

Charity Registration No. 1048191

Company Registration No. 3045939 (England and Wales)

TWINING ENTERPRISE
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 MARCH 2010

**TWINING ENTERPRISE
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION**

| | |
|--------------------------|---|
| Trustees | I Kay M Lourenco Z Haque J Cooke A Parsons S Edwards |
| Secretary | R J W Kitchin |
| Charity number | 1048191 |
| Company number | 3045939 |
| Principal address | Suite A, 2nd Floor 84 Uxbridge Road Ealing London W13 8RA |
| Registered office | Suite A, 2nd Floor 84 Uxbridge Road Ealing London W13 8RA |
| Auditors | H W Fisher & Company Acre House 11-15 William Road London NW1 3ER United Kingdom |
| Bankers | Unity Trust Bank Plc Nine Brindley Place Birmingham B1 2HB |

**TWINING ENTERPRISE
(A COMPANY LIMITED BY GUARANTEE)
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TWINING ENTERPRISE
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2010

The Board of Trustees present their report and audited financial statements for the year ended 31 March 2010.

Reference and Administrative Information

Charity names: Twining Enterprise
Charity registration number: 1048191
Company registration number: 3045939
Registered office: Suite A, 2nd Floor
84 Uxbridge Road
Ealing
W13 8RA

Board of Trustees

M. Lourenco
Z. Haque
J. Cooke Chair
A. Parsons
S. Edwards Treasurer
I. Kay

Secretary

B. Kitchin

Senior Management Team

B. Kitchin Chief Executive
A. Webb Quality & Development Manager
C. Armstrong Operations Manager
M. Hayes ICT & Information Manager
C. Anton Finance Manager

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

Bankers – Unity Trust Bank plc, Nine Brindley place, Birmingham, B1 2HB

Our Aims and objectives

Purposes and Aims

Our charity's purpose is encapsulated in our mission statement:

Twining exists to improve mental wellbeing through helping people in and into work.

We nurture hope and increase confidence by providing tailored, practical support to individuals, employers and our community.

Ensuring our work delivers our aims

During this year we held a review of our aims and objectives, establishing the charity's new strategy and action plan for the next five years, together with updated mission, vision and values statements. This review looked at what we achieved, the impact of each of our key activities and the benefits they have brought to those groups of people we are set up to help. It involved gaining input and ideas from our key stakeholders – clients, staff, delivery partners and funders; together with a

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FOR THE YEAR ENDED 31 MARCH 2010

review of current and developing policy and the evidence base of how to best meet the needs of our clients. Our new strategy ensures that our aims, objectives and activities remain focused on our stated purposes.

Our finalised new strategy was launched with staff at the end of this year with information for external stakeholders available from early in the new 2010/11 year.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the Board of Trustees consider how planned activities will contribute to the aims and objectives they have set.

The focus of our work

Our main objectives for the year continued to be the delivery of evidence-based services that enable people with mental health needs to gain and sustain mainstream employment, education and volunteering. The strategies we used to meet these objectives included:

- Engaging clients at both primary and secondary health care levels
- Providing services that are evidence-based
- Continuing to strengthen our presence and relationships in our boroughs of operation
- Providing increased job retention services in support of early intervention
- Working in partnership with other agencies to secure the widest range of services is available that best matches the needs of our client population.

How our activities deliver public benefit

Our main activities and who we try to help are described below. All our charitable activities focus on meeting the vocational needs of people with mental health needs and are undertaken to further our charitable purposes for the public benefit.

Who used and benefited from our services?

Our objects and funding limit the services we provide to those resident in the London boroughs of Hounslow, Ealing and Hammersmith & Fulham. There are approximately 2000 people receiving community mental health team support for severe and enduring mental health problems per annum in each of our boroughs of operation; with an estimated nine times this number receiving GP based services for mild to moderate mental health problems.

Our funding limits those we can help, for example, each funded Vocational Advisor could typically only provide service to approximately 50 individual clients per annum. Demand for our services is limited by prioritising referrals from health and social care services and is also based on initial assessment of an individual's personal commitment to pursuing/keeping work. All our services are provided free to our clients.

Equal access to our services is important to us, with monitoring of access to our services by gender, age, ethnicity, disability, faith and sexual orientation integral to all our services. We are aware from NHS data that there is an over-representation of Black and minority ethnic communities within mental health services nationally, particularly in urban areas. We believe equal access to our services is vital to our success and that successful outcomes must be shared by all communities that use our services.

Our monitoring suggests that those we are able to help broadly reflect these statistics. Further information about who benefits directly from our services is explained in the analysis of performance and achievements below.

Our main areas of charitable activity are the provision of information, advice and guidance on work and learning within primary and secondary care health services; together with advice, guidance and employability skills training within our local communities. Overall during the year we have engaged a total of 654 people with mental health conditions, successfully supporting 316 people to gain/maintain mainstream employment, volunteering or education. This represents both an increase in total numbers engaged as well as those supported into positive vocational outcomes on the previous year. These activities and the achievements that flow from our work are described below.

Vocational Information, Advice and Guidance within Healthcare

During the year we have provided service to 626 people from within clinical mental health services. This activity has been divided across primary and secondary levels of health care as follows:

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(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)
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FOR THE YEAR ENDED 31 MARCH 2010

1. Primary Care Information, Advice and Guidance

This majority of this service is based within Ealing's primary care mental health and wellbeing service as part of their Improving Access to Psychological Therapies service. Twining Vocational Advisors are integrated into teams within three locations in the borough of Ealing, providing help and advice to local residents with mild to moderate mental health problems to enable them to gain employment, return from sick leave or maintain a job if at risk of losing it. Funding for this project is provided by Ealing PCT and the Department for Work & Pensions and is sufficient to employ 5 members of staff. These staff operate as integral members of mental healthcare teams, promoting and delivering service in partnership with clinical staff.

Promotional leaflets and posters were made available in doctors' surgeries, employers and a wide range of community based services. This has supported new access routes to our service, namely via GPs, self referral and from employers. Feedback has been encouraging and is informing further development of this service. We have delivered this service as part of a developing network of similar providers informing developing practice across London.

Individual advice and guidance is provided on an appointment basis, with regularity based upon the assessed needs of the client. This allows for an individualised service that aims to help each client overcome their specific difficulties and achieve their own goals. Some 185 people have accessed the service during the year with over 1100 individual sessions being held. In addition to breaking social exclusion and stigma through work related support, we have also been able arrange referral/signpost clients to our partners for other needs such as housing, debt, or social service related issues.

Funding for this project has enabled the purchase of equipment necessary to deliver these services on an outreach, socially inclusive basis – laptops and mobile phones. Use of these have contributed to improvements in our use of a management information system, client database and improved, detailing of performance reports to funders and partners.

Our work in Ealing has informed and supported the charity's commencement of a pilot primary care level advice and guidance service within the London Borough of Hounslow. Grant funding from the City Parochial Foundation and support from the local Primary Care Trust has supported our engagement of GPs, healthcare professionals and new clients with mild to moderate mental health conditions in the London Borough of Hounslow. Funding has allowed for 1 Vocational Advisor to develop relationships with 5 local GP practices, initiate service and engage 15 clients to date.

Partnership with the local PCT aims to inform future development of a full IAPT vocational service in this borough too.

2. Secondary Care Information, Advice & Guidance

The secondary care-based work of the charity provides support to people with severe and enduring mental health problems who are unemployed and want to secure work, education or volunteering, or who are in work or education and need support to retain these through periods of ill health. With Vocational Advisors embedded into community mental health teams (CMHTs), this work continued within 8 CMHTs across Hounslow, Ealing and Hammersmith & Fulham, engaging 426 clients during the year.

Community Based Information, Advice & Guidance and Training

Recognising that there are many people who do not engage with local clinical mental health services or who prefer not to receive vocational support within them we have, this year, commenced delivery of community based information, advice, guidance and employability skills training.

Advice and guidance has been delivered by 1 Vocational Advisor working on an outreach basis at a range of local community based settings. This service has engaged 28 clients as well as providing one to one and group based services to existing Twining clients.

Additionally the charity has established Employability Skills Training courses that have been delivered to local residents with mental health problems in the London Borough of Ealing. Working in partnership with a local disability based charity we have delivered skills training to a total of 23 clients, with 14 successfully completing skills for life training and 13 completing skills for work training.

Financial Review

This year is notably a "9 month year" running from April 2009 – March 2010 as the charity has taken the decision to change our accounting year from July to April, with approval from the Charities Commission and Companies House. This has aligned our financial reporting period with that of the majority of our funders, thereby simplifying activity planning and

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2010

reporting and saving costs.

This year was our first following last year's move of our offices and bulk of our operation to Ealing, West London which had contributed to a trading deficit in that year.

This year has involved the charity focusing on delivering services in West London that are supported by new funding streams in support of our charitable aims. With the aid of sound financial management and the support of its staff, it has generated a positive financial turnaround during the period resulting in a trading surplus of £1,726. Our success in obtaining new funding for 2009/10 from a wider range of sources provided a platform for increased delivery and development of partnerships in support of future sustainability.

Principal Funding Sources

As part of our commitment to reducing risk we have sought funding from a broader group of agencies. The principal funding sources for the charity are currently by way of grant and contract income from the London Development Agency (LDA), Ealing Primary Care Trust, Ealing Council, the Department for Work & Pensions, West London Mental Health Trust, City Parochial Foundation and Hounslow Primary Care Trust. We are accessing European Social Funding via the LDA to pilot and develop services, reporting activity and outcomes to local commissioners in support of future sustainable funding for these services.

Reserves Policy

The Board of Trustees has examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be between 3 and 6 months of the expenditure. Budgeted expenditure for 2010/11 is £680,000 and therefore the target is £170,000 to £340,000 in general funds.

The reserves are needed to meet the working capital requirements of the charity and the Management Committee are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

The present level of reserves available to the charity of approximately £69,267 therefore falls significantly short of this target level. The charity's strategy is to continue to build our reserves through planned operating surpluses, targeting increases in donations and unrestricted giving. In the short term they will ensure that good risk management standards and practices exist and have also considered the extent to which existing activities and expenditure could be curtailed, should such circumstances arise.

Plans for Future Periods

The charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements. We have also initiated a new strategic plan from April 2010 which aims to consolidate our core services and partnerships, ensure future activities are informed by clients' changing needs, and strengthen our finance and governance arrangements. Plans are also being developed to work with local employers and Jobcentre Plus to develop increased work opportunities for our clients.

The charity will also target widening our funding streams to support increasing our unrestricted charitable reserves and reduce risk in light of potential public sector funding reductions.

We also plan to review and strengthen our membership model and scope, supporting increased community involvement and strengthening governance arrangements.

Structure, Governance and Management

Governing Document

The organisation is a charity and company limited by guarantee, incorporated on 13 April 1995 and registered as a charity on 25 July 1995. 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. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2010

Recruitment and Appointment of Management Committee

The directors of the company are also charity Board of Trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association one third of the members of the Management Committee must step down, based upon the longest serving, at each AGM but are eligible for re-election.

All members of the Management Committee give their time voluntarily and received no benefits from the charity.

The Management Committee seeks to ensure that the needs of our client group are appropriately reflected through the diversity of the trustee body. With developing services in West London boroughs we have commenced seeking new trustees from this area, with one trustee and the company secretary attending training on recruiting new trustees from our local Council for Voluntary Services this year.

During this year a long-standing member of the Management Committee has stood down due to ill health and a new member has been co-opted onto the Management Committee, later elected at our Annual General Meeting in line with the Memorandum and Articles of Association.

Trustee Induction and Training

New Trustees receive an induction into the organisation to familiarise themselves with the charity and the context within which it operates. These are led by the Chief Executive of the charity and cover:

- The obligations of Management Committee members.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives
- Relevant Charity Commission publications and guidance

Risk Management

The Management Committee has conducted a review of the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

Significant external risks to funding have led to our new strategic plan which allows for the diversification of funding and activities. Internal control risks have been reduced by the implementation of procedures for authorisation of larger transactions.

Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to our offices. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Organisational Structure

The charity currently has a Management Committee of 6 members from a variety of professional backgrounds relevant to the work of the charity, who meet quarterly and are responsible for the strategic direction and policy of the charity. The Secretary also sits on the Committee but has no voting rights.

Day to day responsibility for the provision of the services is delegated to the Chief Executive who is supported by our Senior Management team.

The Chief Executive is responsible for ensuring that the charity delivers the services specified. The Operations Manager has responsibility for the day to day operational management of the service, individual supervision of the delivery team Leads and also ensuring that the team continue to develop their skills and working practices in line with good practice.

The Quality & Development Manager is responsible for quality assurance within the charity as well as identification and application for new funding. The ICT & Information Manager's role is to ensure that service delivery is supported by our ICT infrastructure and that information on clients' needs and progress is accurately captured, managed and reported.

Our Finance Manager is responsible for ensuring income and expenditure is well managed and that all the accounting requirements of the charity are met.

TWINING ENTERPRISE
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2010

Responsibilities of the Management Committee

Company law requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

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

Members of the Management Committee

Members of the Management Committee, who are directors for the purpose of company law and Board of Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

HW Fisher & Co was re-appointed as the charitable company's auditors during the year and has expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

Approved by the Management Committee on 8 September 2010 and signed on its behalf by:


Mrs Johanna Cooke
Chair


Mr Bob Kitchin
Secretary

**TWINING ENTERPRISE
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees, who are also the directors of Twining Enterprise for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the accounts 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.

**TWINING ENTERPRISE
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF TWINING ENTERPRISE**

We have audited the accounts of Twining Enterprise for the period ended 31 March 2010 set out on pages 10 to 17. These accounts have been prepared in accordance with the accounting policies set out on page 12.

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on page 7, the trustees, who are also the directors of Twining Enterprise for the purposes of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the accounts give a true and fair view.

Our responsibility is to audit the accounts 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 accounts 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' Report is consistent with those accounts.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's accounts are not in agreement with the accounting records and returns, 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 the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of 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 accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, 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 which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 accounts.

**TWINING ENTERPRISE
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF TWINING ENTERPRISE**

Opinion

In our opinion:

- the accounts 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 period then ended;
- the accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the accounts have been prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' Report is consistent with the accounts.

J S Challis (Senior Statutory Auditor)
for and on behalf of H W Fisher & Company

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

Dated:

TWINING ENTERPRISE
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 MARCH 2010

| | Notes | Unrestricted funds £ | Restricted funds £ | Total 2010 £ | Total 2009 £ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| <u>Incoming resources from generated funds</u> | | | | | |
| Investment income | 2 | 340 | - | 340 | 4,913 |
| Incoming resources from charitable activities | 3 | 527,353 | 20,417 | 547,770 | 467,525 |
| Other incoming resources | 4 | 500 | - | 500 | - |
| Total incoming resources | | 528,193 | 20,417 | 548,610 | 472,438 |
| <u>Resources expended</u> | | | | | |
| Charitable activities | 5 | | | | |
| Vocational advice | | 522,136 | 20,417 | 542,553 | 625,234 |
| Governance costs | | 4,331 | - | 4,331 | 31,011 |
| Total resources expended | | 526,467 | 20,417 | 546,884 | 656,245 |
| Net income/(expenditure) for the year/ Net movement in funds | | 1,726 | - | 1,726 | (183,807) |
| Fund balances at 1 July 2009 | | 67,541 | - | 67,541 | 251,347 |
| Fund balances at 31 March 2010 | | 69,267 | - | 69,267 | 67,540 |


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


TWINING ENTERPRISE
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 MARCH 2010

| | Notes | 2010 £ | £ | 2009 £ | £ |
|---|-------|------------------|----------------------|------------------|----------------------|
| Fixed assets | | | | | |
| Tangible assets | 9 | | 13,725 | | 13,186 |
| Current assets | | | | | |
| Debtors | 10 | 151,056 | | 205,366 | |
| Cash at bank and in hand | | 219,711 | | 231,351 | |
| | | <u>370,767</u> | | <u>436,717</u> | |
| Creditors: amounts falling due within one year | 11 | <u>(315,225)</u> | | <u>(382,363)</u> | |
| Net current assets | | | <u>55,542</u> | | <u>54,354</u> |
| Total assets less current liabilities | | | <u><u>69,267</u></u> | | <u><u>67,540</u></u> |
| Income funds | | | | | |
| Unrestricted funds | | | <u>69,267</u> | | <u>67,540</u> |
| | | | <u><u>69,267</u></u> | | <u><u>67,540</u></u> |

The accounts were approved by the Board on 08 September 2010


 J Cooke
 Trustee


 S Edwards
 Trustee

TWINING ENTERPRISE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 MARCH 2010

1 Accounting policies

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and the Statement of Recommended Practice, "Accounting and Reporting by Charities", (SORP) issued in March 2005 and in accordance with the Companies Act 2006.

1.2 Incoming resources

Income includes all amounts receivable in connection with the furtherance of the Charity's objects, including payments under service agreements, contributions from outside agencies and amounts received from the provision of services.

Donations and similar income are accounted for on a receivable basis.

Grants, which relate to the performance and specific deliverables, are accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance of performance its recognition is deferred and included in creditors. Where entitlement occurs before income is received the income is accrued.

Grants received for the purchase of fixed assets are treated as restricted. Once the asset has been purchased it is treated as unrestricted, unless there are specific restrictions on its use.

Investment income is included when receivable.

1.3 Resources expended

Expenditure is included on an accruals basis as the liability is incurred. Expenditure includes VAT and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Cost relating to a particular activity is allocated directly, others are apportioned on an appropriate basis (e.g. apportionment of time spent by personnel).

1.4 Tangible fixed assets and depreciation

Depreciation has been provided at the following rates in order to write the assets off over their estimated remaining useful lives:-

| | |
|--------------------------------|-------------------|
| Fixtures, fittings & equipment | 33% straight line |
|--------------------------------|-------------------|

All fixed assets held have been used in the furtherance of the Charity's objects.

1.5 Pensions

The charity makes contributions to a local government pension scheme of which some staff are members. There is no liability beyond the payment of regular contributions.

1.6 Restricted funds

TWINING ENTERPRISE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2010

1 Accounting Policies

(Continued)

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.7 Unrestricted funds

Unrestricted funds are available for the use at the discretion of the trustees in furtherance of the general objective of the charity.

2 Investment income

| | 2010 £ | 2009 £ |
|---------------------|-----------|-----------|
| Interest receivable | 340 | 4,913 |

3 Incoming resources from charitable activities

| | Unrestricted funds £ | Restricted funds £ | Total 2010 £ | Total 2009 £ |
|---------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Contracts and grants receivable | 527,353 | 20,417 | 547,770 | 467,525 |

Included within contracts and grants receivable are the following:

Contracts

| | | |
|---------------------------------------|---------|---------|
| Royal Borough of Kingston upon Thames | - | 30,000 |
| Learning & Skills Council | - | (225) |
| Prospects | 24,553 | 26,610 |
| London Borough of Ealing | 64,014 | 56,000 |
| South London Learning Consortium | - | 15,271 |
| London Development Agency | 189,618 | 147,219 |
| West London Mental Health Trusts | 74,568 | 30,400 |
| Ealing Primary Care Trust | 146,250 | 162,250 |
| London Borough of Hounslow | 10,000 | - |
| The Citizens Trust | 18,350 | - |

Grants

| | | |
|---------------------------|----------------|----------------|
| City Parochial Foundation | 20,417 | - |
| | <u>547,770</u> | <u>467,525</u> |

TWINING ENTERPRISE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2010

4 Other incoming resources

| | 2010 | 2009 |
|--------------------------------------|------|------|
| | £ | £ |
| Net gain on disposal of fixed assets | 500 | - |

5 Total resources expended

| | Staff costs £ | Depreciation £ | Other costs £ | Total 2010 £ | Total 2009 £ |
|--------------------------------|---------------------|-------------------|---------------------|--------------------|--------------------|
| Charitable activities | | | | | |
| <u>Vocational advice</u> | | | | | |
| Activities undertaken directly | 481,003 | 4,503 | 57,047 | 542,553 | 625,234 |
| Governance costs | - | - | 4,331 | 4,331 | 31,011 |
| | <u>481,003</u> | <u>4,503</u> | <u>61,378</u> | <u>546,884</u> | <u>656,245</u> |

Governance costs includes payments to the auditors of £4,331 (2009: £6,750) for audit fees and £nil (2009: £11,850) for other services.

6 Governance costs

| | 2010 | 2009 |
|----------------------------------|--------------|---------------|
| | £ | £ |
| Other governance costs comprise: | | |
| Legal and professional | - | 19,250 |
| Audit and accountancy | 4,331 | 11,761 |
| | <u>4,331</u> | <u>31,011</u> |

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period.

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8 Employees

Number of employees

The average monthly number of employees during the period was:

| | 2010 Number | 2009 Number |
|-----------------------|----------------|----------------|
| Services | 25 | 20 |
| Employment costs | 2010 £ | 2009 £ |
| Wages and salaries | 438,218 | 483,567 |
| Social security costs | 42,785 | 46,099 |
| Other pension costs | - | 12,119 |
| | <u>481,003</u> | <u>541,785</u> |

There were no employees whose annual emoluments were £60,000 or more.

9 Tangible fixed assets

| | Fixtures, fittings & equipment £ |
|-----------------------|---|
| Cost | |
| At 1 July 2009 | 25,253 |
| Additions | 5,042 |
| At 31 March 2010 | <u>30,295</u> |
| Depreciation | |
| At 1 July 2009 | 12,067 |
| Charge for the period | 4,503 |
| At 31 March 2010 | <u>16,570</u> |
| Net book value | |
| At 31 March 2010 | <u>13,725</u> |
| At 30 June 2009 | <u>13,186</u> |

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| 10 Debtors | 2010 | 2009 |
|--------------------------------|----------------|----------------|
| | £ | £ |
| Trade debtors | 141,145 | 176,052 |
| Other debtors | - | 16 |
| Prepayments and accrued income | 9,911 | 29,298 |
| | <u>151,056</u> | <u>205,366</u> |

| 11 Creditors: amounts falling due within one year | 2010 | 2009 |
|---|----------------|----------------|
| | £ | £ |
| Trade creditors | 6,094 | 3,169 |
| Taxes and social security costs | 17,608 | 14,593 |
| Other creditors | 250,674 | 249,184 |
| Accruals | 40,849 | 115,417 |
| | <u>315,225</u> | <u>382,363</u> |

12 Pension and other post-retirement benefit commitments
Defined contribution

| | 2010 | 2009 |
|---|----------|---------------|
| | £ | £ |
| Contributions payable by the company for the period | <u>-</u> | <u>12,119</u> |

13 Restricted funds

The income funds of the charity include restricted funds comprising the following grants received on trust for specific purposes:

Of employing a vocational advisor for work in Hounslow for the period of 1 year.

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14 Analysis of net assets between funds

| | Unrestricted funds | Restricted funds | Total |
|--|-----------------------|---------------------|---------------|
| | £ | £ | £ |
| Fund balances at 31 March 2010 are represented by: | | | |
| Tangible fixed assets | 13,725 | - | 13,725 |
| Current assets | 370,767 | - | 370,767 |
| Creditors: amounts falling due within one year | (315,225) | - | (315,225) |
| | <u>69,267</u> | <u>-</u> | <u>69,267</u> |

15 Commitments under operating leases

At 31 March 2010 the company had annual commitments under non-cancellable operating leases as follows:

| | Land and buildings | |
|----------------------------|--------------------|---------------|
| | 2010 | 2009 |
| | £ | £ |
| Expiry date: | | |
| Within one year | 16,085 | 16,085 |
| Between two and five years | 18,765 | 31,723 |
| | <u>34,850</u> | <u>47,808</u> |