

Report & Financial Statements 2013-14

Contents

Chief Executive's Report	1
Report & Financial Statements	6
Reference and Administrative details	7
Report of the Trustees	8
Independent Auditors' Report	15
Statement of Financial Activities	17
Balance Sheet	18
Notes to the Financial Statements	19

Chief Executive's Report

Since its launch in April 2012, the Responsible Gambling Trust (RGT) has established itself as a respected and independent charity working in partnership with the British-based gambling industry, the Gambling Commission and the Responsible Gambling Strategy Board (RGSB), as well as the Government via the Department of Culture, Media and Sport (DCMS) and an array of treatment providers. In July 2014, an additional protocol to further improve partnership working between the RGT, the RGSB and the Gambling Commission was appended to the original 'statement of intent' and is available via the RGT website.

As an independent national charity, the RGT is registered with and regulated by the Charity Commission for England and Wales and has adopted its 'Hallmarks of an Effective Charity' to ensure best practice.

The RGT has reorganised its Board of Trustees to ensure that it properly balances the need to retain the confidence of a diverse industry, vital in the context of a voluntary donation-based system, with the need for robust governance arrangements when commissioning independent research, for example. The RGT now has an eminent group of independent trustees, who oversee the charity's research activities via a Research Committee. More recently, a Treatment Panel of experienced experts has been established, in co-operation with the RGSB, to advise trustees in relation to treatment and harm-minimisation.

An 'engagement' model

The RGT fund-raised £6.3million from the British-based gambling industry in 2013-14. 85% of distributed funds are spent on treatment and harm prevention activities. The success of the current voluntary (donation-based) arrangements rests in the confidence that the money raised is spent wisely and is successful in achieving desired outcomes in relation to research, treatment and harm prevention.

The inclusion of five trustees who work in the British gambling industry – specifically covering adult gaming centres, betting, bingo, casinos, pubs and remote gambling – helps to facilitate confidence in and support for the RGT across the industry. In turn this promotes better understanding of and willing engagement in harm prevention measures, which is exemplified by the independent research into industry data, venues, gaming machines and customers brokered by the RGT in relation to licensed betting offices (2013-14) and remote gambling (2015).

The principal concern regarding the implementation of a statutory levy arrangement – aside from concerns about value for money, focus and efficiency – is that industry might simply accept it as a cost of doing business without engaging positively in helping to minimise gambling-related harm.

Treatment and harm prevention

The current organisational strength and financial stability of the RGT has provided trustees with the confidence to be ambitious in how the charity develops as a grant-making and fund-distributing body during the next three years as it continues to strive to be a respected and independent voice and catalyst for minimising gambling-related harm and promoting responsible gambling behaviour.

Fundraising for the twelve months to 31 March 2015 is expected to exceed £6million again. The intention over the next three years is to build towards a sustainable financial model in which income and expenditure are equally balanced at a level of £7million per annum.

Careful management over the last two years means the charity now holds £500,000 in operational reserves and has a strong, well-managed cash-flow that is being used to build a newfound measure of confidence and stability for those organisations the RGT funds.

In November 2014, the RGT announced a new two and half year funding agreement with the Gordon Moody Association for residential treatment services and is in the process of agreeing new funding agreements with both GamCare for treatment services and the continued delivery of the National Gambling Helpline and Central North West London NHS Foundation Trust for treatment services.

The RGT is committed to continuing to build on the excellent and trusted partnerships that currently exist but will be careful to offer funding that is affordable and, in the long term, sustainable. Trustees plan to continue distributing funds in the period to 31 March 2018 broadly as follows: treatment and harm prevention (including education) – 85%; research – 15%.

In relation to funding treatment and harm prevention, the RGT has adopted the following ‘model of care’, adapted from the four intervention levels developed by the National Treatment Agency in relation to adult drug misusers:

Tier 1

Information, advice, signposting to treatment services and harm prevention activity i.e. schools, GPs, Citizens’ Advice Bureaux, debt advice agencies

Tier 2

Counselling including one-to-one, group, family, affected others

Tier 3

Specialist intervention i.e. psychiatric

Tier 4

Residential treatment services

Within this context trustees are keen to work toward an integrated and holistic harm prevention and treatment landscape that accommodates the above ‘model of care’. Specifically, trustees support the principle of establishing a joined-up ‘national problem gambling service’ that includes awareness-raising and early prevention work, particularly among young people, together with a variety of treatment providers, different modes of treatments and ‘treatment care pathways’ that extend into local NHS foundation trusts as and when required on the basis of the local knowledge and professional relationships of the counselling services the RGT funds in the future.

The RGT’s position is that it is right that the gambling industry stands first in line to contribute to research, treatment and harm prevention services. However, Public Health England, NHS Foundation Trusts and all local health commissioning agencies ought to recognise that there is a wider responsibility to provide treatment and harm prevention services for problem gambling alongside services for those struggling with alcohol- and drug-related problems.

Trustees note that the Secretary of State for Health, Jeremy Hunt, MP has recently acknowledged the need for "...a change in the approach of commissioners. People with mental health needs often have physical health needs and different needs relating to gambling and alcohol addictions, for example, that are connected to their mental health problems. Unless all these issues are tackled together, we are unlikely to make progress." (Hansard, 1 December 2014)

Trustees have agreed that the RGT should actively work to raise the profile of problem gambling amongst national and local health commissioners and to encourage the use of public funding to provide a response to problem gambling.

The RGT does not regard itself as a 'commissioner' in the sense of the term understood within a statutory agency context e.g. NHS. Rather, the RGT is a 'grant-making body' with the objective of using best-practice aspects of commissioning such as needs assessment, service planning and outcomes reporting to support its role as a grant-funder of effective, evidence-informed, high-quality gambling-related harm support services. This role is underpinned by a commitment to monitoring and evaluating services to ensure ongoing and continuous quality improvement of the grant-funding process.

Identifying how value for money in relation to the funding of treatment services can be improved depends in part on the production of comparable outcome data from across the range of providers using a common Data Reporting Framework (DRF). The RGT initiated the introduction of a common DRF in October 2014. This will help to create an evidence-base upon which to evaluate and make assessments about what treatment works well and where and therefore guide how best to direct future funding. This initiative requires a move away from simply understanding how many clients attend treatment sessions towards an assessment of how many successful outcomes are achieved and sustained, and at what cost.

The RGT has established the Clinicians' National Network Forum with the specific object to share learning across a range of relevant issues between clinicians working with problem gamblers, including clinical governance, occupational standards and service-user engagement. This shared learning will be extended to policy makers, funders and gambling operators through the development of a programme of seminars and conferences.

The RGT continues to develop the GambleAware™ website to operate as an effective on-line resource to promote responsibility in gambling. The website provides information to help people make informed decisions about their gambling and what responsible gambling means. It is also intended to help people understand and recognise problem gambling, and show where to go for further information, help and support should it be needed. An advisory panel of experts regularly reviews and evaluates the website's performance.

In October 2014, a pilot project was initiated to promote GambleAware™ to patients and their family and friends visiting GP surgeries in the Greater Manchester and Salford area, and to evaluate the impact of such advertising on awareness of problem gambling, GambleAware™ and the National Gambling Helpline.

In addition to spending around £5million on treatment services in 2015, trustees have agreed to make a fund of up to £500,000 available for harm prevention and education activities in 2015-16, and an invitation to tender for funding will be forthcoming.

Research

The RGT has commissioned and published a number of high quality evidence reviews focused on 'harm minimisation' in the last two years, and published a significant body of independent research into B2 gaming machines in December 2014.

The RGT is about to embark upon a new program of research into remote gambling behaviour to understand and assess what types of data online gambling industry operators hold and retain on their customers and how these data might be used for harm minimisation purposes. This research will build on the work undertaken with regard to Category B gaming machines.

Simply put the RGT's research remit is 'how to prevent people getting into trouble and how best to help them out of it'. The RGT Research Committee will agree a research strategy - taking account of both the RGSB Strategy and a commitment to spend 10-15% of funds distributed - that delivers a balanced research programme that shifts the focus beyond the individual to include the gambling environment in line with a public health approach.

Other research priorities for the RGT include:

- Investigating the impact of gambling on young people and other vulnerable people;
- Investigating what education and prevention activity may be more or less effective in minimising gambling-related harm;
- Investigating the role of social media in relation to gambling;
- Investigating the international evidence for the effectiveness of treatment of 'problem gambling';
- Assessing motivation and need satisfaction in relation to gambling.

The RGT has recently redeveloped the Responsible Gambling InfoHub™ website as an online library resource for professionals in the field of responsible gambling, and the RGT Research Committee will be reviewing proposals for introducing a new round of PhD funding in 2015-16.

Fundraising

The RGT's objective is to fundraise annually 0.1% of gross gambling profit (GGP) from all organisations that derive an income from commercial gambling in Great Britain within a voluntary (donation-based) system to fund effective research, harm prevention and treatment services.

It is concerning that a minority of licensed gambling operators contribute to the RGT although it is pleasing to report that the proportion has grown to around 30% in the current year.

On the basis of the industry statistics reported by the Gambling Commission for the 12 months to 31 March 2014, an industry-wide contribution of 0.1% of gross gambling profit would amount to circa £10million. In addition to what might be thought of as the primary source of funding - that is licensed gambling operators - there are other business sectors that derive an income from commercial gambling including professional sports and media. The RGT will be working hard to encourage these sectors to get more involved in the future.

What should not go unmentioned is the success of the two international fundraising treks to Kilimanjaro (October 2013) and the Sahara Desert (March 2014). A total of 50 participants from a dozen companies participated in the two events and together fundraised close to £125,000. In April 2015, 27 fundraisers will tackle the next fundraising trek along part of the Great Wall of China.

Beyond the fundraising, the other significant success arising from these trekking events is the opportunity to raise the profile of and support for RGT among a diverse group of people working in a range of disciplines within the British gambling industry.

Trustees are keen to focus a particular effort in communicating more effectively with the industry whose donations it requires to fund the RGT's activities. To this end, the RGT will establish new ways in which it can share transparently how it is spending the monies raised and what is being achieved, as well as helping the industry to better know and understand what makes a difference in terms of minimising gambling-related harm.

In the meantime, on behalf of the management team, I should like to thank all those businesses and individuals that have donated or otherwise helped to support the RGT in the last 12 months. Also, thank you to each of the RGT trustees, and especially Neil Goulden, who so generously give up their time, energy and wise counsel with no material reward other than my sincere thanks.

Marc Etches
Chief Executive

Responsible Gambling Trust
Report and Financial Statements
31 March 2014

Reference and administrative details**For the year ended 31 March 2014**

Status	The organisation is a charitable company limited by guarantee, incorporated on 28 February 2002 and registered as a charity on 24 September 2002.
Governing document	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.
Company number	4384279
Charity number	1093910
Registered office and operational address	35 Piccadilly London W1J 0DW
Chairman	Neil Goulden
Chief Executive	Marc Etches
Bankers	Bank of Scotland 8 Lochside Avenue Edinburgh EH12 9DJ
Auditors	Sayer Vincent LLP Chartered Accountants and Statutory Auditors 8 Angel Gate City Road London EC1V 2SJ

Report of the trustees

For the year ended 31 March 2014

The Trustees present their report and the audited financial statements for the year ended 31 March 2014.

Reference and administrative details set out on page one form 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).

About Responsible Gambling Trust

Responsible Gambling Trust (RGT) is the leading charity in the UK committed to minimising gambling-related harm. As an independent national charity, RGT raises a minimum of £5million each year from the gambling industry operating in Britain within a voluntary (donation based) system and funds harm prevention and treatment services, and commissions independent research to broaden public understanding of gambling-related harm.

The aim of the charity is to stop people getting into problems with their gambling, and ensure that those that do develop problems receive fast and effective treatment and support.

During the year, RGT raised £6,126,888 in donations; received £10,935 donations in kind (in the form of boardroom hire and software); raised £123,537 from sponsorship of expeditions to Kilimanjaro and Sahara; and, received £16,574 in interest – giving a total of £6,277,934.

A total of £4,368,793 was spent on treatment and harm prevention, and research.

Objects of the charity

- A. The relief of those who are vulnerable or otherwise in need as a result of gambling in particular but not exclusively, by provision of counselling and advice; and
- B. The advancement of education for the benefit of the public by research into responsible gambling, the nature and causes of gambling-related harm and the effectiveness of treatments, and the publication of the results of such research.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set. Our strategic aim and objectives are as follows:

Strategic aim

- Minimise gambling-related harm by funding effective harm prevention strategies and ensuring that those individuals who do develop problems receive fast and effective treatment and support

Strategic objectives

- Fundraise annually 0.1% of gross gambling profit (GGP) from all organisations that derive an income from commercial gambling in Great Britain within a voluntary (donation-based) system to fund effective research, harm prevention and treatment services
- Commission effective and value-for-money services from treatment and harm prevention providers through a commissioning approach focusing on partnership working and appropriate evaluation, which is proportional to the relevant grant

Report of the trustees

For the year ended 31 March 2014

- Deliver an independently commissioned research programme that focuses on gambling behaviour and the effectiveness of various treatment and harm prevention strategies in minimising gambling-related harm

Organisational structure and future plans

RGT develops its commissioning plans in collaboration with the Responsible Gambling Strategy Board (RGSB) and the Gambling Commission. The RGSB is the Gambling Commission's independent adviser and is responsible for generating an independent, unbiased, evidence-based national responsible gambling strategy.

RGT's funding priorities are guided by a national strategy advised by RGSB and endorsed by the Gambling Commission. The latest Strategy was published in December 2012. In response, RGT published in May 2013 its Commissioning Plan for 2013/14.

These arrangements are underpinned by an 'assurance and governance framework' agreed between the three parties and published in August 2012. The success of these arrangements relies on openness, transparency and partnership between the three parties.

Throughout the twelve months to 31 March 2014, RGT had five full-time members of staff. These were the Chief Executive, Director of Fundraising, Administrator and Assistant to the Director of Fundraising, Director of Commissioning, and Assistant Director of Commissioning. Accountancy services were provided by a freelance contractor on a part-time basis.

Governance

As an independent national charity, RGT is registered with and regulated by the Charity Commission for England and Wales and has adopted its 'Hallmarks of an Effective Charity' to ensure best practice.

RGT understands the need to generate widespread trust and credibility in its independence and integrity, particularly in view of the investment of both fundraising and commissioning functions in a single, industry-funded body. RGT has put in place robust governance arrangements including:

- Appointing wholly independent trustees
- Inviting the Government, the Gambling Commission and the RGSB to observe RGT board and committee meetings
- Publishing details of how funds will be distributed each year guided by the RGSB's rolling three-year strategy as endorsed by the Gambling Commission
- Ensuring research is commissioned via an independent research committee in consultation with the RGSB
- Seeking advice from external experts in collaboration with the RGSB

Chairman's statement

The year ended 31st March 2014 was another year of significant progress for RGT.

Our fundraising (donor) income rose by 10% from £5.7m to £6.3m and in the current year we are on target to generate donor income approaching £6.5m. This is well above the £5.0m per annum minimum we committed (to the Government in 2009) to raise and is well on the way to our target of raising over £7.0m per annum from our industry donor base.

The increased income has created financial stability for RGT with carried forward funds of £4.15m, including reserves of £500,000 held in a separate deposit account.

Report of the trustees

For the year ended 31 March 2014

The new found security has, in turn, allowed us to take a far more strategic, long term, approach to our commissioning activities and, in particular, to commission research into a number of key areas where significant knowledge gaps exist.

The RET (Research, Education and Treatment) arrangements that I outlined in my report last year are continuing to work well and we continue to have a very constructive relationship with our key stakeholders, the Responsible Gambling Strategy Board (RGSB); the Gambling Commission and the Government (DCMS). I am grateful to my fellow 'chairs', Philip Graf and Sir Christopher Kelly, for their continued support and wise counsel.

The primary objective of the Trust remains to minimise the level of gambling-related harm in Britain by promoting the ethos that those who do decide to gamble should do so responsibly and ensuring that those who do develop problems get the support and help that they need quickly and effectively. Our work continues to be evidence based, both from the point of view of what causes harm and also what harm prevention and treatment measures are most effective.

RGT is an independent charity and it is vitally important that we maintain the confidence of all stakeholders in the work that we undertake, and in particular the research that we commission. Our Board consists of five "independent" Trustees and five Trustees who represent a cross section of our industry donor base. As Chairman I do not hold a vote so there are ten voting Trustees. We have also established a Research Sub-Committee, consisting (only) of our five independent Trustees, which oversees our research programme and ensures rigorous independence in both the results and their eventual publication.

RGT has also invited RGSB, the Gambling Commission and DCMS to send observers to both RGT Board meetings and Research Committee meetings. We are delighted that all three key stakeholders have taken up this offer. These arrangements help us to reassure both our three key stakeholders, and society at large, that RGT is commissioning services objectively and independent of those (the industry) that contribute to our funding.

I would like to thank all those who have continued their generous support of RGT in the past and current year. I believe that RGT is continuing to make significant progress and is leading the drive to prevent and reduce gambling-related harm in Britain. We can only continue, and increase, this good work with the on-going support of our donors and we are extremely grateful for their continued support. At the same time it is a very real concern to me that only 25% of licensed gambling operators licensed in Britain contribute to RGT. This is not a healthy situation, particularly for the industry itself, and we will continue to work with the various Trade Associations to demonstrate the good work being carried out by RGT and that our donors' money is spent wisely and delivers exceptional value for money. Britain has an enviable reputation for socially responsible gambling backed by a voluntary system of donations that contribute to the minimisation of gambling-related harm. The voluntary system also allows RGT to engage the industry in harm prevention measures and in our research programme. This can only continue with the continued support of a growing donor base. The unwelcome alternative is a statutory levy and the dis-engagement of the industry.

At the same time, I am immensely grateful to our top 14 donors who stepped up to the plate and together contributed £4.4million (70%) of the £6.3million donated in 2013/14. Collectively they increased their contributions by 10.7% in a period of restrained economic growth.

2013/14 was the second fundraising year under arrangements that came into effect from 1 April 2012 when RIGT re-launched itself as the Responsible Gambling Trust (RGT). RGT is responsible for fundraising and commissioning activity to deliver the strategy that the Responsible Gambling Strategy Board (RGSB) advises the Gambling Commission should be followed subject both to feedback from activity and evidence evaluated by RGT and to the availability of funds.

Report of the trustees

For the year ended 31 March 2014

An agreed 'assurance and governance framework' enables the Gambling Commission to assure itself, and therefore Government, that the combined work of the RGSB in setting substantive priorities for funding, and RGT in generating funds and commissioning work to give effect to RGSB's priorities is effective – including in the generation of evidence that will better inform decisions about the regulatory framework – and thus that the voluntary system is working successfully to contribute to minimising the level of gambling-related harm in Britain and to ensuring that effective treatment is available to those who require it.

These arrangements are predicated on all parties working together openly and in active partnership with an overriding commitment to transparency and engagement with stakeholders – and it is this transparency and engagement that will underpin trust and credibility in the current arrangements.

December 2014 will see the publication of RGT's ground-breaking research into gaming machines and machine players, with a focus on B2 gaming machines. The research is the first of its kind, with unsurpassed access to industry data for the independent research team. I am confident that this research will provide significant insights into machine-related harm and credible harm prevention measures, which will have relevance to everyone, domestically and internationally, who is working to minimise gambling-related harm.

Finally, I wish to take this opportunity to thank the staff of RGT, my fellow Trustees, and our provider partners, most notably GamCare, Gordon Moody and the National Problem Gambling Clinic, for their sterling work in support of our fundraising and commissioning activities, and to congratulate them on a successful 2013/14.

Neil Goulden – Chairman

Reserves policy

RGT's need for reserves has been reviewed in line with the guidance issued by the Charity Commission. The majority of RGT's funds are used to fund its charitable objectives and operating costs, and it was decided that a reserve sum of £500,000 be set aside as of 31 March 2013. This is equivalent to 12 months of the Charity's operating costs. The level of reserves ensures that RGT could continue during a period of unforeseen difficulty and takes into account the impact of RGT reducing or winding up its operation.

Funds held at 31 March 2014 were £4,149,515, which will enable RGT to invest in further research, harm prevention and treatment services.

Investment policy

The Board of Trustees has agreed that cash reserves should be held in a readily realisable form in low risk bank accounts.

Grant making policy

RGT's grant-making policy is for management to identify possible grant recipients which are then considered by the trustees acting as a body. Currently RGT does not seek applications for grants and generally will not make grants in response to unsolicited applications received.

Funding policy

Funds raised by RGT are distributed in accordance with the strategic direction provided by the RGSB. During the year, a total of £4,368,793 was spent on treatment and harm prevention, and research.

Report of the trustees

For the year ended 31 March 2014

Risk review

Risk review is an integral part of the planning, budget, forecasting and management cycle of RGT and takes into account factors such as income streams varying from forecast; the on-going effectiveness of our funded projects; staff welfare; and reputation management. Management periodically report a risk analysis to the Board of Trustees. The Trustees are of the view that an appropriate control framework is in place to manage the risks identified, whilst recognising that no system of internal control can provide absolute assurance or the elimination of risk.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of RGT for the purposes of company law) are responsible for preparing the report of the Trustees 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 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.

Board of Trustees and governance

During the year in question, RGT was governed by a Board of Trustees; under the leadership of the Chairman, the Board monitored and reviewed RGT's strategy, policy and budgets to enable the charity to achieve its objectives.

In appointing the Board members, the selection process took into account the balance of skills and experience required and the need to include members with expertise in issues such as problem gambling research and corporate social responsibility. RGT is managed by the trustees with decisions taken at the regular trustee meetings. Trustees are given training and advice on their responsibilities when they take on the position.

Report of the trustees

For the year ended 31 March 2014

The Trustees in 2013/14 included a number who held senior positions at companies within the industry that make donations to RGT. No formal trustee training was undertaken in-house as a separate exercise.

Trustees understand the need to generate widespread trust and credibility in RGT's independence and integrity, particularly in view of the investment of both fundraising and commissioning functions in a single, industry-funded body. This is especially so in relation to the commissioning of research.

All research activity is wholly the responsibility of its Research Committee, currently chaired by Professor Jonathan Wolff who is also the RGT's senior independent Trustee. This arrangement ensures that those Trustees who may have a direct interest in any research outcomes are entirely excluded from directing or otherwise influencing any research activity that RGT undertakes to commission. The terms of reference for the research committee are published via its website www.responsiblegamblingtrust.org.uk.

The research committee consists of:

- Professor Jonathan Wolff (Chair) – Dean of Faculty of Arts and Humanities and Professor of Philosophy, University College London
- Alan Jamieson – Former Deputy CEO of the British Association for Counselling and Psychotherapy, and former Director of the National AIDS Helpline
- Hilary Stewart-Jones (resigned 8 May 2014)
- Gerry Sutcliffe MP - Former Minister of State responsible for gambling policy
- Liz Barclay (resigned 30 September 2014)
- Professor Patrick Sturgis (appointed 1 July 2014) - Professor of Research Methodology, University of Southampton
- Professor Chris Brady (appointed 1 October 2014) - Professor of Management Studies and co-director of the Centre for Sports Business at the University of Salford

RGSB, the Gambling Commission and DCMS are invited to observe all full Board and Research Committee meetings. Also, for each substantial research project commissioned, RGT will establish a panel of independent experts to provide further academic oversight. These arrangements are expected to ensure all aspects of any research programme are transparent to the Gambling Commission and therefore to the Government. Furthermore, RGT is committed to publishing all research outputs following a rigorous and entirely independent peer-review process.

Trustees understand the need to be financially sound and prudent, as well as transparent and accountable, so as to generate widespread trust and credibility in RGT's independence and integrity.

A remuneration committee operates to review and to make recommendations regarding the salaries and benefits of all management and staff members. The terms of reference for the remuneration committee are published via its website www.responsiblegamblingtrust.org.uk.

The remuneration committee consists of:

- Clive Hawkswood (Chair)
- Neil Goulden
- Hilary Stewart-Jones (resigned 8 May 2014)
- Alan Jamieson (appointed 9 May 2014)

Report of the trustees

For the year ended 31 March 2014

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

- Neil Goulden (Chairman)
- Liz Barclay (resigned 30 September 2014)
- Peter Brooks (appointed 1 October 2013)
- Richard Glynn
- Nick Harding
- Clive Hawkswood
- Alan Jamieson
- Carl Leaver (resigned 1 October 2013)
- Jonathan Paveley
- Gerry Sutcliffe MP
- Hilary Stewart-Jones (resigned 8 May 2014)
- Professor Jonathan Wolff

Trustees appointed since year-end and up to the date of this report are as follows:

- Professor Patrick Sturgis (appointed 1 July 2014)
- Professor Chris Brady (appointed 1 October 2014)

The Trustees are members of the charitable company and guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2014 was 11 (2013: 11).

All Trustees give their time voluntarily and receive no benefits from the charity in their capacity as trustees. One Trustee receives payment for professional advice. Details of this and any expenses reclaimed by the Trustees from the charity are set out in note 6 to the accounts.

Auditors

Sayer Vincent LLP were re-appointed as auditors during the year and has expressed its willingness to continue in that capacity.

The report of the trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees on 13 November 2014 and signed on their behalf by



Neil Goulden - Chairman

Independent auditors' report**To the members of****Responsible Gambling Trust**

We have audited the financial statements of Responsible Gambling Trust for the year ended 31 March 2014 which comprise primary financial statements 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 responsibilities of the Trustees set out in the report of the Trustees, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the report of the Trustees, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report

To the members of

Responsible Gambling Trust

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
- 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; or
- The Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the report of the Trustees and take advantage of the small companies' exemption from the requirement to prepare a strategic report.



Helen Elliott (Senior statutory auditor)

13 November 2014

for and on behalf of Sayer Vincent LLP, Statutory Auditors

8 Angel Gate, City Road, LONDON EC1V 2SJ

Statement of financial activities (incorporating an income and expenditure account)**For the year ended 31 March 2014**

	Note	2014 £	2013 £
Incoming resources			
<i>Incoming resources from generated funds</i>			
Voluntary Income	2	6,137,823	5,680,636
Activities for generating funds	3	123,537	-
Investment Income		16,574	15,505
Total incoming resources		<u>6,277,934</u>	<u>5,696,142</u>
<i>Costs of generating funds:</i>			
Costs of generating voluntary income		226,221	173,504
<i>Charitable activities:</i>			
Research	4	524,834	158,155
Treatment & Harm Prevention		3,843,959	3,800,255
Governance		24,935	27,722
Total resources expended	5	<u>4,619,949</u>	<u>4,159,635</u>
Net incoming resources for the year	6	1,657,985	1,536,506
Funds at 1 April 2013		<u>2,491,530</u>	<u>955,024</u>
Funds at 31 March 2014		<u><u>4,149,515</u></u>	<u><u>2,491,530</u></u>

All of the above results are unrestricted and derived from continuing activities. There were no other recognised gains or losses other than those stated above.

Balance sheet

Company number 4384279

As at 31 March 2014

	Note	£	2014 £	2013 £
Tangible fixed assets	10		<u>4,579</u>	<u>4,932</u>
Current assets				
Debtors	11	771,825		314,293
Short term deposits		501,086		503,727
Cash at bank and in hand		<u>3,391,901</u>		<u>2,656,549</u>
		4,664,812		3,474,570
Liabilities				
Creditors: amounts due within one year	12	<u>494,876</u>		<u>932,972</u>
Net current assets			<u>4,169,936</u>	<u>2,541,598</u>
Total assets less current liabilities			<u>4,174,515</u>	<u>2,546,530</u>
Creditors: amounts due after more than one year	13		<u>(25,000)</u>	<u>(55,000)</u>
Net assets			<u>4,149,515</u>	<u>2,491,530</u>
Funds				
Unrestricted funds				
General funds			<u>4,149,515</u>	<u>2,491,530</u>
Total funds			<u>4,149,515</u>	<u>2,491,530</u>

Approved by the Trustees on 13 November 2014 and signed on their behalf by



Neil Goulden - Chairman

Notes to the financial statements

For the year ended 31 March 2014

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005) and the Companies Act 2006.
- b) Voluntary income is received by way of donations and is included in full in the statement of financial activities when receivable. Donations received before the year end which are clearly specified for a future accounting period are shown as deferred.
- c) Donated services and facilities (gifts in kind) are included under Incoming Resources (with an equivalent amount in Resources Expended) where the benefit to the Trust is quantifiable and material. The value placed on these resources is the estimated value to the Trust of the service or facility received.
- d) The full costs of the majority of grants payable by the Trust are included in the statement of financial activities in the year in which they are approved and notified to the grantee, even if they are for projects which cross more than one financial year, or for multi-year programmes of work. If such grants that are approved during the year are payable by instalments or have not been paid, in part or in full, by the end of the year, any unpaid amounts are included as creditors in the balance sheet if the conditions attached to the grant are accepted by the beneficiary before the accounts are signed.

If a multi-year award is subject to the recipient submitting a satisfactory progress report and the renegotiation of targets and conditions between the recipient and the group, only the current year's grant will be included in the statement of financial activities.

- e) Governance costs comprise the costs of complying with statutory requirements, including the annual audit.
- f) Tangible fixed assets costing more than £50 are capitalised and included at cost including any incidental expenses of acquisition. Depreciation is provided on all tangible assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Computer equipment	33.33% reducing balance
Fixtures, fittings and equipment	20% reducing balance

- g) Unrestricted funds are donations and other income received or generated for the Trust's purposes.
- h) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.
- i) 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 a total expenditure basis which is an estimate of the support attributable to each activity:

Costs of generating funds	35%
Research	24%
Treatment & Harm Prevention	38%
Governance	3%

- 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 in the year in which they fall due. There was one operating lease commitment during 2013/14. No assets are held under hire purchase agreements or finance leases.

Notes to the financial statements

For the year ended 31 March 2014

k) The Trust agrees to contribute to a group pension scheme. The pension cost charge represents contributions payable by the Trust to the employees' schemes within the group plan. The Trust has no liability under the schemes other than for the payment of those contributions.

2. Voluntary income	2014	2013
	£	£
Industry donations	6,116,888	5,663,632
Industry sponsorship of conference	10,000	-
Donated services	10,935	17,004
	<u>6,137,823</u>	<u>5,680,636</u>

Donated services

During 2013/14, the Trust was provided with services free-of-charge, which amounted to an estimated value £10,935. These were: boardroom hire £9,000 and software £1,935. The estimated value of these gifts in kind has been presented in the accounts, thus giving a fair representation of the costs of the group during the year.

3. Activities for generating funds	2014	2013
	£	£
Fundraising from Kilimanjaro and Sahara expeditions	123,537	-
	<u>123,537</u>	<u>-</u>

4. Reversal of grant commitments against 13/14 charitable expenditure

On 12th December 2011, RGT took control of the Responsible Gambling Fund (RGF), a charitable company incorporated in the UK. From 1st April 2012, all assets and liabilities of RGF were transferred to RGT, and this included grant commitments totalling £1,671,305. Since April 2012, £1,308,244 has been paid by RGT against these commitments. At March 2014, it was judged that several commitments were no longer payable, due to events and communications occurring since April 2012, and underclaimed grants. The amount of £245,326 has been removed from RGT's balance sheet to better reflect the Trust's actual liabilities and is shown as a reduction against Charitable Expenditure in 2013/14 in the statement of financial activities. At 31st March 2014 £117,735 remains payable to recipients of grants agreed by RGF.

Responsible Gambling Trust

Notes to the financial statements

For the year ended 31 March 2014

5. Total resources expended

	Costs of Generating Funds	Research	Treatment & Harm Prevention	Governance	Other Outgoing Resources	Support	2014 Total	2013 Total
	£	£	£	£	£	£	£	£
Grants payable (note 7)	-	50,285	3,854,007	-	-	-	3,904,292	3,658,225
Reversal of accrued grant commitments from prior years (note 4)	-	(31,443)	(213,883)	-	-	-	(245,326)	-
Contracts with institutions and individuals	-	349,678	-	-	-	-	349,678	-
Research & Treatment and Harm Prevention project costs	-	19,041	2,355	-	-	-	21,396	22,159
www.gambleaware.co.uk	-	-	21,026	-	-	-	21,026	-
Conference	-	22,552	-	-	-	-	22,552	-
Fundraising Expedition costs	5,205	-	-	-	-	-	5,205	-
Staff costs (note 8)	-	-	-	-	-	348,834	348,834	256,318
Premises cost	-	-	-	-	-	40,814	40,814	98,699
Telecommunications	-	-	-	-	-	3,358	3,358	9,305
Public relations & branding	51,261	-	-	-	-	-	51,261	15,466
Exhibitions & awards	-	-	-	-	-	-	-	2,896
Consultancy fees	-	750	-	-	-	-	750	6,823
Website costs	3,547	-	-	-	-	-	3,547	1,273
Accountancy and audit fee	-	-	-	9,300	-	12,420	21,720	25,049
Legal fees	-	-	-	-	-	5,703	5,703	11,025
Recruitment and payroll fees	-	-	-	-	-	2,094	2,094	1,173
Printing, postage and office supplies	-	-	-	-	-	6,919	6,919	12,253
Software & IT Costs	-	-	-	-	-	5,768	5,768	10,198
Travel, entertainment and meeting costs	-	-	-	-	-	43,288	43,288	15,782
Trustee Expenses not included in direct project costs (note 6)	-	-	-	1,389	-	-	1,389	5,533
Depreciation	-	-	-	-	-	2,282	2,282	2,331
Insurance	-	-	-	-	-	1,966	1,966	3,253
Staff welfare	-	-	-	-	-	291	291	581
Subscriptions & Memberships	-	-	-	-	-	257	257	122
Charges	-	-	-	-	-	630	630	1,072
Bad Debt	-	-	-	-	-	255	255	100
Total	60,013	410,863	3,663,505	10,689	-	474,879	4,619,949	4,159,635
Support costs reallocated	166,208	113,971	180,454	14,246	-	(474,879)	-	-
Total resources expended	226,221	524,834	3,843,959	24,935	-	-	4,619,949	4,159,635

Notes to the financial statements

For the year ended 31 March 2014

6. Net incoming resources for the year

This is stated after charging:	2014	2013
	£	£
Depreciation & loss on disposal of fixed assets	2,282	2,331
Trustees' remuneration	8,000	4,250
Expenses to trustees	5,720	1,283
Auditors' remuneration	9,300	7,500
Operating lease costs - property	<u>39,840</u>	<u>97,827</u>

Payments to trustees

During the year one payment of £968 (2013: £149) was made to the Chairman of RGT for meetings and travel expenses and £4,753 was paid during the year to one of the trustees of RGT (2013: £1,134), to reimburse the cost of travel, accommodation and subsistence. Additionally, £8,000 was paid to Alan Jamieson in respect of attendance at meetings, and professional expertise. Payments are made under a formal contract for services that limits the number of days he can be paid for, as provided for in the governing document. These reimbursed expenses and remuneration are included in expenditure for 2013/14. There were expenses of £334, and fees of £500 outstanding at the year end.

7. Grants payable

Grants awarded to institutions during the year:

	2014	2013
	£	£
Gamcare	2,985,000	2,785,000
Other Treatment Providers		
▪ The Gordon Moody Association	498,000	498,000
▪ Central & North West London NHS - National Problem Gambling Clinic	339,016	339,015
▪ Public Health Action Support Team (PHAST)	7,200	-
Harm Prevention	24,791	2,160
Research	50,285	34,050
Reversal of accrued grant commitments from prior years	<u>(245,326)</u>	-
	<u>3,658,966</u>	<u>3,658,225</u>

In addition to the research grant disclosed in this note, RGT spent £349,678 directly on research in 2013/14, by entering into contracts with institutions, and funding work by individuals. Expenditure included contracts valued at £60,000 with NatCen (research project) and £166,200 with FeatureSpace (data study report). Work undertaken by individuals covered contextual papers and academic reports; peer review of these papers; and Machines Research Oversight Panel participation.

Notes to the financial statements

For the year ended 31 March 2014

8. Staff costs and numbers

Staff costs were as follows:

	2014 £	2013 £
Staff salaries	296,707	223,431
Social security costs	34,927	24,492
Pension costs	14,543	3,210
Other staff costs	<u>1,110</u>	<u>4,511</u>
Total salary costs	347,287	255,644
Temporary staff costs	<u>1,547</u>	674
Total staff costs	<u><u>348,834</u></u>	<u><u>256,318</u></u>

One employee earned between £100,001 and £110,000 during the year (2013 - none), and this employee received pension benefit of £5,850. One employee earned between £60,001 and £70,000 (2013 - none), and this employee received pension benefit of £3,645.

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

	2014 No.	2013 No.
Support	<u><u>5.0</u></u>	<u><u>3.9</u></u>

9. Taxation

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

10. Tangible fixed assets

	Computer Equipment £	Fixtures, Fittings & Equipment £	Total £
At 1 April 2013	10,641	2,415	13,056
Additions	<u>1,935</u>	<u>-</u>	<u>1,935</u>
At 31 March 2014	<u>12,576</u>	<u>2,415</u>	<u>14,991</u>
DEPRECIATION			
At 1 April 2013	6,281	1,843	8,124
Charge for the year	<u>1,882</u>	<u>406</u>	<u>2,288</u>
At 31 March 2014	<u>8,163</u>	<u>2,249</u>	<u>10,412</u>
NET BOOK VALUE			
At 31 March 2014	<u><u>4,413</u></u>	<u><u>166</u></u>	<u><u>4,579</u></u>
At 31 March 2013	<u><u>4,360</u></u>	<u><u>572</u></u>	<u><u>4,932</u></u>

Notes to the financial statements

For the year ended 31 March 2014

11. Debtors

	2014	2013
	£	£
Outstanding donations	516,431	214,844
Accrued income: donations pledged and/or received after year-end	242,048	85,408
Prepayments	12,346	12,966
Other debtors	1,000	1,075
	<u>771,825</u>	<u>314,293</u>

All outstanding donations and accrued income were received by October 2014, apart from £2,446.00.

12. Creditors : amounts falling due within one year

	2014	2013
	£	£
Trade creditors	187,832	15,248
Taxation and social security	7,671	6,596
Other creditors	1,601	-
Donations received in advance	1,271	19,518
Accruals	21,582	9,791
Accrued Grants payable	274,919	881,819
	<u>494,876</u>	<u>932,972</u>

All trade creditors were paid by the end of May 2014.

At 31st March 2014, £117,735 of grant commitments inherited from RGF remained payable (see Note 4). £92,735 is included within accrued grants payable, and £25,000 within amounts due after more than one year.

13. Creditors: amounts due after more than one year

	2014	2013
	£	£
1 - 2 years	25,000	50,000
2 - 5 years	-	5,000
	<u>25,000</u>	<u>55,000</u>

14. Grant Commitments

Future commitments in respect of grants agreed in principle but for which payment is subject to future delivery and performance review are not included as creditors as no commitment exists at the year-end. In addition to the grant creditors recognised in the accounts there was £2,862,500 of potential future grant commitments where agreements are in place but the recipients have not yet fulfilled the necessary criteria to be eligible to receive payment.

Notes to the financial statements

For the year ended 31 March 2014

15. Operating lease commitments

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

	Property	
	2014	2013
	£	£
Less than 1 year	<u>39,840</u>	<u>39,840</u>
	<u>39,840</u>	<u>39,840</u>

Responsible Gambling Trust
35 Piccadilly
London W1J 0DW

Registered in England No 4384279
Charity No 1093910