year ended 31 March 2012 results. The expenditure for the year was £800,464, a decrease of 3.2% on the previous year. Unrestricted reserves of £88,830 were used to fund the in year deficit.

In total the deficit for the year ended 31 March 2013 was £98,684. The full results are set out in the Statement of Financial Activities on pages 24 and the financial position at 31 March 2013 is shown on the Balance Sheet on page 19.

Reserves

It is Revolving Doors' policy to maintain unrestricted funds in reserves in order to take into account of the unreliability of future income streams. The approach used to calculate the target level of reserves is based on a risk assessment of future needs.

At 31 March 2013 the free reserves amounted to £413,196. The Trustees see it as prudent to maintain the current level of reserves to ensure that Revolving Doors' work continues into the future. Securing alternative funding takes time and resources and it is important that these reserve levels are maintained.

The Trustees regularly review the need for reserves through the budgetary process to ensure they meet the charity's changing needs and circumstances.

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.

Future funding

The Agency has been fortunate in obtaining pledges of funding support that will contribute towards its operating costs in 2013/14. Further funding needs to be secured to maintain activity and influence in future years, but the Trustees are confident that the management of the organisation has a strategy to ensure these costs are met, with the support of voluntary funders in the future.

The Revolving Doors Agency

Report of the Trustees

For the year ended 31 March 2013

Auditors

Sayer Vincent were appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the Trustees on 18 June 2013 and signed on their behalf by

Gary Lashko - Chair

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 2013 which comprise the statement of financial activities, balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company'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

As explained more fully in the Statement of the Trustees' Responsibilities set out in the Trustees' report, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements 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 financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditors' report

To the members of

The Revolving Doors Agency

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements 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.

Catherine L Sayer (Senior statutory auditor)

DATE

for and on behalf of Sayer Vincent, Statutory Auditors

Sayer Vincent, 8 Angel Gate, City Road, LONDON EC1V 2SJ

The Revolving Doors Agency

Statement of Financial Activities (incorporating an Income and Expenditure Account)

For the year ended 31 March 2013

	Note	Restricted £	Unrestricted £	2013 Total £	2012 Total £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	-	75,082	75,082	235,078
Bank interest		-	6,237	6,237	9,965
<i>Incoming resources from charitable activities</i>					
Development and partnership		267,968	78,801	346,769	420,853
Service user involvement		101,250	137,010	238,260	22,500
Policy & Communication		28,650	6,568	35,218	28,593
<i>Other incoming resources</i>		-	214	214	2,951
Total incoming resources		397,868	303,912	701,780	719,940
Resources expended					
<i>Costs of generating funds:</i>					
Costs of generating voluntary income	4	-	51,912	51,912	57,931
<i>Charitable activities</i>					
Development and partnership		286,307	94,802	381,109	495,476
Service user involvement		96,247	89,523	185,770	100,274
Policy and communication		25,168	137,360	162,528	150,387
<i>Governance costs</i>		-	19,145	19,145	23,355
Total resources expended		407,722	392,742	800,464	827,423
Net outgoing resources before transfers		(9,854)	(88,830)	(98,684)	(107,483)
Transfers between funds		(3,395)	3,395	-	-
Net movement in funds		(13,249)	(85,435)	(98,684)	(107,483)
Reconciliation of funds					
Total funds brought forward	12	61,209	498,631	559,840	667,323
Total funds carried forward		47,960	413,196	461,156	559,840

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 12 to the financial statements.

The Revolving Doors Agency

Company Number 2845452

Balance sheet

31 March 2013

	Note	£	2013 £	2012 £
Fixed assets	8			
Tangible assets			13,085	16,974
Current assets				
Debtors	9	44,965		54,848
Short-term deposits		314,765		157,666
Cash at bank and in hand		<u>151,220</u>		<u>439,274</u>
		510,950		651,788
Liabilities				
Creditors: amounts due within one year	10	<u>62,879</u>		<u>108,922</u>
Net current assets			<u>448,071</u>	<u>542,866</u>
Net assets	11		<u><u>461,156</u></u>	<u><u>559,840</u></u>
The funds of the charity	12			
Restricted funds				
In surplus			47,960	61,209
Unrestricted funds				
General funds			<u>413,196</u>	<u>498,631</u>
Total charity funds			<u><u>461,156</u></u>	<u><u>559,840</u></u>

Approved by the Trustees on 18 June 2013 and signed on their behalf by

Gary Lashko Chair of the Trustees

The Revolving Doors Agency

Notes to the financial statements

For the year ended 31 March 2013

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005).
- b) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable.
- c) Revenue grants are credited to the statement of financial activities when received or receivable, whichever is earlier.

Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions the incoming resource is deferred.

- d) Contractual Income is recognised as incoming resources in the Statement of Financial Activities to the extent that the charity has provided the goods or services. Incoming resources received in advance are deferred until the charity becomes entitled to the resources.
- e) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- f) Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.
- g) Costs of generating funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

The Revolving Doors Agency

Notes to the financial statements

For the year ended 31 March 2013

1. Accounting policies (continued)

- h) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT, which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

	2013
	%
Costs of generating voluntary income	6.5
Charitable activities	91.1
Governance costs	<u>2.4</u>
	100.0

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

- i) Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Office equipment	3 years
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Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

- j) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line basis over the minimum lease term.
- k) The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

The Revolving Doors Agency

Notes to the financial statements

For the year ended 31 March 2013

2. Voluntary income

	Restricted £	Unrestricted £	2013 Total £	2012 Total £
Donations	-	82	82	78
The Tudor Trust	-	30,000	30,000	30,000
The AB Charitable Trust	-	15,000	15,000	15,000
Henry Smith Charitable Trust	-	30,000	30,000	-
The LankellyChase Foundation	-	-	-	30,000
The Monument Trust	-	-	-	150,000
The London Housing Foundation	-	-	-	10,000
Total	-	75,082	75,082	235,078

3. Incoming resources from charitable activities

	Restricted £	Unrestricted £	2013 Total £	2012 Total £
The Barrow Cadbury Trust	18,000	12,500	30,500	8,000
Big Lottery Fund	29,480	-	29,480	119,007
The London Housing Foundation	90,000	-	90,000	45,000
The Corston Ind. Funders' Coalition	-	-	-	8,625
Esmée Fairbairn Foundation	104,023	-	104,023	104,024
Trusthouse Charitable Foundation	21,250	-	21,250	22,500
Trust for London	28,650	-	28,650	17,500
Contract Income	19,465	205,003	224,468	106,823
Other Income	-	5,090	5,090	467
The Lloyds TSB Foundation for England and Wales	-	-	-	40,000
Streetalk	7,000	-	7,000	-
Paul Hamlyn Foundation	80,000	-	80,000	-
Total	397,868	222,593	620,461	471,946

The Revolving Doors Agency

Notes to the financial statements

For the year ended 31 March 2013

4. Total resources expended

	Cost of generating funds	Development and partnership	Service user involvement	Policy & Communication	Governance costs	Support costs	2013 Total	2012 Total
	£	£	£	£	£	£	£	£
Staff Costs (note 6)	37,102	175,745	96,417	102,497	9,233	51,764	472,758	402,246
Payments to partner agencies, associates, consultants & contractors	3,712	109,715	20,763	15,515	3,150	13,745	166,600	277,364
Communication & Travel	118	13,852	12,590	8,048	927	3,324	38,859	16,090
Service user involvement	-	170	16,626	888	-	132	17,816	20,402
Office & Professional Costs	-	1,011	78	1,200	1,785	100,357	104,431	111,321
	40,932	300,493	146,474	128,148	15,095	169,322	800,464	827,423
Support costs	10,980	80,616	39,296	34,380	4,050	(169,322)	-	-
Total resources expended	51,912	381,109	185,770	162,528	19,145	-	800,464	827,423

The Revolving Doors Agency

Notes to the financial statements

For the year ended 31 March 2013

5. Net outgoing resources for the year

This is stated after charging

	2013 £	2012 £
Depreciation	8,779	4,541
Operating lease rentals:		
▪ property	40,250	28,671
▪ other	-	13,102
Auditors' remuneration:		
▪ audit	7,420	7,500
▪ other services	-	-
Trustees' remuneration	-	-
Trustees' expenses	<u>337</u>	<u>187</u>

Trustees' expenses represent travel and subsistence costs for 2 (2012: 1) members relating to attendance at meetings of the Trustees.

6. Staff costs and numbers

Staff costs were as follows:

	2013 £	2012 £
Salaries and wages	405,978	342,378
Social security costs	44,126	37,728
Pension contributions	<u>22,654</u>	<u>22,140</u>
	<u>472,758</u>	<u>402,246</u>
Total emoluments paid to staff were:	<u>428,632</u>	<u>364,518</u>

2 employees earned more than £60,000 during the year as follows (2012: 2)

	2013	2012
£60,000 - £69,999	1	1
£70,000 - £79,999	<u>1</u>	<u>1</u>

Of those employees who earned £60,000 or more during the year, employer contributions are made to a pension scheme in respect of 2 of them (2012: 2). Total employer contributions in respect of such employees during the year amounted to **£9,468** (2012: £13,387).

The average weekly number of employees (full-time equivalent) during the year was as follows:

	2013 No.	2012 No.
Development and partnership	4.0	3.3
Fundraising	1.0	1.0
Service user involvement	2.3	1.2
Policy and Communication	2.0	2.3
Support staff	<u>1.0</u>	<u>1.0</u>
	<u>10.3</u>	<u>8.8</u>

The Revolving Doors Agency

Notes to the financial statements

For the year ended 31 March 2013

7. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

8. Tangible fixed assets

	Office equipment £	Total £
Cost		
At the start of the year	22,668	22,668
Additions in year	4,890	4,890
Disposals in year	-	-
	<hr/>	<hr/>
At the end of the year	27,558	27,558
Depreciation		
At the start of the year	5,694	5,694
Charge for the year	8,779	8,779
Disposals in year	-	-
	<hr/>	<hr/>
At the end of the year	14,473	14,473
Net book value		
At the end of the year	13,085	13,085
	<hr/> <hr/>	<hr/> <hr/>
At the start of the year	16,974	16,974
	<hr/> <hr/>	<hr/> <hr/>

9. Debtors

	2013 £	2012 £
Prepayments & other debtors	44,965	54,848
	<hr/>	<hr/>
	44,965	54,848
	<hr/> <hr/>	<hr/> <hr/>

10. Creditors: amounts due within one year

	2013 £	2012 £
Trade creditors	18,212	77,129
Taxation and social security	12,671	13,160
Accruals	22,377	7,103
VAT Creditor	9,619	11,530
	<hr/>	<hr/>
	62,879	108,922
	<hr/> <hr/>	<hr/> <hr/>

The Revolving Doors Agency

Notes to the financial statements

For the year ended 31 March 2013

11. Analysis of net assets between funds

	Restricted £	General £	Total £
Tangible fixed assets	-	13,085	13,085
Net current assets	<u>47,960</u>	<u>400,111</u>	448,071
Net assets at the end of the year	<u>47,960</u>	<u>413,196</u>	<u>461,156</u>

12. Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
Restricted funds:					
National development programme	58,274	267,968	286,307	-	39,935
Service user Involvement Policy	-	101,250	96,247	(3,395)	1,608
	<u>2,935</u>	<u>28,650</u>	<u>25,168</u>	<u>-</u>	<u>6,417</u>
Total restricted funds	<u>61,209</u>	<u>397,868</u>	<u>407,722</u>	<u>(3,395)</u>	<u>47,960</u>
Unrestricted funds:					
General funds	<u>498,631</u>	<u>303,912</u>	<u>392,742</u>	<u>3,395</u>	<u>413,196</u>
Total funds	<u>559,840</u>	<u>701,780</u>	<u>800,464</u>	<u>-</u>	<u>461,156</u>

Purposes of restricted funds

National Development Programme

This consists of specific funding from Lloyds Esmée Fairbairn Foundation, Barrow Cadbury and London Housing Foundation towards specific pieces of work. The London Housing Foundation grant was awarded for the development of three initiatives in London designed to improve responses to the revolving door group. The Esmée Fairbairn grant was awarded towards the costs of the SPARK project.

Service user Involvement

Restricted funds are from the Paul Hamlyn Foundation, towards work with service users.

The transfer of funds relates to a grant that was received in 2012/13, but £3,395 of this was spent, with the funders agreement, in 2011/12.

Policy

Restricted funds carried over are from Capital Gains Project, a project funded by Trust for London.

The Revolving Doors Agency

Notes to the financial statements

For the year ended 31 March 2013

13. Operating lease commitments

The charity had annual commitments at the year end under operating leases expiring as follows:

	Property		Equipment	
	2013	2012	2013	2012
	£	£	£	£
Less than 1 year	-	-	-	3,328
1 - 2 Years	-	-	-	-
2 - 5 Years	40,250	40,250	-	-
Over 5 years	-	-	-	-
	<u>40,250</u>	<u>40,250</u>	<u>-</u>	<u>3,328</u>