



**ANNUAL REPORT  
AND FINANCIAL  
STATEMENTS**  
2009/10

Together  
12 Old Street  
London EC1V 9BE  
Tel: 020 7780 7300

**[www.together-uk.org](http://www.together-uk.org)**

Charity Registration number: 211091  
Company Registration number: 463505

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## INTRODUCTION FROM THE CHAIR AND CHIEF EXECUTIVE

As our country deals with the consequences of economic recession, job losses and spending cuts, the needs of vulnerable people are more important than ever. We are committed to providing practical support to help people improve their health and wellbeing and make the most of their lives.

During the past year, we have made progress on our aim to be more influential in the field, promoting good practice and supporting people who use mental health services to advocate for themselves and to provide support through local networks.

One of our aims for this year was to promote the development of 'peer led' support. We have chosen to support and work with a network of local service user groups to do this and have been encouraged by the interest and progress made so far.

We have strengthened the governance of the charity by recruiting new trustees, including people with lived experience of mental distress and revising the remit of the trustees' sub-committees. The former is vital to ensure that our work is informed by the expertise of people with lived experience.

We have made progress in our aim to modernise our accommodation services in line with the wishes of service users. This will allow people with high support needs the option of their own front door instead of living in shared facilities.

The internal changes that we introduced in the previous year have been embedded and we feel confident that these will support our aim to expand the support we offer to individuals.

We have reviewed our key messages and taken account of service users' and others' views about how our approach is best communicated.

We have played our part in a number of key fora to influence the development of new mental health policy and to raise the profile of good practice and support improvements to the mental health care and support offered to individuals.

Our aims for the future are ambitious. We would like to expand accommodation services that offer 'your own front door', as well as expand our work to support genuine service user involvement in a range of settings and deliver peer led support.

We owe a great deal to our service users, volunteers, staff and supporters for their dedication and hard work over the year. We are confident that, with their help we will continue to make a difference and meet the challenges that the future holds.

Antony Sheehan

Liz Felton

## LEGAL AND ADMINISTRATIVE INFORMATION

Charity name	Together
Registered Name	Together: Working for Wellbeing
Charity registration number	211091
Company registration number	463505
Registered office	12 Old Street London EC1V9BE Tel 020 7780 7300 Fax 020 7780 7301 Email <a href="mailto:contactus@together-uk.org">contactus@together-uk.org</a> <a href="http://www.together-uk.org">www.together-uk.org</a>

### TRUSTEES

Professor Antony Sheehan	Chair
Edward Weiss	Honorary Treasurer
Stuart Aaron, MBE	
Sara Atkins	(from December 2009)
Erica Conway	
Helen Davies	(from February 2010)
Paul Farrimond	(from December 2009)
Albert Larmie	
Sylvie Montgomery	(from December 2009)
Dr William Obomanu	
Mark Vincent	
Robert Wood	(from December 2009)
Susan Young	

### COMPANY SECRETARY

Anne Oates

### CORPORATE MANAGEMENT TEAM

Liz Felton	Chief Executive
Anne Oates	Director of Finance and Central Support
Norma Clayton	Director of Human Resources
Anne Beales MBE	Director of Service-user Involvement
Helen Murray-Sharpe	Director of Operations
Claire Helman	Director of New Initiatives
John Brennan	Director of Housing

### AUDITORS

haysmacintyre, Fairfax House, 15 Fulwood Place, London WC1V 6AY

### BANKERS

National Westminster bank Plc (RBS), 20 Dean Street, London W1A 1SX

### SOLICITORS

Trowers and Hamblins, Sceptre Court, 40 Tower Hill, London EC3N 4DX

## TRUSTEES REPORT

The Board of Trustees of Together presents its annual report and accounts for the year ended 31 March 2010. These comply with the Companies Act 2006 and the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities.

### CHARITABLE DETAILS AND OBJECTIVES

The organisation was founded in 1879 and has been incorporated since 1949 as a company limited under guarantee. It is registered in England, (company number 463505). It is also a registered charity (number 211091) and operates under the Companies Act 2006 and the Charities Act 2006. It currently operates throughout England.

Together exists to work alongside people experiencing mental health issues to rebuild their lives; to improve and maintain their mental health and wellbeing. Together also works to promote better understanding of mental health issues, promote best practice and influence policy.

### ORGANISATION STRUCTURE

Together's Board of Trustees are also Directors of the Company. The full Board meets five times a year. In addition there is a Quality and Safety Committee and a Finance and Audit Committee. Both have clear terms of reference and delegated authority from the Board, meet quarterly and report back to the full Board.

The Chief Executive reports to the trustees and is supported by a group of senior managers who comprise the Corporate Management Team.

These include:

- Director of Finance and Central Support
- Director of Operations
- Director of New Initiatives
- Director of Housing
- Director of Service User Involvement
- Director of Human Resources

The trustees delegate the day to day management of the organisation to the Corporate Management Team.

### STATEMENT OF PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

### RISK MANAGEMENT

- A risk register was established some years ago and is reviewed by trustees at least annually. This year the trustees conducted a review of all the major risks to which the charity is exposed, and approved the processes in place for their mitigation.
- As a result of the governance review, the Finance and Audit Committee has taken on a greater role in monitoring risk and its management.

## APPOINTMENT & RECRUITMENT OF TRUSTEES

The directors of the company are also charity trustees for the purposes of charity law. We advertise nationally for trustees and short-listed candidates are formally interviewed by the chair, chief executive and trustees with expertise related to the vacancies under consideration. Suitable candidates are then recommended to the trustees with a view to co-option, pending formal recommendation for election by members at the next annual general meeting (AGM).

Up to 15 trustees may be appointed and the aim is to retain an appropriate balance of skills given the diverse nature of the organisation's work. Trustees are elected for three years and may stand for two subsequent three year terms. All new trustees are provided with an induction pack that comprises all the formal documents relating to the governance of Together, along with relevant Charity Commission publications and other guidance. They are also directed to formal training courses that are designed to meet the needs of new trustees and provided with support from an experienced trustee during their early months in office. The process is kept under regular review. Trustees are kept updated on current good practice, formal guidance and training opportunities through regular mailings.

Trustees and the corporate management team hold an annual joint event where progress against plans for the year is reviewed and we look ahead to the future.

Our current trustees come from a range of backgrounds, including health and social care, human resources and finance and people with experience of using mental health services. Professor Antony Sheehan continues as Chair and Edward Weiss as Treasurer. Both were appointed at the AGM in November 2007.

At our AGM, Albert Larmie and Mark Vincent put themselves up for re-election and were appointed as trustees for a further period of three years, and Mary Hancock stood down as a trustee. We would like to thank Mary for the valuable contribution she has made to Together over many years. We are delighted to welcome Sara Atkins, Paul Farrimond, Sylvie Montgomery, Robert Wood, and Helen Davies who have been appointed as trustees during the year.

Further details about our trustees and their expertise can be found on our website at [www.together-uk.org/trustees](http://www.together-uk.org/trustees).

## EMPLOYEES

Together is an accredited Investor In People organisation and has registered as 'a Mindful Employer'. These standards, along with our pro-active approach to learning and development, demonstrate our commitment to valuing and developing our employees whose skills are critical to our success.

## EMPLOYEE INVOLVEMENT

Regular meetings are held with employees so that they are involved and consulted on matters of concern and contribute to the running of the organisation. Together operates a Joint Negotiating and Consultative Committee which comprises employees, managers and UNISON representatives. Together has signed a recognition agreement with UNISON.

## TOGETHER'S VISION & MISSION

**Our Vision is to create a world where each individual plays their part in breaking down the barriers that exist through ignorance and lack of understanding and live his/her life without prejudice.**

## OUR MISSION

**Together is to be trusted for our expertise in service user involvement.**

**We will value and encourage service users' contribution to every aspect of our work, working alongside them as they lead their journey towards greater wellbeing.**

**We will demonstrate that service user involvement works to improve people's mental health whatever their situation, and no matter how severely affected.**

**Together believes in flexibility in the way we work and that this is essential to ensure that every individual we connect with is empowered to make choices that are effective for them and their circumstances at the time.**

## THE JOURNEY TOWARDS GREATER WELLBEING

Wellbeing is about people being able to connect with friends, with family and with local communities in a valued way. It is about having a suitable and safe place to live with appropriate support and about being able to work or engage in other activities without fear or discrimination. It requires friends, families and communities to be supportive and for mental health and wellbeing to be actively promoted for all. It is also about people having hope for the future and a realistic chance of realising their ambitions.

We believe that people need to be able to make their own individual choices about leading a more fulfilling life. We act in a way that is informed, responsive and resourceful. We see our role as ensuring that every individual we connect with is empowered to make choices that are effective for them and their circumstances at the time. We deliver practical support that makes this possible.

We promote the value of lived experience, empowerment by involvement and the impact of peer support.

We do so in a way which makes the most of the individual's own experience, emphasises people's strengths and supports people to make decisions and plans for their future.

We aim to prove that working to our service users' agendas improves their self-esteem, confidence and mental health in a holistic and valued way.

## ACTIVITIES AND ACHIEVEMENTS

The activities provided by Together during the year reflect our aims and ongoing commitment to offer practical support to people in varied circumstances across a range of locations. Access to our services is determined by need and by the choice of individuals. The benefits of our activities are that people experiencing mental distress are supported to achieve greater wellbeing and independence.

## SERVICES

Over the past year we have helped over 4,000 people with mental health needs each month across England.

We are delivering consistently in line with the expectations and wishes of the people who use our services with over 90% feeling that they are benefiting from the service. 90% of the people using our services report that they feel that our staff listen to them. For the commissioners of our services, almost 100% are satisfied with the service we provide.

- **Accommodation.** We provide a range of accommodation based services including residential care homes, crisis beds, supported housing and a wide range of support for people who are maintaining independent tenancies. Our plans for the future involve aiming to offer everyone using our accommodation their own front door whilst providing individually tailored support. The complete redevelopment of our first owned site is underway.
- **Advocacy.** Our advocacy services have grown significantly during the year. We offer advocacy services in the community and in hospital settings including the three NHS special hospitals at Broadmoor, Ashworth and Rampton. We also work with Court and Probation Services in London acting as independent advocates for defendants, to ensure the most appropriate response by those agencies. This service continues to expand. Our approach has been highlighted as an example of best practice by Lord Bradley in an independent review of support available for people with mental health problems within the criminal justice system.

- **Community based day services.** These range from resource centres to befriending and social networks, building links between people with mental health issues and their local communities, together with support for carers and families. We are developing new approaches to deliver our community services to allow a more personalised service, more control with the person using the service and creating opportunities for people to take up volunteering or paid work as a step in their journey supported by our staff and peer supporters.
- **Service User Involvement.** Together's Wellbeing Approach to Involvement was established in 2006 and is led by our Director of Service User Involvement, Anne Beales, MBE. It supports service users to regain control of their lives by participating in training and volunteering for roles at Together and other organisations. Greater service user involvement was one of our priorities for the year, and we have expanded this programme to more of our services and undertaken a range of work with external partners across different sectors helping to share good practice and learning.
- **Wellbeing Week** was held in March 2010, building on the momentum of the previous year. Wellbeing Week encourages people using our services, our staff and local communities to share activities that support their mutual wellbeing. Over 100 events were held across the country, from poetry readings to laughter and cookery workshops and wellbeing walks, providing an opportunity to promote the importance of maintaining good mental health to a wider audience and engaging with local communities to reduce stigma. The survey that we commissioned to launch the week's activities gained particular attention in highlighting the prevalence of common mental health problems in the general population.
- **Together's 'Our Space' art gallery.** The gallery has been a great success during the year with a number of high profile exhibitions taking place. A number of exhibiting artists have gone on to show their work at the Tate Modern, and other national galleries. The number of visitors to the various exhibitions has also gone up through the year.
- **Performance Reporting.** We have further developed our performance reporting system so that we are better able to monitor incidents, accidents, issues affecting our employees and other areas of quality of the work we do and in addition to report progress on critical areas of work and the risks associated with these.
- **The 'Recovery Star',** an outcomes tool designed specifically for mental health settings, is being used in 80% of projects, to measure the impact of our services on the individual's life and goals.

## INCREASING PARTNERSHIP AND COLLABORATIVE WORKING

We are active members of the Mental Health Providers' Forum with our CEO acting as a trustee. The Forum's aims are to improve the experience of service users through a stronger voluntary sector – sharing good practice, collaborating and trying to influence policy and commissioning of services.

In recognition of the good practice shown by our forensic mental health service in London, we were invited to join the National Advisory Group that is supporting the implementation of the Health and Criminal Justice Programme.

Together is one of the founder members of Charity Works a consortium set up in 2009 and comprising six charities operating in different fields. It aims to encourage graduates to take up careers in the charity sector. The first graduates joined in September 2009 and the programme has been rated very highly by the organizations involved and by the graduates themselves. Charity Works is aiming to expand its membership creating more places for graduates to meet high demand.

We are extremely pleased that we have been able to continue our support of the *National Survivor User Network* (NSUN) in its formative years. NSUN is a membership organisation that brings together individuals and groups run by people with direct experience of mental distress and of using mental health services across England. The network has gone from strength to strength in its ability to bring together people from broad backgrounds with experience of using mental health services. As well as supporting groups of service users in their work, NSUN has succeeded in gaining contract work to support positive service user engagement in other agencies. NSUN is now an independent organisation registered with both the Charities Commission and Companies House and we wish them well in their future.



We continue to work with the *NHS Confederation* to influence future mental health plans and promote the role of our sector and that of people who use services. We are also a member of the *Future Vision Coalition*, a group of mental health organisations working actively with the Department of Health to influence the next wave of mental health policy.

Our Director of Operations is also a trustee for *In Control*, a charity working on changing the welfare system so that individuals have control over their care and support services. This is helping to extend our learning in the area of self-directed support so that we can better support individuals in exercising their right to choice within this system.

### DEVELOPING THE STRATEGIC PLAN

In consultation with trustees and staff during 2008, we began the process of updating our five year strategic plan. This resulted in agreement to change our management structure to strengthen local management, develop our accommodation services and create capacity to develop peer support services. The implementation of this plan began in March 2009, and has caused some upheaval to people and teams as many take on new roles. We have recruited people externally to some new senior roles, bringing a greater breadth of perspectives to the operations team, which can only benefit our future work.

Our plan to diversify our fundraising income sources was put on hold during the year. The global economy has created a difficult fundraising climate and this, coupled with implementing significant internal change, has led us to defer fundraising expansion for a further year. Meanwhile, we have taken the opportunity to clarify our competitive positioning, so that we will have a good basis for that future fundraising.

### Together's priorities for the future are set out in our new strategic plan:

The strategic plan outlines six development priorities for 2009 -2014. Together will:

- Develop peer led services, tapping into people's expertise to support others and act as role models.
- Offer personalised services to anyone who uses Together's support, including those with severe mental health issues and in secure settings - aiming to improve choice and give greater control to service users.
- Develop models of accommodation with support to allow people independence and freedom to live

where they please, recognising that this forms the foundation from which people can build.

- Grow services to reach a target of 10,000 people a month by 2014.
- Partner with NHS Foundation Trusts to improve patient choice and outcomes at the point of delivery, helping people to engage in a genuine way.
- Find ways to bring together expertise and add value, through looking for suitable partnership and acquisition opportunities.

### PRIORITIES FOR THE COMING YEAR

During 2010/11 our commitments include:

- Develop and evaluate peer-led support services.
- Expand our good practice in involving service users.
- Support service users to exercise choice about the support and services they require and develop our services to respond to personal choices.
- Begin work on the first of our property conversions to provide modern, quality accommodation where tenants have their own front doors.

### FINANCIAL REVIEW

In the current environment the trustees are satisfied with the financial results for 2009/10. On unrestricted funds the charity made a surplus for the year, before revaluations and pension adjustments of £595,182 (2008/9 surplus £1,797,675). However, after adjusting for revaluations and the movement on the pensions scheme this is reduced to a deficit of £440,267 (2008/9 surplus £1,416,839) The operating surplus on unrestricted funds was improved by investment gains but offset by the adverse movement on the pension fund of over £1.4m, resulting in the net decrease in unrestricted funds carried forward which now amount to £5,928,908. On restricted funds there was a deficit of £608,681 (2008/9 surplus £381,121) making a combined deficit of £1,048,948 (2008/9 surplus £1,797,960).

The deficit on unrestricted funds is the result of the movement on the pension scheme liability detailed below.

This year's deficit on restricted funds represents expenditure incurred on services for which donations and grants had already been included in income in 2008/9.

## RESERVES

### Financial reserves policy

Together's reserves policy aims to ensure that the organisation can maximise the value of its net income without incurring unnecessary risk.

The general reserves provide a degree of protection to Together to mitigate against changing financial circumstances, such as downturn in income or unscheduled additional expenditure. Over recent times, Together has been rebuilding its reserves. The policy is reviewed in a strategic context annually, alongside annual budgets, aiming at establishing an appropriate level of general reserves to meet potential short to medium-term needs.

### GENERAL RESERVES (UNRESTRICTED)

At 31 March 2010 general reserves amounted to £5,057,462 (2008/9: £4,211,790). The trustees have approved a policy for the organisation of having general reserves of approximately six weeks' unrestricted expenditure. Current levels are just over 13 weeks of unrestricted expenditure (2008/9: 11 weeks). Trustees feel that at a time of great uncertainty in the economy these higher levels of reserves are appropriate.

### DESIGNATED FUNDS (UNRESTRICTED)

Designated funds (£1,323,446) are those unrestricted funds that are annually approved by trustees for particular purposes.

The Trustees have established a designated fund to cover any potential liability arising in the defined benefit pension scheme (see below).

The breakdown of current designated funds is outlined in note 18.

### RESTRICTED AND ENDOWMENT FUNDS

These funds can only be used for the purposes for which they were given. They represent unspent monies received from donors subject to conditions specified by them. These funds may arise because of restrictions on their use required by the donor at the time of receipt, or because the funds were collected in a public appeal to raise money for a particular purpose. Detailed analysis of the various restricted funds is set out in note 19.

## INVESTMENTS POWERS AND PERFORMANCE

The trustees, under the powers conferred to them by the Memorandum and Articles of Association 3b(k), appointed UBS Wealth (UK) Management four years ago, and gave them discretionary powers. As a measure of performance, the rate of income return on investment was set at 4 - 5 %, and the capital return to be not less than the All Share Index. These targets are reviewed quarterly by the Finance and Audit Committee and annually with UBS Wealth Management (UK). The next review date is summer 2010.

The trustees aims in investing funds continue to be to:

- act as a reserve to protect core activities in the event of unforeseen income shortfalls
- support longer term identifiable projects
- generate income to support core services not funded.

Total investments at 31 March 2010 amounted to £1,734,878, an increase of £361,606 (2008/9: reduction £114,403). Interest and dividend income in the year amounted to £84,772 (2008/9: £160,257). The increase in capital value of the investments of over 25 % reflects the general improvements experienced in the financial markets over the year.

### Portfolio structure

	2010 %	2009 %
Equity	63.0	50.8
Fixed interest	35.8	35.1
Cash	1.2	14.1

## PENSIONS

The accounts as presented include the full adoption of accounting standard FRS 17. In accordance with paragraph 355 of the SORP 2005, a pension deficit reported (FRS 17) has been deducted from the total funds of the charity.

Together's pension is a UK-based defined benefit scheme, providing benefits at retirement and on death-in-service. The net present value (deficit) of the pension scheme at 31 March 2010 is £452,000 compared with a surplus of £778,000 at 31 March 2009.

The most significant element of this deficit is the increase in future liabilities of the scheme from £6.349m at 31 March 2009 to £10.125m at 31 March 2010.

As the scheme is reporting a deficit (under FRS 17) the pension scheme trustees feel there are increasing levels of uncertainty for the scheme in the future. Therefore, in 2009 the charity trustees agreed to establish a designated fund against future liabilities that may arise. Both sets of trustees are reviewing the long term future of the defined benefit pension scheme.

### FINANCIAL CONTROL AND MONITORING

The Finance and Audit Committee monitors and reviews all aspects of the financial performance, financial management reporting, internal financial control, including, in particular, the preparation and monitoring of revenue and capital expenditure and quarterly managements accounts. It also deals with such other matters as may be specifically delegated to it by trustees.

### FINANCIAL POSITION

The trustees consider that there are sufficient reserves held at the year-end to avoid an unacceptable level of disruption to the organisation in the event of a downturn in future income, and that there is a reasonable expectation that Together has adequate resources to continue in operational existence for the foreseeable future. For this reason, the trustees continue to adopt the going-concern basis in preparing the accounts.

### TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the result for that year.

In preparing these financial statements, the trustees are required to:

- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

So far as each of the trustees is aware at the time the report is approved:

- 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.

### AUDITORS

In accordance with Section 485 of the Companies Act 2006, a resolution proposing that haysmacintyre be re-appointed as auditors of the company will be put to the AGM.

Signed by order of the trustees

Professor Antony Sheehan,  
Chair of Together  
15 September 2010

- select suitable accounting policies and then apply them consistently;

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOGETHER

We have audited the financial statements of Together for the year ended 31 March 2010 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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 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

The trustees, who are also the directors of the company for the purposes of company law, responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

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

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with those financial statements. In addition we report to you if, in our opinion, the charitable company has not kept adequate

accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### BASIS OF AUDIT OPINION

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

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

**OPINION**

In our opinion

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

Bernard Watson (Senior Statutory Auditor)  
for and on behalf of haysmacintyre, Statutory Auditor

.....2010

Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

# STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2010

	Notes	Unrestricted & Designated Funds £	Restricted Funds £	2010 Total £	2009 Total £
<b>Incoming Resources:</b>					
Incoming resources from generated funds					
<b>Voluntary Income</b>					
Subscriptions, Donations and Legacies	8	72,386	95,308	167,694	456,234
Grant Income	9	-	251,984	251,984	887,825
Investment Income	11	84,772	-	84,772	160,257
<b>Incoming Resources from Charitable Activities</b>					
Charges for Accommodation and Services	10	20,180,979	-	20,180,979	20,488,847
Other incoming resources	12	228,465	-	228,465	337,897
Profit on Sale of Fixed Asset	13	-	-	-	392,549
<b>Total Incoming Resources</b>		<b>20,566,602</b>	<b>347,292</b>	<b>20,913,894</b>	<b>22,723,609</b>
<b>Resources Expended</b>					
Cost of Generating funds:					
Cost of Generating Voluntary Income	3	94,188	-	94,188	122,731
Investment of Management Casts		3,810	-	3,810	7,681
Charitable Activities	2	19,828,390	955,973	20,784,363	20,360,847
Governance Costs	4	45,032	-	45,032	53,554
<b>Total Resources Expended</b>		<b>19,971,420</b>	<b>955,973</b>	<b>20,927,393</b>	<b>20,544,813</b>
<b>Net Incoming/(Outgoing) Resources before other recognised gains and losses</b>		<b>595,182</b>	<b>(608,681)</b>	<b>(13,499)</b>	<b>2,178,796</b>
<b>Other recognised gains and losses</b>					
Investment property revaluation	14a	-	-	-	1,104,217
Realised Gains on Investment		10,865	-	10,865	34,782
Unrealised Investment Gains/(Losses)		354,686	-	354,686	(383,835)
Net Gain on Investment Assets	14b	365,551	-	365,551	755,164
Actuarial losses on defined benefit pension scheme	20	(1,401,000)	-	(1,401,000)	(1,136,000)
<b>Net Movement in Funds</b>		<b>(440,267)</b>	<b>(608,681)</b>	<b>(1,048,948)</b>	<b>1,797,960</b>
Reconciliation of Funds					
Total funds bought forward as previously stated		6,369,175	3,202,919	9,572,094	7,774,134
<b>Total funds carried forward</b>	18/19	<b>5,928,908</b>	<b>2,594,238</b>	<b>8,523,146</b>	<b>9,572,094</b>

All income and expenditure is derived from continuing activities. The charity has no other recognised gains and losses other than the results for the above financial years

**BALANCE SHEET**

as at 31 March 2010

	Notes	2010 £	2009 £
<b>Fixed Assets:</b>			
Tangible Assets	13	5,377,900	5,579,972
Investment property	14a	1,250,000	1,250,000
Investments	14b	<u>1,734,878</u>	<u>1,373,272</u>
		8,362,778	8,203,244
<b>Current Assets:</b>			
Debtors	15	1,057,051	1,327,483
Cash at Bank and in Hand		<u>2,549,209</u>	<u>2,939,899</u>
		3,606,260	4,267,382
<b>Creditors:</b> Amount falling due within one year		(2,072,517)	(2,636,235)
Net current assets	16	1,533,743	1,631,147
<b>Creditors:</b> Amount falling due after more than one year	17	(921,375)	(1,040,297)
Net Asset excluding pension (liability)/asset		<u>8,975,146</u>	<u>8,794,094</u>
Defined benefit pension scheme (liability)/asset	20	<u>(452,000)</u>	<u>778,000</u>
<b>Net Assets</b>		<b><u>8,523,146</u></b>	<b><u>9,572,094</u></b>
<b>FUNDS</b>			
<b>Unrestricted Funds</b>			
Designated	18	1,323,446	1,379,385
General	18	5,057,462	4,211,790
Unrestricted Income Funds excluding Pension reserve		<u>6,380,908</u>	<u>5,591,175</u>
Pension Reserve	20	(452,000)	778,000
Restricted Fund	19	2,594,238	3,202,919
<b>Total Charity Funds</b>		<b><u>8,523,146</u></b>	<b><u>9,572,094</u></b>

Approved by the Council on 15th September 2010

Antony Sheehan  
ChairEdward Weiss  
Honorary Treasurer

Charity registration number 211091. Company registration number 463505

# CASH FLOW STATEMENT

for the year ended 31 March 2010

	Notes	2010 £	2009 £
Net cash (outflow)/inflow from operating activities	A	(237,411)	1,716,960
<b>Capital expenditure and financial investment</b>			
Investment property enhancement		(50,765)	
Purchase of tangible fixed assets	(38,763)	(40,248)	
Purchase of investments	(313,073)	(126,412)	
Disposal of fixed assets	-	128,845	
Sale of investments	317,018	134,172	
		(34,818)	45,592
<b>Financing</b>			
Debt beyond a year			
Repayment of Loan Capital		(118,461)	(592,436)
	B		
<b>Net cash (outflow)/inflow</b>		<b>(390,690)</b>	<b>1,170,116</b>

	2010 £	2009 £
<b>A. Reconciliation of net incoming resources to net to net cash (outflow)/inflow from operating activities</b>		
Net incoming resources	(13,499)	2,178,796
Depreciation charges	240,835	129,719
Decrease in debtors	270,432	672,613
(Decrease) in creditors	(564,179)	(152,168)
Pension adjustment	(171,000)	(1,112,000)
Net cash (outflow)/inflow from operating activities	<b>(237,411)</b>	<b>1,716,960</b>
<b>B. Analysis of Changes in Cash — net funds during the year</b>		
Net funds at 1 April 2009	2,939,899	1,769,783
Net cash (outflow)/inflow	(390,690)	1,170,116
Net funds at 31 March 2010	<b>2,549,209</b>	<b>2,939,899</b>
<b>C. Analysis of Net Funds as at 31 March 2010</b>		
Cash at bank and in hand	<b>2,549,209</b>	<b>2,939,899</b>



# NOTES TO THE ACCOUNTS

for the year ended 31 March 2010

## 1. ACCOUNTING POLICIES

- (a) The accounts are prepared under the historical cost convention with the exception of investments and investment properties as stated below and in accordance with applicable accounting standards. The format of the accounts have been modified to comply in all material respects with the Statement of Recommended Practice (2005) on Accounting and Reporting by Charities.

Together is taking advantage of the exemption conferred by section 405 of the Companies Act 2006 from the requirement to prepare group accounts on the grounds that in the opinion of the Trustees of the inclusion of Together Working for Wellbeing Trading Limited is not material for the purpose of giving a true and fair view.

- (b) Tangible assets are included at cost, less depreciation calculated in equal installments estimated to reduce cost to residual value over their useful life as follows:

Freehold Properties	40 years from 1 January 1970 or later date of expenditure
Fixtures and Fittings	10 years
Office Equipment	3 years

Items are only capitalised if they are £1,000 or more.

- (c) Investments are stated at market value as at 31 March. The statement of Financial Activities therefore includes unrealised gains and losses on the revaluation of the investment portfolio throughout the year.

Disclosure is made within note 14b to the financial statements of the difference between the historic cost and the sales proceeds of the investments sold during the year. Expenditure on repairs and maintenance is written off as incurred.

All grants receivable are treated as income. Where grants are received specifically to finance a particular cost they are credited to that activity.

- (d) Installments on operating lease contracts are charged to the income and expenditure account when they become payable.
- (e) Together is not liable to UK corporation tax on its charitable activities.
- (f) Together has one investment property which is held at market value. Market value is determined each year by an internal valuation. An external valuation is conducted every three years.

## 2. CHARITABLE ACTIVITIES

Provision of mental health services	Direct	Support	2010	2009
	Costs	Costs	Total	Total
	£	£	£	£
Housing	10,521,235	2,080,202	12,601,437	13,657,455
Advocacy services	1,005,658	200,172	1,205,830	1,026,516
Criminal Justice Services	631,156	125,629	756,785	439,450
Community Support Services	2,978,025	592,764	3,570,789	2,959,332
Day Services	1,632,996	325,041	1,958,038	1,693,912
Service User Involvement	576,695	114,789	691,484	584,183
	<b>17,345,766</b>	<b>3,438,597</b>	<b>20,784,363</b>	<b>20,360,847</b>

### Allocation of Support Cost

The Support Cost includes the Operational Office Costs, Finance and IT, Human Resources and Chief Executive Office. The basis of cost allocation used is the % turnover generated by the each Charitable activity.

	Operational		CEO	HR	Finance	2010	2009
	%	Support			& Central		
	T/O	£	£	£	Support	Total	Total
					£	£	£
Housing	60.50%	873,173	101,618	449,512	659,474	2,083,777	2,288,794
Advocacy Services	5.82%	84,023	9,705	42,932	62,985	199,645	172,029
Criminal Justice Services	3.65%	52,733	6,091	26,944	39,530	125,298	73,646
Community Support Services	17.24%	248,815	28,740	127,133	186,516	591,204	495,942
Day services	9.45%	136,437	15,760	69,713	102,276	324,186	283,875
Service User Involvement	3.34%	48,183	5,566	24,619	36,119	114,487	97,901
		<b>1,443,364</b>	<b>167,480</b>	<b>740,853</b>	<b>1,086,900</b>	<b>3,438,597</b>	<b>3,412,187</b>

## 3. COST OF GENERATING VOLUNTARY INCOME

	2010	2009
	£	£
Fundraising	48,454	80,704
Publicity	45,734	42,027
	<b>94,188</b>	<b>122,731</b>

## 4. GOVERNANCE COSTS

	2010	2009
	£	£
External Audit	13,800	13,999
Trustees Expenses	4,395	3,425
Legal & Professional Services	7,726	18,634
Staff cost	19,111	17,496
	<b>45,032</b>	<b>53,554</b>

**5. MOVEMENT IN FUNDS FOR THE YEAR**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Operating lease cost		
Plant and machinery	34,717	10,996
Other	20,351	17,422
Audit	13,800	13,999
Depreciation	240,837	226,117

**6. STAFF COSTS**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Wages and salaries	13,101,046	13,306,918
Social security costs	1,204,531	1,242,027
Pension costs	222,008	233,354
	<b><u>14,527,585</u></b>	<b><u>14,782,299</u></b>

One employee earned £100,000 or more in the year 2009.

**Number of employee within salary range:**

	<b>2010</b>	<b>2009</b>
£100,001 - £110,000	1	1
£90,001 - £100,000	-	-
£80,001 - £90,000	-	-
£70,001 - £80,000	2	1
£60,001 - £70,000	3	4

**The average number of employees including part time workers, analysed by function, was:**

	<b>2010</b>	<b>2009</b>
Mental health services	665	695
Fundraising and publicity	5	4
Management and administration of the charity	36	31
Governance	1	1
	<b><u>707</u></b>	<b><u>731</u></b>

**7. RELATED PARTY TRANSACTIONS**

Three Trustees were reimbursed travelling expenses during the year amounting to £827.60 (2009 £90.30). No remuneration was paid this year to any Trustee, (2009: £Nil).

There no were transactions in the year with Speechly Bircham, Solicitors where a former Trustee was a partner. All transactions are carried out at arms length when providing services to Together (2009: £900).

**8. VOLUNTARY AND DONATIONS INCOME**

	Unrestricted Income £	Restricted Funds £	2010 Total £	2009 Total £
Subscriptions, Donations and Legacies	72,386	95,308	167,694	456,234

Included in subscriptions and donations above are funds from The Big Lottery for West Suffolk Befriending of £48,202 and £8,860 for Wellbeing week. We also received grants of £15,000 from Bromley Trust and £6,000 from the Mary Frances Trust.

**9. GRANTS**

	2010 £	2009 £
Bexley CC	87,115	254,749
National Mental Health Development Unit (DOH)	83,000	15,000
Surrey CC	50,000	50,000
Other	31,869	51,053
Impact Grant via London Probation	-	429,000
East Sussex CC	-	40,000
SEDC	-	18,000
Leeds SS	-	15,023
Wakefield CC	-	15,000
	<b>251,984</b>	<b>887,825</b>

**10. INCOMING RESOURCES FOR CHARITABLE ACTIVITIES**

	2010 £	2009 £
Local Authorities, Health Authorities & NHS trusts	11,236,349	11,878,133
Charges for accommodation and services	5,739,190	5,653,425
Supporting People	2,188,982	2,164,961
Spot/Outreach Income	271,468	346,023
Probation Services	320,832	275,150
Voluntary Agencies	424,158	171,155
	<b>20,180,979</b>	<b>20,488,847</b>

**11. INVESTMENT INCOME**

	2010 £	2009 £
Interest and Dividend Received	84,772	160,257

**12. OTHER INCOMING RESOURCES**

	2010 £	2009 £
Net return on pension scheme assets and liabilities	-	106,000
Other Income	228,465	231,897
	<b>228,465</b>	<b>337,897</b>

**13. TANGIBLE FIXED ASSETS**

	Freehold Land and Buildings £	Furniture and Equipment £	Total £
<b>Costs:</b>			
At 1 April 2009	6,551,131	1,060,822	7,611,953
Additions	-	38,763	38,763
At 31 March 2010	<u>6,551,131</u>	<u>1,099,585</u>	<u>7,650,716</u>
<b>Depreciation:</b>			
At 1 April 2009	1,215,254	816,727	2,031,981
Charge for the year	187,907	52,928	240,835
At 31 March 2010	<u>1,403,161</u>	<u>869,655</u>	<u>2,272,816</u>
<b>Net book value at 31 March 2010</b>	<u>5,147,970</u>	<u>229,930</u>	<u>5,377,900</u>
<b>Net book value at 31 March 2009</b>	<u>5,335,877</u>	<u>244,095</u>	<u>5,579,972</u>

**14a. INVESTMENT PROPERTY**

	2010 £	2009 £
Net Book Value transferred (see note 13)	1,250,000	95,018
Costs of maintaining investment property	-	50,765
Investment property revaluation	-	1,104,217
Investment Property	<u>1,250,000</u>	<u>1,250,000</u>

The property was valued at £1.25m by John Brennan, Director of Housing (M.I.H.) on 31 March 2010.

**14b. INVESTMENTS**

	2010 £	2009 £
<b>Listed investments, at market value</b>		
At 1 April 2009	1,178,761	1,664,027
Additions	313,073	126,412
Disposal proceeds	(144,065)	(262,625)
Net investment gain	365,551	(349,053)
At 31 March 2010	<u>1,713,320</u>	<u>1,178,761</u>

**Portfolio Structure**

Equities	1,092,514	697,173
Fixed interest	620,806	481,588
Listed investments	1,713,320	1,178,761
Cash holdings	21,558	194,511
At 31 March 2010	<u>1,734,878</u>	<u>1,373,272</u>
Historical cost at 31 March 2010	<u>1,495,626</u>	<u>1,488,706</u>

**Equity in excess of 5% of the portfolio.**

	2010 £	2009 £
Equities in excess of 5% of the portfolio at 31 March were		
Henderson Far East Income Trust	88,760	-
Legal & General (Unit Trust Man) L&G US INDEX TRUST (I)DIS	93,900	-

**15. DEBTORS**

	2010	2009
	£	£
Trade debtors	791,884	991,914
Prepayments and accrued income and Others	265,167	335,569
	<u>1,057,051</u>	<u>1,327,483</u>

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2010	2009
	£	£
Accruals	793,034	879,783
Trade creditors	552,529	746,999
Other creditors including taxes and social security costs	384,388	399,004
Deferred Income	224,105	492,449
Bank Loans (see below)	118,461	118,000
	<u>2,072,517</u>	<u>2,636,235</u>

Other creditors include £332,674 for the PAYE and National Insurance contributions (2009:£346,052).

**17. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	2010	2009
	£	£
Bank Loan - Old Street	<u>921,375</u>	<u>1,040,297</u>

The national office bank loan, secured on the premise, is repayable over 13 years at a fixed rate of 4.81 percent and currently has 9 years to run.

**18. UNRESTRICTED FUNDS**

	Balance at April 2009	Incoming resources	Revaluations	Transfers	Expenditure	Balance at March 2010
	£	£	£	£	£	£
Property Improvement reserves	130,000	-	-	6,409	(61,123)	75,286
Information Technology	15,000	-	-	(2,015)	(12,985)	-
Project Designated funds	130,168	-	-	13,775	-	143,943
Pension Potential Liability	1,104,217	-	-	-	-	1,104,217
<b>Total Designated funds</b>	<b>1,379,385</b>	<b>-</b>	<b>-</b>	<b>18,169</b>	<b>(74,108)</b>	<b>1,323,446</b>
General Fund	4,211,790	20,395,602	365,551	(18,169)	(19,897,312)	5,057,462
Pension reserve	778,000	171,000	(1,401,000)	-	-	(452,000)
	<u>6,369,175</u>	<u>20,566,602</u>	<u>(1,034,449)</u>	<u>-</u>	<u>(19,971,420)</u>	<u>5,928,908</u>

**The Property Improvement Reserve** is set aside for capital repairs and general improvement of Together's own properties.

**The Information Technology Fund** has been set aside for the upgrading of Information Systems.

**Project Designated funds** are specific amounts set aside at three projects for future repairs and training programmes.

**Pension Potential Liability:** this fund has been set aside to cover potential liabilities arising in the pension scheme.

## 19. RESTRICTED FUNDS

	Balance at 1 April 2009 £	Movements in resources: incoming £	Transfers and outgoing £	Balance at 31 March 2010 £
Green Lane Grant	693,750	-	(18,750)	675,000
Carisbrooke (SRB) Grant	203,936	-	(5,890)	198,046
Hopewell House	855,000	-	(22,500)	832,500
Snowdon	617,500	-	(16,250)	601,250
Department of Health (NMHDU)	-	83,000	(15,517)	67,483
Project Services Grants:	107,964	55,115	(80,384)	82,695
The Lottery Fund West Suffolk Befriending	2,787	48,202	(48,185)	2,804
The Lottery Fund Wellbeing Week	-	8,860	(8,860)	-
National Service User Network	232,412	-	(188,184)	44,228
London Advocacy	26,737	-	(21,784)	4,953
Bromley Trust	-	15,000	(15,000)	-
ImpactGrant	418,325	-	(338,246)	80,079
Bexley	18,000	87,115	(105,115)	-
Surrey CC	26,508	50,000	(71,308)	5,200
Funds for charitable activities as at 31 March 2010	<u>3,202,919</u>	<u>347,292</u>	<u>(955,973)</u>	<u>2,594,238</u>

**Carisbrooke (SRB) Grant, Green lane, Hopewell House, Snowdon properties;** these funds match the contingent liability for the repayment of grants used to purchase property (see note 22).

**The Lottery Fund West Suffolk befriending;** grant received to develop the nucleus of 5 Self-Help groups in their localities support the transition for people from mental health support services back into ordinary community services.

**National Service user Network** is a Tudor Trust/Comic Relief joint funded initiative establishing a service-user national network over the next few years. In April 2010, the network became an independent charity and a company limited by guarantee.

**London Advocacy** service has been established by Bridge Builder Trust topped up with a donation from Gwyneth Forrester Trust to provide a post to coordinate service user inclusion activity within London.

## 20. PENSION SCHEME

The organisation contributes to a UK- based defined benefit scheme, called The Together: Working for Wellbeing Pension scheme. The Scheme is administered by Scottish Widows with Origen providing an administrative service. The Group Life benefits are with Legal & General.

As at 31 March 2010, the organisation contributed 13.3% and the employee 6%. This is not expected to change in the next twelve months.

The scheme provides benefit at retirement and on death-in-service based on final pensionable pay. The scheme is funded by the assets being held by Trustees of the scheme separately from the assets of the organisation.

The latest tri-annual valuation of the scheme was carried out in 2009 and showed the market value of the scheme's assets to be £8,430,000 being sufficient to cover 109% of the benefits accrued to members.

The benefit structure has not changed since the valuation, but the organisation reached a decision to cease funding for discretionary pension increases.

**Scheme assets and liabilities recognised in the balance sheet**

The fair value of the scheme's assets, which are not intended to be realised in the short term and may be subject to significant change, and the present value of the scheme's liabilities, which are derived from the cash flow projections over long periods and are thus inherently uncertain, were:

	<b>2010</b>		<b>2009</b>		<b>2008</b>		<b>2007</b>	
	<b>Expected</b>	<b>2010</b>	<b>Expected</b>	<b>2009</b>	<b>Expected</b>	<b>2008</b>	<b>Expected</b>	<b>2007</b>
	<b>rate of</b>	<b>Value</b>	<b>rate of</b>	<b>Value</b>	<b>rate of</b>	<b>Value</b>	<b>rate of</b>	<b>Value</b>
	<b>return</b>	<b>£000</b>	<b>return</b>	<b>£000</b>	<b>return</b>	<b>£000</b>	<b>return</b>	<b>£000</b>
	<b>%pa</b>		<b>%pa</b>		<b>%pa</b>		<b>%pa</b>	
Equities	7.5	6,402	7.0	4,515	7.5	5,755	7.8	5,642
Bonds	5.1	2,568	4.6	2,037	5.5	2,218	5.1	1,610
Other	0.5	703	0.5	575	5.25	314	5.1	957
Present value of plan assets		<u><b>9,673</b></u>		<u><b>7,127</b></u>		<u><b>8,287</b></u>		<u><b>8,209</b></u>
Present value of scheme liability		(10,125)		(6,349)		(7,485)		(7,743)
Net present value of scheme (liabilities) /assets		<u><b>(452)</b></u>		<u><b>778</b></u>		<u><b>802</b></u>		<u><b>466</b></u>

**Analysis of the amount recognised in Statement of Financial Activities as total recognised gains and losses**

	<b>2010</b>	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Actual return less expected return on assets	(1,659)	(2,171)	(949)
Experience (losses)/gains	(19)	(35)	39
Changes in assumptions	(3,041)	1,070	1,039
	<u><b>(1,401)</b></u>	<u><b>(1,136)</b></u>	<u><b>129</b></u>

**Analysis of amounts recognised in the Statement of Financial Activities**

	<b>2010</b>	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Current Service Cost	384	401	525
Past service Cost	15	-	-
Settlements or curtailment	-	(868)	-
Expected return on Pension Scheme assets	(426)	(585)	(586)
Interest on Pension Scheme liabilities	438	479	410
Net return on scheme assets and liabilities	<u><b>411</b></u>	<u><b>(573)</b></u>	<u><b>349</b></u>

**Changes in present value of the defined benefit obligation are as follows:**

	<b>2010</b>	<b>2009</b>
	<b>£000</b>	<b>£000</b>
Opening defined benefit obligations	6,349	7,485
Current service cost	384	401
Interest on obligations	438	479
Actuarial (losses)/gains	3,060	(1,035)
Post service cost	15	-
Settlements or curtailments	-	(868)
Benefits paid	(121)	(113)
Closing defined benefit obligations	<u><b>10,125</b></u>	<u><b>6,349</b></u>



**Changes in fair value plan assets are as follows:**

	<b>2010</b>	<b>2009</b>
	<b>£000</b>	<b>£000</b>
Opening fair value of plan assets	7,127	8,287
Expected return on assets	426	585
Actuarial gains/(losses)	1,659	(2,171)
Contributions	582	539
Benefits paid	(121)	(113)
Closing fair value of plan assets	<u><b>9,673</b></u>	<u><b>7,127</b></u>

The organisation expects to contribute £541,000 to this defined benefit pension plan in the year to 31 March 2010.

**Movements in scheme's surplus in the year**

	<b>2010</b>	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Surplus at the start of the year	778	802	466
Current service cost	(384)	(401)	(525)
Contributions	582	539	556
Settlement/curtailments	-	868	-
Net return on scheme assets and liabilities	(27)	106	176
Actuarial (loss)/gain	(1,401)	(1,136)	129
	<u><b>(452)</b></u>	<u><b>778</b></u>	<u><b>802</b></u>

**The major categories of plan assets as a percentage of total plan assets are as follows:**

	<b>Proportion</b>		<b>Proportion</b>	
	<b>at 31</b>		<b>at 31</b>	
	<b>2010</b>	<b>March</b>	<b>2009</b>	<b>March</b>
	<b>£000</b>	<b>2009</b>	<b>£000</b>	<b>2009</b>
UK Equities	2,815	29%	3,047	43%
Global Thematic Equities	3,524	36%	1,406	20%
Other Overseas Equities	63	1%	62	1%
Sterling Govt Bonds	96	1%	615	9%
Sterling Corporate Bonds	1,305	13%	354	5%
Inflation Linked Bonds	1,167	12%	1,068	15%
Cash	703	7%	575	8%
	<u><b>9,673</b></u>		<u><b>7,127</b></u>	

**Actuarial Assumptions Used**

A qualified independent actuary has updated the results of the last actuarial valuation of the scheme (as at 1 April 2008) to 31 March 2010: the major assumptions used by the actuary were as follows:

	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Discount rate	5.6	6.9	6.4	5.3	4.9
Retail price inflation	3.8	3.2	3.4	3.1	2.9
Salary increase rate	5.0	4.4	4.6	4.3	4.1
Pension increase (at limited price indexation)					
- LPI maximum	3.8	3.2	3.4	3.1	2.9
- LPI minimum	2.4	2.4	2.4	2.4	-
Deferred pension revaluation	3.8	3.2	3.4	3.1	3.0

### Mortality Assumption

Mortality follows the standard table known as PA92 with medium cohort mortality improvements subject to a 1% minimum to the annual improvements. Members are treated as if they are two years older. The same table was used at the previous year end.

The life expectancy used as a basis for our mortality assumption following FRS17 recommendations is :- assuming retirement at age 65, life expectancy in years are as follows:

	<b>at 31 March 2010</b>	<b>at 31 March 2009</b>
For a male aged 65 now	20.9	20.8
At 65 for a male member aged 45 now	22.7	22.6
For a female aged 65 now	24.1	24
At 65 for a female member aged 45 now	26.1	26

### History of Experience Gains & Losses

	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Difference between actual and expected return on assets (£000's)	1,659	(2,171)	(949)	0	1142	102
- as % of scheme assets	17	30	11	0	15	2
Experience gains/(losses) on liabilities (£000's)	(19)	(35)	39	(268)	(185)	(271)
- as % of scheme assets	0	1	1	3	3	(5)
Total amount recognised in the Statement of Financial Activities	(1,401)	(1,136)	129	236	262	(93)
- as % of scheme assets	14	18	2	3	4	(2)

### 21. OBLIGATIONS UNDER OPERATING LEASES

Annual commitment for non-cancellable operating leases are as follows:

	<b>Land and Building 2010 £</b>	<b>Other 2010 £</b>	<b>Land and Building 2009 £</b>	<b>Other 2009 £</b>
Operating leases which expire:				
Within one year	9,720	7,463	4,400	-
In two to five years	5,771	25,216	-	-
Over five years	-	443	-	-
	<b>15,491</b>	<b>33,122</b>	<b>4,400</b>	<b>-</b>

### 22. CONTINGENCY LIABILITY

Carisbrooke House was financed by a grant £233,783 received from the Single Regeneration Body (SRB) that is repayable upon Together disposing of the property or not using the property as agreed by the SRB.

Surrey PCT provided 3 properties valued at a total of £2,300,000 for the setup of services at Green Lane, Hopewell House and Snowdon. The properties will be surrendered if Together ceases to use them for the purpose for which they were donated.

The Trustees have agreed to establish a charge over a freehold property to provide cover for any potential deficit in the pension scheme.

## 23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General fund £	Designated funds £	Restricted funds £	Pension reserve £	Total funds £
Tangible fixed assets	4,732,535	1,323,446	2,306,797	-	8,362,778
Cash at bank and in hand	2,261,768	-	287,441	-	2,549,209
Other net current liabilities	(1,015,466)	-	-	-	(1,015,466)
Creditors of more than one year	(921,375)	-	-	-	(921,375)
Pension asset	-	-	-	(452,000)	(452,000)
	<b>5,057,462</b>	<b>1,323,446</b>	<b>2,594,238</b>	<b>(452,000)</b>	<b>8,523,146</b>