

THE RETREAT YORK
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2012

Charity No. 1089826
Company No. 4325622

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THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

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THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

TRUSTEES' ANNUAL REPORT

LEGAL AND ADMINISTRATIVE INFORMATION

The Trustees, who are also the Directors of the charity for the purposes of the Companies Act 2006, submit their annual report and the audited financial statements for the year ended 31 December 2012. The Trustees have adopted the provisions of the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in 2005 and the Companies Act 2006, in preparing the annual report and financial statements of the charity.

Legal status

The Retreat York is a charitable company limited by guarantee and governed by its Articles of Association. The company was incorporated on 20 November 2001 and obtained charitable status on 18 December 2001.

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per Member of the charity.

Company Number 4325622

Charity Number 1089826

Trustees and Directors

Peter Anderson*	
Sallie Ashe*	
Jo Anne Brown*	
Paul Fitzgerald	
Rob Griffiths*	(Retired 21 June 2012)
Douglas Hambleton	(Retired 31 December 2012)
Stuart Humby *	
John Miles	(Appointed 21 June 2012)
Jane Muers	
David Peryer	(Appointed 1 January 2013)
Tony Spiers*	
Martin Sykes	
Mike Wash	(Appointed 1 January 2013)
Kay Whittle	(Retired 31 December 2012)

* Member of the Finance & HR Committee

Chief Executive

Jenny McAleese

Company Secretary

Robert Brownlow

Senior Management Team

Jenny McAleese	- Chief Executive
Robert Brownlow	- Director of Finance and Facilities
Chris Holman	- Medical Director
Roland Woodward	- Director of Clinical Services

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

TRUSTEES' ANNUAL REPORT – Continued

LEGAL AND ADMINISTRATIVE INFORMATION - Continued

Address and Registered Office

107 Heslington Road, York YO10 5BN

Auditors

Barber Harrison & Platt, 2 Rutland Park, Sheffield S10 2PD

Investment Managers

Sarasin & Partners, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU

Solicitors

Ford & Warren, Westgate Point, Westgate, Leeds LS1 2AX

Bankers

HSBC Bank plc, 13 Parliament Street, York YO1 1XS

STRUCTURE GOVERNANCE AND MANAGEMENT

Constitution

The Retreat York is a charitable company limited by guarantee. It was formed on 20 November 2001 and was granted charitable status on 18 December 2001. Its governance arrangements are set out in its Articles of Association, which were amended at the AGM held on 24 June 2010 and the EGMs held in February 2011 and February 2012.

Members and Directors

The Members of the company number 24 individuals. The Membership consists of

- Seventeen Members appointed through Britain Yearly Meeting of the Religious Society of Friends
- Seven Members appointed as follows
 - Lincolnshire, Nottinghamshire and Derbyshire Area Meetings 1
 - General Meeting for Scotland 1
 - Quakers Together in North Lancashire and South Cumbria 1
 - Quakers in Yorkshire 4

Members, who must be members of The Religious Society of Friends, are appointed for a period of three years and are eligible for re-appointment for a further three years.

The Members are responsible for appointing Directors (Trustees) with the maximum number of Directors being eleven and the minimum three.

The Members are entitled to appoint Friends and non-Friends as Directors but there must always be more Friend Directors than non-Friend Directors. The Chair and Deputy Chair of the Board of Directors must be Friends. The management of The Retreat York is vested in the Board of Directors.

Induction and Training

All Members and Directors receive induction upon appointment to their respective roles. Directors receive training in relation to their role as Trustees.

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

TRUSTEES' ANNUAL REPORT – Continued

STRUCTURE GOVERNANCE AND MANAGEMENT – Continued

Management

Whilst strategic decisions are taken by the Directors, the day-to-day management of the charity is the responsibility of the Senior Management Team which comprises four individuals who come from a range of disciplines. The Senior Management Team reports directly to the Board of Directors.

All Directors give of their time freely and no remuneration was paid in the year. Details of expenses reclaimed from the charity are set out in note 17 to the accounts.

Risk Management

The Trustees have conducted a review of the major strategic, financial and operational risks to which the charity is exposed, and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Systems have been established to ensure that risks are reviewed on a regular basis.

Connected Charities

The Retreat York has a connected charity, The Retreat York Benevolent Fund, which provides funds for the care of individuals on both an inpatient and outpatient basis. This charity, whose Trustees include some of the Trustees of The Retreat York, is administered from The Retreat York.

The Retreat York Benevolent Fund provides grants to help Friend patients (or those closely associated with Friends) who are unable to meet the lowest fees. Grants made during 2012 amounted to £5,488 for three individuals. The total funds of the Benevolent Fund at 31 December 2012 amounted to £1,433,490. Audited financial statements for The Retreat York Benevolent Fund are available from The Retreat York.

For some years The Retreat York has undertaken a joint venture with The Disabilities Trust to operate a unit for individuals with an acquired brain injury. The unit is known as York House and the joint venture company is called York House Ventures Limited. Transactions with The Disabilities Trust are disclosed in Note 18 to the accounts.

For some years The Retreat York has undertaken a joint venture with Turning Point to operate a women's high support unit. The unit is known as Garrow House and the joint venture company is called Northern Pathways Limited. Transactions with Turning Point are disclosed in Note 18 to the accounts.

OBJECTIVES AND ACTIVITIES

Objects

The objects for which the Company is established are

"The relief of persons suffering from mental illness (including, but without limitation, persons who are Members of The Religious Society of Friends) by such charitable means as the Directors from time to time determine, including the provision of a hospital, of mental health services and by undertaking related activities provided that such facilities, services and activities will be conducted in accordance with the principles of The Religious Society of Friends."

In setting our objectives and planning our activities our Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on fee-charging.

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

TRUSTEES' ANNUAL REPORT – Continued

OBJECTIVES AND ACTIVITIES – Continued

Aims

The Retreat endeavours to improve or maintain the mental health and quality of life of those who use or provide its services, through care that is of the highest quality and seeks to reflect the tolerance, humanity and spiritual values of its Quaker roots. All patients and staff have equal value as human beings and the experience and contribution of each individual is listened to, valued and respected, whilst everyone is encouraged to develop or maintain their full potential and well-being.

The Retreat seeks to promote a spirit of enquiry based on honesty and openness and supports an attitude of informed and balanced common sense towards treatment methods, being open to evaluation and new ideas within a constant set of values. All staff members within The Retreat are expected to seek to maintain the highest standards of professional and personal integrity and work to provide a safe physical and social environment as a secure base for therapy and rehabilitation.

These constituted the main objectives of The Retreat in 2012.

Strategies for the Achievement of its Aims

For an organisation of The Retreat's size and complexity to achieve its objectives, active strategic management of both the financial and human resources is crucial, along with the need constantly to review both service delivery and service developments, which must respond to local and national trends.

Mechanisms for achieving the stated objectives are in place. These include the Strategic Vision which is reviewed annually and supported by a more detailed Business Plan. Directors review progress on the Business Plan targets on a three monthly basis. Staff supervision and appraisals are a key means by which progress on targets is monitored to ensure that the agreed work programme is achieved.

Activities

The Retreat is a specialist mental health provider, working with the NHS to provide care for people with complex and challenging needs. Over ninety-five percent of our patients are funded by the NHS, with over 40 PCTs referring people to us.

We are very proud of our reputation for excellence, providing care of the highest standard and quality. Our welcoming environment is open, light, spacious and calming, enabling recovery and independence. We help people to imagine a future for themselves, holding on to hope.

Our relationships are based on respect, dignity and tolerance and our patients are kept safe and secure through strong therapeutic relationships.

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

TRUSTEES' ANNUAL REPORT – Continued

OBJECTIVES AND ACTIVITIES – Continued

The Retreat's services are split into two areas Specialist Adult Services and Specialist Older Adult Services

Specialist Adult Services

The Acorn programme is a Therapeutic Community (TC) which uses Dialectical Behaviour Therapy (DBT) for women with complex needs, predominantly women who meet the criteria for borderline personality disorder and/or complex post traumatic stress disorder

Naomi is a specialist service for working age adults using a treatment approach informed by Cognitive Behavioural Therapy (CBT) in a therapeutic environment which promotes recovery from a range of problems These include eating disorders, anxiety and mood disorders including obsessive compulsive disorder, and post-traumatic stress disorder Naomi specialises in treating people with more than one diagnosis

The Hannah Mills unit provides assessment and rehabilitation for people with complex mental health problems, including psychosis and bipolar affective disorder It also offers treatment for alcohol addiction or abuse, for people identified as having a dual diagnosis Hannah Mills helps people whose ability to maintain independence in the community is compromised by distress resulting from their life experience

The Tuke Centre is an outpatient service which provides high quality counselling, psychotherapy, psychiatric and psychological services for individuals, groups, couples and families These include specialist services for trauma, personality disorders and eating disorders The Tuke Centre also provides employee assistance programmes for organisations along with specialist support and consultancy for employers and managers

Specialist Older Adult Services

This service is aimed at people of midlife and beyond and offer hospital based treatment for mental health problems eg psychosis, depression, bipolar affective disorder, dementia People who use the service may as a result of these illnesses present with behaviours that are challenging to carers or nursing homes such as wandering, aggression or anti-social behaviour This includes people who are detained under the Mental Health Act or who require intensive levels of assessment, monitoring and treatment that is not possible in other settings The service is needs led not age led

Most people are aged 50 years and over, although people with older adult needs who are under 50 years old (eg dementia) will be considered The multidisciplinary team is experienced in managing high risk challenging behaviours in a dignified manner and uses a person centred holistic approach

The services offer three care pathways

- Recovery and Rehabilitation Care Pathway
- Long-term Care Pathway
- Dementia Care Pathway

After receiving a referral the clinical team will choose the best pathway and unit to meet the needs of the individual and there may be a transfer from one unit to another as the person's abilities change

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

TRUSTEES' ANNUAL REPORT – Continued

OBJECTIVES AND ACTIVITIES – Continued

Other partnerships

In 1998, The Retreat formed a joint venture company with The Disabilities Trust to create York House within the grounds of The Retreat. In 2012 a third unit was opened on The Retreat site adding a further 10 beds. The three units have a total of 38 beds and provide an intensive neurobehavioral assessment and rehabilitation service for individuals with severe cognitive, physical and/or emotional problems following acquired brain injury.

In February 2009 Northern Pathways opened Garrow House, a 12-bedded unit in the grounds of The Retreat. This new service is being commissioned by Local Health Trusts across Yorkshire and The Humber and is for women with complex needs who are presently in low or medium secure services who want to move forward in their recovery and require support to do so. Northern Pathways is a joint venture between The Retreat and Turning Point and unites both organisations' commitment to addressing an individual's need, rather than making individuals fit into existing services.

Volunteers

The charity is grateful for the unstinting support of volunteers who are involved in the provision of services and social activities for residents, and fund-raising.

ACHIEVEMENTS AND PERFORMANCE

Review of Performance against Objectives set

Our main mechanism for monitoring performance in 2012 was regular review against our Business Plan for the year. This contains both a Business Model and a Clinical Model, which guide the activities of the Charity. The year was a challenging but financially successful one and key achievements included the continued development of the new facility at Strensall and the opening of the third brain injury unit on site in conjunction with our joint venture partners.

At any one time care is provided by The Retreat to around 90 inpatients and approximately 700 different individuals receive therapy from our outpatient service. Our joint venture services enable us to provide care to a further 50 inpatients.

Management of Investments

The Retreat York is looking to maximise the return in terms of both income and capital. As permitted by the charity's Articles of Association, the Trustees have given the investment managers discretion to manage the portfolio within an agreed risk profile.

Subject only to compatibility with the principles of The Religious Society of Friends, the Trustees have unrestricted powers of investment. The Retreat operates an ethical investment policy, whereby it does not invest in companies which derive a significant proportion of their turnover from any of the following activities:

- Gambling
- The production or sale of alcohol, tobacco or armaments
- The publishing or distribution of pornography

The investment managers, Sarasin & Partners, are monitored by the Trustees by reference to a number of indices and benchmarks including the performance achieved by other similar funds. In 2012 the fund's performance of 11.4% increase in value matched the median increase of 11.4% achieved by other funds in the survey used.

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

TRUSTEES' ANNUAL REPORT – Continued

Factors affecting Performance

The Retreat is affected by a number of external influences outside its control. The single most significant of these is the National Health Service, from which The Retreat generates the majority of its income and with which it has to compete for staff. The downward pressure on fees and upward pressure on salary levels, coupled with an increasingly demanding inspection regime, make this a particularly challenging environment for the organisation.

The NHS are not awarding any inflationary uplift in fees and given the pressures on Government funding it is likely that the downward pressure on fees will continue. The NHS-introduced CQUIN payments (an additional 2.5% CQUIN in 2012/13) are available to providers who meet specified targets, but contracts are based upon a fee reduction of 1.5%. We have achieved the quality measures necessary to meet these quality requirements and are taking steps to ensure that we can continue to provide the necessary evidence.

FINANCIAL REVIEW

Financial Performance for the Year

The Statement of Financial Activities for the period is set out on page 12 of the financial statements.

The operating results of The Retreat, which include expenditure on the charity's two key areas of operation of Specialist Older Adult Services and Specialist Adult Services, in the year ended 31 December 2012 produced a surplus of £2,329,727 (2011 - £1,451,514). Other net income from investments, donations, legacies and grants produced income of £327,306 (2011 - £508,467).

After deducting costs amounting to £36,012 (2011 - £23,370) for the governance of the charity, the result was an overall surplus for the year amounting to £2,621,021 (2011 - surplus £1,936,611). After taking into account total investment gains of £590,267 (2011 - losses £731,329) and an actuarial gain on the defined benefit pension scheme of £559,620 (2011 - loss £1,859,418), there was a net surplus of £3,770,908 (2011 - deficit £654,136).

Our financial results for the year have been affected by a net pension income of £88,000 (2011 - income £57,000). In addition to this an actuarial gain of £559,620 has been added to reserves.

Changes in Fixed Assets

The movements in fixed assets during the year are set out in note 7 of the financial statements.

Reserves Policy

It is the policy of the charity to maintain undesignated funds, which are the free reserves of the charity, at a level sufficient to cover between 6 and 18 months of expenditure, a range between £5,020,000 and £15,060,000.

Presently the undesignated reserves amount to £10,534,809 (2011 - £8,335,768). This figure excludes the pension asset of £1,399,000 on the basis that this asset does not result in an immediate cash flow to the charity.

Our policy is, therefore, to continue building up reserves to the required level by means of annual operating surpluses and judicious management of our investment assets.

Reserves for the necessary upgrade and development of the charity's operational properties are segregated into a separate development fund, currently totalling £5,200,000.

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

TRUSTEES' ANNUAL REPORT – Continued

PLANS FOR FUTURE PERIODS

The next few years promise to be just as challenging for The Retreat as have been the past few. The pressures of the Government debt position will bring to bear financial constraints upon the NHS and we need to manage our own cost base carefully, whilst continuing to maintain high quality services. We have to think carefully about new service developments ensuring that they expand our range of clinical services, whilst adding to our financial strength. The move to GP Commissioning in place of the PCTs will also bring significant upheaval to the system.

Trustees' responsibilities statement

The Trustees (who are also Directors of The Retreat for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, 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 the year. 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,
- 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 auditor is unaware,
- 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 auditor is aware of that information.

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

TRUSTEES' ANNUAL REPORT – Continued

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular staff consultative committee meetings and staff briefings and have been kept informed on specific matters directly by management. The charity carries out exit interviews for all staff leaving the organisation.

In accordance with the charity's equal opportunities policy, the charity has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Auditors

A resolution proposing that Barber Harrison & Platt be re-appointed as auditors of the charity will be put to the Annual General Meeting.

This report was approved by the Board on 25 April 2013



STUART HUMBY
CHAIR

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RETREAT YORK

Independent Auditor's Report to the Members of The Retreat York

We have audited the financial statements of The Retreat York for the year ended 31 December 2012 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 auditor's 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 auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, 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 (APB'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 Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RETREAT YORK– Continued

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 December 2012, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Jane Marshall (Senior Statutory Auditor)
for and on behalf of Barber Harrison & Platt

7 May 2013

Chartered Accountants
Statutory Auditor

2 Rutland Park
Sheffield
S10 2PD

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

STATEMENT OF FINANCIAL ACTIVITIES – CONSOLIDATED (incorporating a consolidated income and expenditure account)

	Note	Restricted Funds £	Unrestricted Funds £	Total 2012 £	Total 2011 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income (donations and legacies)		29,333	35,222	64,555	331,862
Rents		-	358,575	358,575	323,296
Investment income	2	-	288,585	288,585	208,877
Other finance income	3	-	669,000	669,000	608,000
Incoming resources from charitable activities					
Patient fees and other charges					
- The Retreat	4	-	11,029,667	11,029,667	9,704,525
- Joint Ventures	5	-	3,527,396	3,527,396	3,396,383
Incoming resources		29,333	15,908,445	15,937,778	14,572,943
Share of Joint Ventures' income		-	(3,527,396)	(3,527,396)	(3,396,383)
Total incoming resources		29,333	12,381,049	12,410,382	11,176,560
RESOURCES EXPENDED					
Costs of generating funds					
Investment management fees	6f	-	25,834	25,834	32,272
Charitable activities					
Specialist older adult services		22,281	5,310,659	5,332,940	5,102,426
Specialist adult services		20,119	4,822,480	4,842,599	4,673,127
Governance costs	6c	-	36,012	36,012	23,370
Total resources expended	6a	42,400	10,194,985	10,237,385	9,831,195
Net incoming/(outgoing) resources		(13,067)	2,186,064	2,172,997	1,345,365
Net income from Joint Ventures	5	-	448,024	448,024	591,246
Net incoming/(outgoing) resources before transfers		(13,067)	2,634,088	2,621,021	1,936,611
Transfer of funds	11	5,004	(5,004)	0	-
Net incoming/(outgoing) resources for the year		(8,063)	2,629,084	2,621,021	1,936,611
OTHER RECOGNISED GAINS AND LOSSES					
Realised gains/(losses) on investments	8	-	26,829	26,829	(48,327)
NET INCOME FOR THE YEAR		(8,063)	2,655,913	2,647,850	1,888,284
Unrealised gains/(losses) on investments	8	-	563,438	563,438	(683,002)
Actuarial gain/(loss) on defined benefit scheme	3	-	559,620	559,620	(1,859,418)
NET MOVEMENT IN FUNDS		(8,063)	3,778,971	3,770,908	(654,136)
Balance 1 January		103,164	30,875,523	30,978,687	31,632,823
Fund balance at 31 December		95,101	34,654,494	34,749,595	30,978,687

All amounts derive from continuing activities All gains and losses recognised in the year are included in the Statement of Financial Activities

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

BALANCE SHEET

	Note	£	2012 £	2011 £
Fixed assets				
Tangible assets	7		17,278,115	16,528,722
Investments	8		8,205,431	7,380,571
Investment in Joint Ventures	8e		1,000	1,000
			<u>25,484,546</u>	<u>23,910,293</u>
Current assets				
Debtors	9		2,521,701	1,969,038
Cash at bank and in hand			6,409,727	5,673,584
			<u>8,931,428</u>	<u>7,642,622</u>
Creditors: amounts falling due within one year	10		(1,065,379)	(891,228)
Net current assets			<u>7,866,049</u>	<u>6,751,394</u>
Total assets less current liabilities excluding pension scheme asset			33,350,595	30,661,687
Defined benefit pension scheme asset	3		1,399,000	317,000
Net assets including pension scheme asset			<u>34,749,595</u>	<u>30,978,687</u>
Unrestricted funds	11			
General				
Investment revaluation reserve	8		503,376	6,510
Other			<u>11,430,433</u>	<u>8,646,258</u>
			11,933,809	8,652,768
Designated				
Tangible fixed assets fund - cost		12,777,311		12,027,918
- revaluation		4,500,804		4,500,804
		<u>17,278,115</u>		<u>16,528,722</u>
Development fund		5,200,000		5,450,000
Patient legacy fund		<u>242,570</u>		<u>244,033</u>
			<u>22,720,685</u>	<u>22,222,755</u>
			34,654,494	30,875,523
Restricted funds	12		95,101	103,164
Total funds			<u>34,749,595</u>	<u>30,978,687</u>

The financial statements on pages 12 - 29 were approved by the Board of Directors on 25 April 2013 and are signed on its behalf by

STUART HUMBY

CHAIR

Company Number 4325622

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

CASH FLOW STATEMENT

	2012 £	2011 £
Reconciliation of surplus of income to net inflow from operating activities		
Net incoming resources for the period	2,621,021	1,936,611
Add Depreciation charges	356,407	386,006
(Profit)/loss on disposal	-	(1,843)
Less Investment income received	(288,585)	(208,877)
Other finance income	(669,000)	(608,000)
	<u>2,019,843</u>	<u>1,503,897</u>
(Increase) in debtors	(552,663)	(55,311)
Increase/(decrease) in creditors	174,151	(54,735)
Pension cost in excess of contributions made	146,620	143,582
Net cash inflow from operating activities	<u>1,787,951</u>	<u>1,537,433</u>
Returns on investments		
Investment income received	<u>288,585</u>	<u>208,877</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,105,800)	(2,147,425)
Sale proceeds of fixed assets	-	1,843
Purchase of investments	(1,419,475)	(4,559,957)
Sale proceeds of investments	1,193,281	5,376,558
	<u>(1,331,994)</u>	<u>(1,328,981)</u>
Increase in cash in the period	<u>744,542</u>	<u>417,329</u>
Movement in Cash		
Cash in bank and in hand		
Balance at 1 January 2012	5,720,903	5,303,574
Movement in the period	744,542	417,329
	<u>6,465,445</u>	<u>5,720,903</u>
Balance at 31 December 2012		
	<u>6,465,445</u>	<u>5,720,903</u>
Analysis of net funds		
	At 1 January 2012 £	At 31 December 2012 £
Cash at bank and in hand	5,673,584	6,409,727
Cash held as investments	47,319	55,718
	<u>5,720,903</u>	<u>6,465,445</u>

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of certain fixed assets at valuation and investments at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) published in March 2005, the Companies Act 2006 and applicable UK Accounting Standards.

(b) Joint venture

A joint venture is an entity in which the company holds a long term interest and which is jointly controlled by the company and one or more ventures under a contractual arrangement. The results of joint ventures are accounted for using the gross equity method of accounting.

Where joint ventures exist SORP 2005 requires a consolidated Statement of Financial Activities (SOFA) to be prepared even though the company has no subsidiary companies. The only impact of this requirement is that gross incoming resources include the company's share of the total incoming resources of the joint venture.

This figure is then taken out again to arrive at the company's total incoming resources.

The company's share of income from joint ventures is disclosed after net incoming/ (outgoing) resources.

As the surpluses generated by the joint venture are distributed in full, the carrying value of the company's investment in the joint venture does not change and therefore a consolidated balance sheet has not been prepared.

The figures included in the financial statements have been based on audited accounts, adjusted where necessary by reference to unaudited management accounts for the subsequent period to 31 December.

(c) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Investment income and gains are allocated to the appropriate fund.

(d) Incoming resources

All incoming resources, including legacies and grants, are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Patient fees and other charges are accounted for in the period in which the service is provided.

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS - Continued

1 Accounting policies – continued

(e) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category

Charitable activities include expenditure associated with Specialist Older Adult Services and Specialist Adult Services and include both the direct costs and support costs relating to these activities

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements

Support costs include central functions and have been allocated to activity cost categories on the basis of time spent

(f) Depreciation

Depreciation is provided at rates estimated to write off the cost of fixed assets over their useful lives. The annual rates used in 2012 are -

➤ Short leasehold buildings	Over the period of the lease
➤ Furniture, plant and equipment	16 5% straight line
➤ Vehicles	25% on the reducing balance
➤ Fire precaution work	15% straight line
➤ Computer equipment and software	25% straight line

Freehold buildings are not depreciated because the buildings are maintained in good condition so that their value is not impaired by the passage of time and in consequence any element of depreciation would be immaterial. The Trustees perform annual impairment reviews in accordance with the requirements of FRS 15 and FRS 11 to ensure that the carrying value is not greater than the recoverable amount. Fire precaution work is included within land and buildings and is depreciated at the rates shown above.

Expenditure of less than £600 is normally not capitalised unless it forms part of a large project.

(g) Investments

Investments are included at their mid market value on 31 December 2012 and the increase or decrease in value between accounting dates, together with the profits and losses on disposals, is recognised in the Statement of Financial Activities.

(h) Pensions

Accounting for pensions is in accordance with Financial Reporting Standard 17 - 'Retirement Benefits'. This requires that the operating and financing costs of the company's defined benefit scheme are recognised separately in the Statement of Financial Activities, service costs are systematically spread over the service lives of employees, and financing costs are recognised in the periods in which they arise. Variations from expected costs, arising from the experience of the scheme or changes in actuarial assumptions, are recognised immediately in the statement of total recognised gains and losses. The difference between the market value of assets and the present value of accrued pension liabilities estimated using the projected unit method, is shown as a liability in the balance sheet.

(i) Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS - Continued

2 Investment income

	2012 £	2011 £
Dividend income	259,444	188,298
Interest receivable	29,141	20,579
	<u>288,585</u>	<u>208,877</u>

3 Provision for employees' pensions

Actuarial valuation

The company operates a defined benefit scheme in the UK called The Retreat York Pension Scheme, with both Final Salary and Career Average Revalued Earnings benefits. For service prior to 1 August 2006, benefits are linked to members' final pensionable salaries at their retirement or earlier leaving. For service after 31 July 2006, benefits are built up each year, linked to members' salaries in that year and then increased each year in line with inflation.

The most recent formal actuarial valuation of the scheme was carried out as at 31 December 2010. The results have been updated to 31 December 2012 by a qualified independent actuary.

FRS 17 details

Amounts recognised in the Balance Sheet

	2012 £,000	2011 £,000
Fair value of scheme assets	30,236	27,794
Present value of scheme liabilities	28,837	27,477
Recognisable surplus	<u>1,399</u>	<u>317</u>

Amounts recognised in the SOFA

	2012 £,000	2011 £,000
Interest on scheme liabilities	1,276	1,564
Expected return on scheme assets	(1,945)	(2,172)
Finance income	(669)	(608)
Current service cost	581	551
Total pension (income)/cost recognised in SOFA	<u>(88)</u>	<u>(57)</u>

Amounts recognised in the statement of total recognised gains and losses

	2012 £,000	2011 £,000
Cumulative actuarial loss at 31 December	<u>(7,409)</u>	<u>(7,969)</u>
Actuarial gain/(loss) on assets	1,311	(4,739)
Actuarial (gain)/loss on liabilities	(751)	2,880
Actuarial gain/(loss)	<u>560</u>	<u>(1,859)</u>

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS - Continued

3 Provision for employees' pensions - continued

	2012 £,000	2011 £,000
Change in scheme assets		
Fair value of scheme assets at 1 January	27,794	30,833
Expected return on scheme assets	1,945	2,172
Employer contributions	434	407
Member contributions	179	176
Benefits paid	(1,427)	(1,055)
Actuarial gain/(loss) on assets	1,311	(4,739)
Fair value of scheme assets at 31 December	<u>30,236</u>	<u>27,794</u>
Actual return on scheme assets	<u>3,256</u>	<u>(2,567)</u>
Change in scheme liabilities		
Scheme liabilities at 1 January	27,477	29,121
Expected current service cost	581	551
Interest cost	1,276	1,564
Member contributions	179	176
Benefits paid	(1,427)	(1,055)
Actuarial gain/(loss) due to experience	751	(362)
Changes in assumptions used to value Scheme liabilities	-	(2,518)
Present value of scheme liabilities at 31 December	<u>28,837</u>	<u>27,477</u>

The employer expects to contribute £430,000 into the scheme in 2012

Principal weighted average actuarial assumptions	2012	2011
Inflation assumption	3.00%	3.00%
Consumer Price Index	2.00%	2.00%
Rate of increase in salaries	4.50%	5.00%
Discount rate	4.40%	4.70%
Rate of increase in pensions in payment where increases are linked to inflation		
– Limited price index 5%	1.90%	2.00%
– Limited price index 3%	1.80%	1.90%
– Limited price index 2.5%	1.70%	1.80%

Expected return on scheme assets

	Long term rate return expected at 31.12.12	Value at 31.12.12 £,000	Long term rate return expected at 31.12.11	Value at 31.12.11 £,000
Equities	7.60%	28,583	7.30%	25,807
Bonds	4.10%	787	4.75%	1,878
Property	2.30%	812	-	-
Cash and net current assets	0.50%	54	1.00%	109
	<u>7.40%</u>	<u>30,236</u>	<u>7.10%</u>	<u>27,794</u>

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS - Continued

3 Provision for employees' pensions - continued

The overall expected return on assets of 7.40% at 31 December 2012 (2011 7.10%) is the weighted average of the expected returns for each assets class

Historical analysis

Details of assets, liabilities and experienced gains and losses for the year to 31 December

	2012 £,000	2011 £,000	2010 £,000	2009 £,000	2008 £,000
Fair value of scheme assets	30,236	27,794	30,833	27,048	22,690
Value of scheme liabilities	28,837	27,477	29,121	28,910	24,059
Surplus in the scheme	<u>1,399</u>	<u>317</u>	<u>1,712</u>	<u>(1,862)</u>	<u>(1,369)</u>
Experience	1,311	(4,739)	2,603	(3,178)	(9,668)
Experience gains and (losses) on scheme liabilities	83	362	1,713	(93)	(523)

Balance sheet reconciliations

	2012 £,000	2011 £,000
Gross balance sheet asset at 1 January	317	1,712
Pension expense recognised in SOFA	88	57
Amounts recognised in the statement of total recognised gains and losses in the year	560	(1,859)
Actual contributions made by the employer in the year	434	407
Gross balance sheet asset at 31 December	<u>1,399</u>	<u>317</u>

4 Patient fees and other charges

	2012 £	2011 £
Fees from patients	10,913,088	9,552,806
Grants to cover full cost of reduced fees		
Benevolent Fund for Friend patients	<u>5,488</u>	<u>47,108</u>
	10,918,576	9,599,914
Sundry income	111,091	104,611
	<u>11,029,667</u>	<u>9,704,525</u>

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS - Continued

5 Joint ventures

- (a) The Retreat York has undertaken a joint venture to operate a unit for individuals with an acquired brain injury since 1998. The service is known as York House and in 2012, we opened a third unit, adding a further 10 beds to the 28 beds previously on site. The year end of the joint venture is 31 May. The results for the year to 31 December 2012, based on audited financial statements to 31 May 2012 and management account information since that date, are as follows

	£
Fee income and contributions received	2,531,400
Expenditure on charitable activities	(2,104,156)
Share of net results for the year to 31 December 2012	<u>427,244</u>

The company's share of the net assets of the joint venture as at 31 May 2012 (the figures as at 31 December 2012 are not available) is as follows

	£
Fixed assets	109,847
Current assets	372,780
Liabilities due within one year	(482,127)
Net assets	<u>500</u>

As all surpluses are distributed equally to the two joint venture partners, there are no net assets in the balance sheet at 31 December 2012 other than the share capital

This joint venture is operated via a limited company, York House Ventures Limited a company whose share capital is owned 50% by The Retreat York and 50% by The Disabilities Trust

- (b) The Retreat York has undertaken a joint venture to operate a 12 bedded unit for women. The unit is known as Garrow House. The year end of the joint venture is 31 March. The results for the year to 31 December 2012, based on audited financial statements to 31 March 2012 and management account information since that date, are as follows

	£
Fee income and contributions received	995,996
Expenditure on charitable activities	(975,216)
Share of net results for the year to 31 December 2012	<u>20,780</u>

The company's share of the net assets of the joint venture as at 31 March 2012 (the figures as at 31 December 2012 are not available) is as follows

	£
Current assets	117,000
Liabilities due within one year	(116,500)
Net assets	<u>500</u>

As all surpluses are distributed equally to the two joint venture partners, there are no net assets in the balance sheet at 31 December 2012 other than the share capital

This joint venture is operated via a limited company, Northern Pathways Limited a company whose share capital is owned 50% by The Retreat York and 50% by Turning Point

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS - Continued

6 Analysis of expenditure

			2012	2011
(a)	Direct costs	Support costs	Total	Total
	£	£	£	£
Specialist older adult services	4,259,436	583,163	4,842,599	4,673,127
Specialist adult services	4,769,870	563,070	5,332,940	5,102,426
Investment management fees	25,834	-	25,834	32,272
Governance costs (Note c)	36,012	-	36,012	23,370
	<u>9,091,152</u>	<u>1,146,233</u>	<u>10,237,385</u>	<u>9,831,195</u>

(b) Support costs totalling £1,146,233 have been allocated across activities. These include costs associated with providing IT, payroll, personnel, finance, property and other central services to the charity.

(c) Governance costs		2012	2011
		£	£
Audit fee	- audit services	16,500	12,600
	- underprovision in prior year	4,080	-
Directors' and Members' expenses		15,432	10,770
		<u>36,012</u>	<u>23,370</u>

(d) Employees		2012	2011
		£	£
Salaries		6,759,428	6,533,476
Employer's NI		511,743	488,287
Pension Scheme (note 3)		581,000	551,000
		<u>7,852,171</u>	<u>7,572,763</u>

The average number of employees in the year was

Medical staff	5	6
Nursing staff	228	222
Other clinical staff	32	32
Administration and support staff	33	30
Estate maintenance	10	11
Hotel services	45	54
	<u>353</u>	<u>355</u>

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS - Continued

6 Analysis of expenditure - continued

(d) Employees - continued

The numbers of employees whose emoluments exceeded £60,000 were as follows

Band of earnings	Number	
	2012	2011
£70,000 - £79,999	1	1
£80,000 - £89,999	2	2
£90,000 - £99,999	-	1
£100,000 - £109,999	3	2
£110,000 - £119,999	1	1
£130,000-£139,999	1	1

Of the above, the number of staff to whom retirement benefits are accruing under the defined benefit pension scheme at 31 December 2012 is 8

(e) Other expenditure

Other expenditure includes

Amounts paid under operating leases
- land and buildings

2012	2011
£	£
<u>63,000</u>	<u>53,473</u>

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS - Continued

7 Fixed Assets

	Freehold land and buildings £	Short leasehold land and buildings £	Furniture, plant, equipment, vehicles £	Total £
Cost or Valuation				
At 1 January	15,836,618	128,618	3,353,054	19,318,290
Additions in year	887,404	29,650	188,746	1,105,800
Disposals in the year	-	-	(67,387)	(67,387)
At 31 December 2012	<u>16,724,022</u>	<u>158,268</u>	<u>3,474,413</u>	<u>20,356,703</u>
Depreciation				
At 1 January	183,044	3,101	2,603,423	2,789,568
Charge for the year	20,205	15,827	320,375	356,407
Disposals	-	-	(67,387)	(67,387)
At 31 December 2012	<u>203,249</u>	<u>18,928</u>	<u>2,856,411</u>	<u>3,078,588</u>
Net book value				
At 31 December 2012	<u>16,520,773</u>	<u>139,340</u>	<u>618,002</u>	<u>17,278,115</u>
At 31 December 2011	<u>15,653,574</u>	<u>125,517</u>	<u>749,631</u>	<u>16,528,722</u>

The freehold land and buildings were valued as at 31 December 1998 by Weatherall Green and Smith and the valuations incorporated into the accounts. The operational properties were valued at £6.695m on a depreciated replacement cost basis. The temporarily non-operational properties included in fixed assets were valued at £355,000 on an open market basis, and at the valuation date were let producing rental income of £35,900 per annum. From that date up to the 31 December 2012 additions costing £9,674,022 have been capitalised and are included in the balance of £16,724,022 above.

A further valuation on a depreciated replacement cost basis was carried out by Lawrence Hannah in April 2013. The operational properties were valued at £16.65m. The company decided not to incorporate this valuation into the accounts.

The company has taken advantage of the transitional provisions contained within FRS 15 not to adopt a policy of revaluation.

On a historical cost basis the freehold land and buildings would have a net book value at 31 December 2012 of £12,223,218 (2011 - £11,335,814).

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS - Continued

8 Investments

	2012 £	2011 £
(a) Movements in year at market value		
Market value at 1 January 2012	7,333,252	8,881,182
Acquisitions at cost	1,419,475	4,559,957
Disposals at book value	(1,166,452)	(5,424,885)
Net gains/(losses) on revaluation at 31 December 2012	563,438	(683,002)
	<u>8,149,713</u>	<u>7,333,252</u>
Investment cash	55,718	47,319
Market value at 31 December 2012	<u>8,205,431</u>	<u>7,380,571</u>
Historical cost		
At 31 December 2012	<u>7,646,337</u>	<u>7,326,742</u>
(b) Realised gains/(losses) in the year		
Proceeds	1,193,281	5,376,558
Disposals at book value	(1,166,452)	(5,424,885)
	<u>26,829</u>	<u>(48,327)</u>
(c) Reconciliation and movement in unrealised gains		
Unrealised gains at 1 January 2012	6,510	1,408,219
(Less) in respect of disposals in the year	(66,572)	(718,707)
Add net gains/(losses) arising on revaluations in the period	563,438	(683,002)
Unrealised gains at 31 December 2012	<u>503,376</u>	<u>6,510</u>
(d) Analysis of market value		
Listed Securities - UK	4,736,322	4,143,292
- Overseas	3,413,391	3,189,960
Cash deposits	55,718	47,319
	<u>8,205,431</u>	<u>7,380,571</u>

Included within investments are holdings in the following investments representing more than 5% of the value of the portfolio at 31 December 2012.

Sarasin Equisar Socially Responsible (Sterling Hedged) - B Inc	31.6%
Sarasin Equisar Socially Responsible - B Inc	8.6%
Sarasin Sterling Bond CLS A Inc	5.7%

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS - Continued

8 Investments - Continued

(e) Investment in joint venture

The company owns 500 ordinary shares of £1 each in York House Ventures Limited representing 50% of its share capital. The company is incorporated in England and Wales. Further details relating to York House Ventures Limited are given in note 5a.

The company owns 500 ordinary shares of £1 each in Northern Pathways Limited representing 50% of its share capital. The company is incorporated in England and Wales. Further details relating to Northern Pathways Limited are given in note 5b.

9 Debtors

	2012 £	2011 £
Trade debtors	1,822,719	1,394,229
Prepayments and accrued income	110,371	98,873
Amount due from joint ventures	465,971	435,540
Other debtors	76,765	-
The Retreat Benevolent Fund	697	984
The Retreat York Pension Scheme	45,178	39,412
	<u>2,521,701</u>	<u>1,969,038</u>

10 Creditors: amounts falling due within one year

	2012 £	2011 £
Trade creditors	199,007	217,422
Accruals	333,719	133,619
Tax and social security	175,395	164,247
Other creditors	-	32,093
Monies due to patients	357,258	343,847
	<u>1,065,379</u>	<u>891,228</u>

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS - Continued

11 Unrestricted funds

	At 1 January 2012 £	Net Incoming resources £	Other recognised (losses)/ profits £	Transfers £	At 31 December 2012 £
General fund	8,652,768	2,635,551	1,149,887	(504,397)	11,933,809
Designated Funds:					
Tangible fixed asset fund	16,528,722	-	-	749,393	17,278,115
Development fund	5,450,000	-	-	(250,000)	5,200,000
Patient legacy fund	244,033	(1,463)	-	-	242,570
	<u>30,875,523</u>	<u>2,634,088</u>	<u>1,149,887</u>	<u>(5,004)</u>	<u>34,654,494</u>

General fund	2012 £	2011 £
General fund excluding pension asset	10,534,809	8,335,768
Pension asset	1,399,000	317,000
General fund	<u>11,933,809</u>	<u>8,652,768</u>

The general fund represents the free funds of the charity which are not designated for particular purposes and includes the pension asset

Tangible fixed assets fund

This fund has been set up to identify those funds which are not free funds and it represents the net book value of the charity's fixed assets, which are used almost entirely for the provision of care services. The fund includes a revaluation reserve of £4,500,804

Development fund

An amount of £5,200,000 in total has been earmarked for capital projects for the development of care services at The Retreat, York

Patient legacy fund

Trustees have decided, following discussions with the family, that funds bequeathed to The Retreat be designated for use to enhance the experience of patients at The Retreat on units where the former patient received care and treatment. This will be spent on drama therapy and patient holidays, as well as a memorial to the donor

Transfers

Transfers to tangible fixed asset fund		
Additions	(1,105,800)	
Depreciation	<u>356,407</u>	(749,393)
Transfer from development fund		250,000
Net transfer to designated funds		504,397
		<u><u>5,004</u></u>

The £5,004 has been transferred to restricted funds as a contribution from The Retreat

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS - Continued

12 Restricted funds

	At 1 January 2012 £	Incoming Resources £	Resources expended during the period £	Transfers £	At 31 December 2012 £
Parkinson's Grant Fund	34,252	-	-	-	34,252
Social Enterprise Fund	15,741	11,515	(22,287)	-	4,969
Patient Holiday Fund	6,861	-	(1,345)	-	5,516
Other Funds	46,310	17,818	(18,768)	5,004	50,364
	<u>103,164</u>	<u>29,333</u>	<u>(42,400)</u>	<u>5,004</u>	<u>95,101</u>

Parkinson's Grant Fund

This fund comprises funds donated by the Trustees of Albert Parkinson's Settlement, a small charitable trust in appreciation of the quality of care and treatment provided to a particular patient of The Retreat and the donor expressed a wish that at least part of the donation be applied in some way for the benefit of nursing staff

Social Enterprise Fund

This fund comprises amounts raised by the sale of goods and refreshments from shops staffed by volunteers. Funds generated will be utilised to fund the Social Enterprise and the development and implementation of the vocational pathway, as defined by the people who use the service, being The Retreat York, York House and Garrow House

Patient Holiday Fund

This is a fund arising from donations specifically given to pay for holiday breaks for patients

Other Funds

These funds comprise specific donations from external bodies to be spent on other benefits for patients

13 Analysis of net assets between funds

	Fixed assets £	Investment £	Net current assets £	Pension asset £	Fund balances £
Restricted funds	-	-	95,101	-	95,101
Unrestricted Funds:					
Designated funds					
Tangible fixed asset fund	17,278,115	-	-	-	17,278,115
Development fund	-	5,200,000	-	-	5,200,000
Patient legacy fund	-	-	242,570	-	242,570
General fund	-	3,006,431	7,528,378	1,399,000	11,933,809
	<u>17,278,115</u>	<u>8,206,431</u>	<u>7,866,049</u>	<u>1,399,000</u>	<u>34,749,595</u>

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS - Continued

14 Operating leases

At 31 December 2012 the company had annual commitments under non cancellable operating leases as set out below

	Land and buildings	
	2012	2011
	£	£
Operating leases which expire		
Within 5 to 10 years	<u>63,000</u>	<u>63,000</u>

15 Capital commitments

Capital expenditure authorised by the Board of Directors but not provided for in the accounts amounted to

	2012	2011
	£	£
Contracted for	<u>-</u>	<u>450,000</u>

16 Contingent liability

The Retreat York has received a grant from the NHS towards the cost of capital works carried out to upgrade Garrow House in order that a high support forensic service can be provided in that building. The grant is repayable to the NHS during the first 10 years of use of the building, which commenced in February 2008, if The Retreat were to elect to no longer make the property available for use by the NHS. The amount which is repayable declines by an equal sum as each of the 10 years is completed.

In recognition of this contingent liability in February 2008 The Retreat York granted a legal charge over Garrow House to the NHS which can be exercised in the event of all or a proportion of the grant becoming repayable to the NHS.

17 Trustees' expenses and remuneration

	2012	2011
	£	£
Travel expenses reimbursed to Trustees	<u>5,396</u>	<u>4,100</u>
Number of Trustees reimbursed	<u>11</u>	<u>11</u>

A premium of £1,813 for Trustee indemnity insurance was paid by the Company during the year.

THE RETREAT YORK

YEAR ENDED 31 DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS - Continued

18 Related party transactions

During the year the following amounts were received for services provided to the company's joint venture, York House

	2012 £	2011 £
Services provided	138,920	136,891
Overheads recharged	1,770	3,471
Rent	217,470	150,744
	<u>358,160</u>	<u>291,106</u>

The amount owing by York House at 31 December 2012 in respect of services and unremitted surpluses is £376,530

During the year the following amounts were received for services provided to the company's joint venture, Garrow House

	2012 £	2011 £
Services provided	38,839	23,493
Overheads recharged	75,446	9,970
Rent	203,995	188,148
	<u>318,280</u>	<u>221,611</u>

The amount owing by Garrow House at 31 December 2012 in respect of services and unremitted surpluses is £89,441