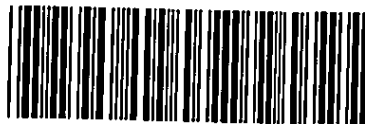




THE RETREAT YORK
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

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COMPANIES HOUSE

Charity No. 1089826
Company No. 4325622

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TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2008

LEGAL AND ADMINISTRATIVE INFORMATION

The Trustees, who are also the Directors of the charity for the purposes of the Companies Act 1985, submit their annual report and the audited financial statements for the year ended 31 December 2008. 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 1985, 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 Memorandum and Articles of Association. The company was incorporated on 20 November 2001 and obtained charitable status on 18 December 2001.

The members of the company are the Governors. 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

Douglas Hambleton

Stuart Humby

Roger Mattingly *

John Park *

Paul Redgate

Lucy Sheard

Martin Sykes

David Taylor *

Kay Whittle

Peter Anderson

(Appointed 1 January 2009)

* Member of the Finance Committee

Chief Executive

Jenny McAleese

Company Secretary

Robert Brownlow

Senior Management Team

Jenny McAleese

- Chief Executive

Robert Brownlow

- Director of Finance and Facilities

Dr Chris Holman

- Medical Director

Steve Trenchard

- Director of Clinical Services

Address and Registered Office

107 Heslington Road, York YO10 5BN

TRUSTEES' ANNUAL REPORT - CONTINUED

YEAR ENDED 31 DECEMBER 2008

LEGAL AND ADMINISTRATIVE INFORMATION - CONTINUED

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. In accordance with decisions made by the various Quaker Bodies, this company was formed on 20 November 2001 and was granted charitable status on 18 December 2001. Its governance arrangements are set out in its Memorandum and Articles of Association which were amended at the AGM held on 12 June 2008.

Governors and Directors

The Governors of the company are the members of the company and number 24 individuals. The membership of the Governors consists of:

- Twelve Governors appointed through Britain Yearly Meeting of the Religious Society of Friends.
- Twelve Governors appointed by Northern General Meetings as follows:

- Cumberland	1
- Derbyshire, Lincolnshire and Nottinghamshire	1
- Scotland	1
- Westmorland	1
- Durham	2
- Lancashire and Cheshire	2
- Yorkshire	4

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

The Governors are entitled to appoint Friends and non-Friends as Directors but there must always be more Friend Directors than non-Friend Directors. The Chairman and Deputy Chairman 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 Governors and Directors receive induction upon appointment to their respective roles. Directors receive training in relation to their role as Trustees.

TRUSTEES' ANNUAL REPORT - CONTINUED

YEAR ENDED 31 DECEMBER 2008

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 at The Retreat 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 2008 amounted to £24,523 for three individuals. The total funds of the Benevolent Fund at 31 December 2008 amounted to £990,715. 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.

During 2007 The Retreat York entered into a joint venture with Turning Point to operate a women's high support unit. The joint venture company is called Northern Pathways Limited and the unit opened in January 2009.

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 the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and to its supplementary public benefit guidance on fee-charging.

TRUSTEES' ANNUAL REPORT - CONTINUED

YEAR ENDED 31 DECEMBER 2008

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 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 2008.

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 rolling three year 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 percent of our patients are funded by the NHS, with over 45 PCT's regularly 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's services are split into four areas: Specialist Adult Services, Complex Mental Health Recovery Services, Specialist Older People's Services, and Psychological Therapies.

Specialist Adult Services

The Acorn programme is a Dialectical Behaviour Therapy (DBT) informed Therapeutic Community. The programme uses intensive psychological therapies for women who engage in self-defeating behaviours including self-harm and disordered eating to cope with emotions and with relationships. Many have experienced trauma or abuse.

Naomi is a specialist service for 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, mood disorders including obsessive compulsive disorder, and post-traumatic stress disorder.

TRUSTEES' ANNUAL REPORT - CONTINUED

YEAR ENDED 31 DECEMBER 2008

OBJECTIVES AND ACTIVITIES - CONTINUED

Activities - continued

Complex Mental Health Recovery Services

These services provide assessment and treatment for people with complex mental health problems, usually including psychosis. It also offers treatment for alcohol addiction or abuse, for people identified as having a dual diagnosis, and for people who require brief intensive assessment and rehabilitation.

Specialist Older People's Services

This service provides care for elderly people with challenging behaviour or whose behaviour presents difficulties to their carers in a more ordinary setting. This may include wandering, aggression or anti-social behaviour. Men and women have their own separate units to ensure the environment is both stimulating and safe.

Psychological Therapies

The Tuke Centre 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.

Other partnerships

In recent years The Retreat formed a partnership with the Disabilities Trust to create York House within the grounds of The Retreat. This 28-bedded unit provides an intensive neurobehavioural 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.

A service review and development day was held in September, which involved senior staff, Governors and Directors and reviewed all our services.

Volunteers

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

TRUSTEES' ANNUAL REPORT - CONTINUED

YEAR ENDED 31 DECEMBER 2008

ACHIEVEMENTS AND PERFORMANCE

Review of Performance against Objectives set

Our main mechanism for monitoring performance in 2008 was regular review against our Business Plan for the year. This contained ninety-two individual targets and by the end of the year nearly all of these had either been completed or were in the process of being so. Key achievements included the development of a new service in Garrow House, a number of initiatives aimed at protecting the environment, the implementation of a new nursing pay structure and continued growth in our financial performance.

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 Memorandum and 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 2008 the fund's performance of 24.3% reduction in value exceeded the median loss of 21.7% achieved by other funds in the survey used.

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 continuing downward pressure on fees and upward pressure on salary levels, coupled with an increasingly demanding inspection regime, make this a particularly challenging time for the organisation. Furthermore, The Retreat's local Primary Care Trust is one of the most financially challenged Primary Care Trusts in the country so there is little opportunity for growth from them.

FINANCIAL REVIEW

Financial Performance for the Year

The Statement of Financial Activities for the period is set out on page 10 of the financial statements.

The operating results of The Retreat which include expenditure on the charity's key areas of operation of Complex Mental Health Recovery Services, Specialist Older People's Services and Specialist Adult Services, in 2008 produced a surplus of £1,211,248 (2007: £1,077,073). Other net income from investments, donations, legacies and grants produced income of £1,170,031 (2007: £912,150), which includes a grant of £715,200 (2007: £476,800) towards the cost of the upgrade of Garrow House. After deducting costs amounting to £30,238 (2007: £25,154) for the governance of the charity, the result was an overall surplus for the year of £2,351,041 (2007: £1,964,699). After taking into account total investment losses of £2,417,748 and an actuarial loss on the defined benefit pension scheme of £6,619,000 there was a net deficit of £6,685,707 (2007: surplus £3,272,525).

TRUSTEES' ANNUAL REPORT - CONTINUED

YEAR ENDED 31 DECEMBER 2008

FINANCIAL REVIEW - CONTINUED

Financial Performance for the Year - continued

Our financial results for the year have been affected by a net pension cost of £60,000. In addition to this an actuarial loss of £6,619,000 has been deducted from reserves. Company contributions were paid at the rate of £42,500 per month in accordance with advice from the Scheme actuaries.

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 12 months of expenditure, approximately £9,000,000. Presently the undesignated reserves amount to £3,043,270 (2007 £4,629,511). This figure excludes the pension liability of £1,368,913 on the basis that this liability 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 £6,613,000.

PLANS FOR FUTURE PERIODS

The next few years promise to be just as challenging for The Retreat as have been the past few. There is significant structural change afoot in the National Health Service and this, coupled with an unprecedented focus on cost-driven commissioning, means that we have to think carefully about our position in the market place.

Our Business Plan for 2009-2011 is one of steady expansion as we focus on continuing to develop services in our areas of recognised expertise and thereby strengthen our underlying financial position.

Trustees' Responsibilities in relation to the Financial Statements

Company and charity 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 charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the Trustees have:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that are reasonable and prudent;
- Stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepared the financial statements on the going concern basis.

TRUSTEES' ANNUAL REPORT - CONTINUED

YEAR ENDED 31 DECEMBER 2008

Trustees' Responsibilities in relation to the Financial Statements - continued

The Trustees have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- The charity is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposition;
- Proper records are maintained and financial information used within the charity or for publication is reliable;
- The charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. These include:

- A business plan and an annual budget approved by the Trustees;
- Regular consideration by the Trustees of financial results, variance from budgets and non-financial performance indicators;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings 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.

Statement of disclosure to auditor

- (a) so far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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 28 May 2009.



Roger Mattingly
Chairman

INDEPENDENT AUDITORS' REPORT TO THE GOVERNORS OF THE RETREAT YORK

We have audited the financial statements of The Retreat York on pages 10 to 26 for the year ended 31 December 2008. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets, the inclusion of investments at market value and the accounting policies set out therein.

This report is made solely to the company's Governors as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's Governors those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As described in the statement of Trustees' responsibilities on page 7 the Trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with the 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 and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Annual Report is consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if information specified by law regarding Trustees' remuneration and transactions with the company is not disclosed.

We read the Trustees' Annual 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 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its incoming resources and application of resources including its income and expenditure in the year then ended
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

Barber Harrison & Platt

Barber Harrison & Platt
Chartered Accountants
Registered Auditors

29 May 2009
2 Rutland Park
Sheffield
S10 2PD

STATEMENT OF FINANCIAL ACTIVITIES - CONSOLIDATED
(incorporating a consolidated income and expenditure account)
YEAR ENDED 31 DECEMBER 2008

	Note	Restricted Funds £	Unrestricted Funds £	Total 2008 £	Total 2007 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income (donations and legacies)		761,146	45,776	806,922	565,009
Rents		-	139,684	139,684	140,753
Investment income	2	-	357,070	357,070	344,950
Other finance income	3	-	741,000	741,000	778,000
Incoming resources from charitable activities:					
Patient fees and other charges - The Retreat	4	-	9,084,267	9,084,267	8,482,932
- Joint Venture	5	-	2,233,827	2,233,827	2,091,096
Incoming resources including Joint Venture income					
		761,146	12,601,624	13,362,770	12,402,740
Share of Joint Venture income		-	(2,233,827)	(2,233,827)	(2,091,096)
Total incoming resources		<u>761,146</u>	<u>10,367,797</u>	<u>11,128,943</u>	<u>10,311,644</u>
RESOURCES EXPENDED					
Costs of generating funds					
Investment management fees	6f	-	(6,039)	(6,039)	(2,191)
Charitable activities					
Complex mental health recovery services		8,762	3,452,260	3,461,022	3,093,257
Specialist older people's services		10,601	2,757,127	2,767,728	2,619,262
Specialist adult services		17,509	2,971,097	2,988,606	3,075,638
Governance costs	6c	-	30,238	30,238	25,154
Total resources expended	6a	<u>36,872</u>	<u>9,204,683</u>	<u>9,241,555</u>	<u>8,811,120</u>
Net incoming resources		724,274	1,163,114	1,887,388	1,500,524
Net income from Joint Venture	5	-	463,653	463,653	464,175
Transfer of funds		(1,186,996)	1,186,996	-	-
Net incoming resources for the year		<u>(462,722)</u>	<u>2,813,763</u>	<u>2,351,041</u>	<u>1,964,699</u>
OTHER RECOGNISED GAINS AND LOSSES					
Losses on investments					
Realised	8b	-	(551,300)	(551,300)	(120,490)
NET INCOME FOR THE YEAR		<u>(462,722)</u>	<u>2,262,463</u>	<u>1,799,741</u>	<u>1,844,209</u>
(Losses)/gains on investments					
Unrealised	8	-	(1,866,448)	(1,866,448)	664,316
Actuarial (loss)/gain on defined benefit pension scheme	3	-	(6,619,000)	(6,619,000)	764,000
NET MOVEMENT IN FUNDS		<u>(462,722)</u>	<u>(6,222,985)</u>	<u>(6,685,707)</u>	<u>3,272,525</u>
Balance 1 January		<u>522,781</u>	<u>27,955,666</u>	<u>28,478,447</u>	<u>25,205,922</u>
Fund balance at 31 December		<u>60,059</u>	<u>21,732,681</u>	<u>21,792,740</u>	<u>28,478,447</u>

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

BALANCE SHEET

YEAR ENDED 31 DECEMBER 2008

	Note	£	2008 £	2007 £
Fixed assets				
Tangible assets	7		13,445,324	10,800,803
Investments	8		6,876,021	9,068,095
Investment in Joint Ventures	8e		501	501
			<u>20,321,846</u>	<u>19,869,399</u>
Current assets				
Stock			-	21,120
Debtors	9		1,470,254	1,770,067
Cash at bank and in hand			2,860,124	3,023,754
			<u>4,330,378</u>	<u>4,814,941</u>
Creditors: amounts falling due within one year	10		1,490,571	988,445
Net current assets			<u>2,839,807</u>	<u>3,826,496</u>
Total assets less current liabilities excluding pension (liability)/asset	3		23,161,653	23,695,895
Defined benefit pension scheme (liability)/asset			(1,368,913)	4,782,552
Net assets including pension (liability)/asset			<u>21,792,740</u>	<u>28,478,447</u>
Unrestricted funds	11			
General				
Investment revaluation reserve			-	1,498,374
Other			1,674,357	7,913,489
			<u>1,674,357</u>	<u>9,411,863</u>
Designated:				
Tangible fixed assets fund - cost		8,944,520		6,299,999
- revaluation		4,500,804		4,500,804
		<u>13,445,324</u>		<u>10,800,803</u>
Development fund		6,613,000		7,743,000
			<u>20,058,324</u>	<u>18,543,803</u>
			<u>21,732,681</u>	<u>27,955,666</u>
Restricted funds	12		60,059	522,781
Total funds			<u>21,792,740</u>	<u>28,478,447</u>

The financial statements on pages 10 - 26 were approved by the Board of Directors on 28 May 2009 and are signed on its behalf by:

ROGER MATTINGLY
CHAIRMAN



CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2008

	2008 £	2007 £
Reconciliation of surplus of income to net cash inflow from operating activities		
Net incoming resources for the year	2,351,041	1,964,699
Add: Depreciation charges	257,886	165,173
Loss on disposal of fixed assets	-	5,008
Less: Investment income received	(357,070)	(344,950)
Other finance income	(741,000)	(778,000)
	<u>1,510,857</u>	<u>1,011,930</u>
Decrease/(increase) in stock	21,120	(1,332)
Decrease/(increase) in debtors	299,813	(242,104)
Increase in creditors	502,126	90,247
Pension cost in excess of contributions made	273,465	446,000
Net cash inflow from operating activities	<u>2,607,381</u>	<u>1,304,741</u>
Returns on investments		
Investment income received	<u>357,070</u>	<u>344,950</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(2,902,407)	(1,100,663)
Purchase of investments	(2,603,108)	(2,261,054)
Sale proceeds of investments	2,377,434	2,040,998
	<u>(3,128,081)</u>	<u>(1,320,719)</u>
(Decrease)/increase in cash in the year	<u>(163,630)</u>	<u>328,972</u>
Movement in cash		
Cash in bank and in hand:		
Balance at 1 January	3,023,754	2,694,782
Movement in the year	(163,630)	328,972
Balance at 31 December	<u>2,860,124</u>	<u>3,023,754</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

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 1985 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 includes 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.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008 - Continued

1. Accounting policies – continued

(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.

(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 Complex Mental Health Recovery Services, Specialist Older People's 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 have been amended in 2008 and 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 which has an aggregate value in excess of £50,000.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008 - *Continued*

1. Accounting policies - continued

(g) Investments

Investments are included at their market value on 31 December 2008 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 Statement of Financial Activities over the period in which the cost is incurred.

2. Investment income

	2008 £	2007 £
Dividend income	215,780	226,509
Interest receivable	141,290	118,441
	<u>357,070</u>	<u>344,950</u>

3. Provision for employees' pensions

Actuarial valuation

The company operates a defined benefit scheme in the UK called The Retreat, York, Pension Scheme. Regular funding reviews are made by an independent qualified actuary and contribution rates are adjusted accordingly.

Company contributions to the Scheme recommenced in January 2006. A review of the Scheme was carried out with the objective of reducing the costs to the company, and a number of changes were introduced with effect from 1 August 2006 following extensive consultations with members and Scheme trustees. The principal change involves the move from benefits accrued after 1 August 2006 being calculated on the basis of final salary to calculation by reference to career average revalued earnings.

A full actuarial valuation of the scheme was carried out as at 31 December 2007. There is a potential increase in the company's cash contributions of £100,000 per annum but steps are being taken to reduce this to £44,000 per annum.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008 - Continued

3. Provision for employees' pensions - continued

FRS 17 details

Amounts recognised in the balance sheet

	2008 £,000	2007 £,000
Fair value of scheme assets	22,690	30,523
Present value of scheme liabilities	24,059	25,741
(Deficit)/ surplus in the scheme	(1,369)	4,782

Amounts recognised in the SOFA

Current service cost	801	763
Interest on scheme liabilities	1,477	1,265
Expected return on scheme assets	(2,218)	(2,043)
Total pension cost recognised in the SOFA	60	(15)

Amounts recognised in the statement of total recognised gains and losses

Actuarial (loss)/ gain relating to the year	(6,619)	764
Cumulative actuarial loss at 31 December	(8,802)	(2,183)

Change in scheme assets

Fair value of scheme assets at 1 January	30,523	28,526
Expected return on scheme assets	2,218	2,043
Employer contributions	528	396
Member contributions	187	184
Benefits paid	(1,098)	(1,171)
Actuarial (loss)/ gain on assets	(9,668)	545
Fair value of scheme assets at 31 December	22,690	30,523
Actual return on scheme assets	(7,450)	2,588

Change in scheme liabilities

Scheme liabilities at 1 January	25,741	24,919
Current service cost	801	763
Interest cost	1,477	1,265
Member contributions	187	184
Benefits paid	(1,098)	(1,171)
Actuarial (loss)/gain due to experience	(523)	(390)
Actuarial (loss)/gain due to change in assumptions	(2,526)	171
Scheme liabilities at 31 December	24,059	25,741

The employer expects to contribute £500,000 into the scheme in 2009.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008 - Continued

3. Provision for employees' pensions - continued

Principle weighted average actuarial assumptions

	2008	2007
Inflation assumption	3.00%	3.25%
Rate of increase in salaries	5.00%	5.25%
Discount rate	6.50%	5.75%
Rate of increase in pensions in payment where increases are linked to inflation – Limited price index 5%	2.90%	3.10%
– Limited price index 3%	2.70%	2.85%

Expected return on scheme assets

	Long term rate return expected at 31.12.08 £,000	Value at 31.12.08	Long term rate return expected at 31.12.07	Value at 31.12.07 £,000
Equities	7.50%	20,867	7.50%	27,935
Bonds	5.00%	1,559	5.00%	1,641
Property	6.00%	2	6.00%	487
Cash and net current assets	5.50%	262	5.50%	460
	7.20%	22,690	7.30%	30,523

The overall expected return on assets of 7.20% at 31 December 2008 (2007: 7.30%) is the weighted average of the expected returns for each asset class.

Historical analysis

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

	2008 £,000	2007 £,000	2006 £,000	2005 £,000	2004 £,000
Fair value of scheme assets	22,690	30,523	28,526	25,469	21,438
Value of scheme liabilities	24,059	25,741	24,919	25,323	20,189
(Deficit)/ surplus in the scheme	(1,369)	4,782	3,607	146	1,249
Experience adjustments on scheme assets	(9,668)	545	1,704	2,943	630
Experience adjustments on scheme liabilities	523	390	143	(650)	495

Balance sheet reconciliation

	2008 £,000	2007 £,000
Gross balance sheet asset at 1 January	4,782	3,607
Pension expense recognised in the SOFA in the year	(60)	15
Amounts recognised in the statement of total recognised gains and losses in the year	(6,619)	764
Actual contributions made by the employer in the year	528	396
Gross balance sheet (liability)/ asset at 31 December	(1,369)	4,782

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008 - Continued

4. Patient fees and other charges	2008 £	2007 £
Fees from patients	8,956,767	8,327,699
Grants to cover full cost of reduced fees: Benevolent fund for Friend patients	24,523	35,500
	8,981,290	8,363,199
Sundry income	102,977	119,733
	9,084,267	8,482,932

5. Joint venture

- (a) The Retreat York has undertaken a joint venture to operate a unit for individuals with an acquired brain injury. The unit is known as York House. The year end of the joint venture is 31 May.

The company's share of the results of the joint venture as at 31 December 2008 are as follows:

	£
Fee income and contributions received	2,233,827
Expenditure on charitable activities	(1,770,174)
Share of net results	463,653

The company's share of the net assets of the joint venture as at 31 May 2008 (the figures as at 31 December 2008 are not available) are as follows:

	£
Fixed assets	62,372
Current assets	343,654
Liabilities due within one year	(405,526)
Net assets	500

As all surpluses are distributed equally to the two joint venture partners, there are no net assets in the balance sheet at 31 December 2008 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) In 2007 The Retreat York entered into a joint venture arrangement with Turning Point by means of a joint venture company called Northern Pathways Limited. This company was incorporated on 26 July 2007 and did not trade during the year. Trading commenced in February 2009 when Garrow House, a secure 12 bedded unit for females, opened for the admission of patients.

The company is owned 50% by The Retreat York and 50% by Turning Point.

NOTES TO THE FINANCIAL STATEMENTS **YEAR ENDED 31 DECEMBER 2008 - Continued**

6. (a) Analysis of expenditure

			2008	2007
	Direct costs	Support costs	Total	Total
	£	£	£	£
Complex mental health recovery services	3,194,404	266,618	3,461,022	3,093,257
Specialist older people's services	2,541,409	226,319	2,767,728	2,619,262
Specialist adult services	2,710,346	278,260	2,988,606	3,075,638
Investment management fees	(6,039)	-	(6,039)	(2,191)
Governance costs (Note c)	30,238	-	30,238	25,154
	<u>8,470,358</u>	<u>771,197</u>	<u>9,241,555</u>	<u>8,811,120</u>

- (b) Support costs totalling £771,197 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

	2008	2007
	£	£
Audit fee - audit services	11,163	10,634
- other services	11,167	3,358
Directors' and Governors' expenses	7,820	7,864
Company fees re pension advice	-	1,613
Other professional fees	88	1,685
	<u>30,238</u>	<u>25,154</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008 - Continued

6. Analysis of expenditure - continued

(d) Employees	2008	2007
	£	£
Salaries	5,810,417	5,685,828
Employer's NI	464,857	443,261
Pension scheme (note 3)	801,000	763,000
	<u>7,076,274</u>	<u>6,892,089</u>

The average number of employees in the year was:

	2008	2007
	No.	No.
Medical staff	4	4
Nursing staff	175	171
Other clinical staff	26	24
Administration and support staff	31	28
Estate maintenance	15	14
Hotel services	64	70
	<u>315</u>	<u>311</u>

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

	2008	2007
	No.	No.
Band of earnings		
£60,000 - £69,999	1	2
£70,000 - £79,999	2	2
£80,000 - £89,999	0	0
£90,000 - £99,999	1	1
£100,000 - £109,999	2	1
£110,000 - £119,999	1	1
£120,000 - £129,999	0	1
£130,000-£139,999	1	0

Of the above, the number of staff to whom retirement benefits are accruing under the defined benefit pension scheme at 31 December 2008 is 8.

(e) Other expenditure	2008	2007
	£	£
Other expenditure includes		
Amounts paid under operating leases:		
- land and buildings	<u>38,000</u>	<u>36,380</u>
(f) Investment management fees	£	£
Fees	24,804	15,644
Less - investment fee rebate	(30,843)	(17,835)
	<u>(6,039)</u>	<u>(2,191)</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008 - Continued

7. Fixed Assets

	Freehold land and buildings £	Short leasehold land and buildings £	Furniture plant, equipment vehicles £	Total £
Cost or Valuation				
At 1 January	10,241,760	72,373	2,706,270	13,020,403
Asset transfer	(195,166)	195,166	-	-
Additions in year	2,561,384	37,817	303,206	2,902,407
At 31 December 2008	12,607,978	305,356	3,009,476	15,922,810
Depreciation				
At 1 January	169,858	57,424	1,992,318	2,219,600
Asset transfer	(67,634)	67,634	-	-
Charge for the year	20,205	45,206	192,475	257,886
At 31 December 2008	122,429	170,264	2,184,793	2,477,486
Net book value				
At 31 December 2008	12,485,549	135,092	824,683	13,445,324
At 31 December 2007	10,071,902	14,949	713,952	10,800,803

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 2008 additions costing £5,557,978 have been capitalised and are included in the balance of £12,607,978 above.

A further valuation on a depreciated replacement cost basis was carried out by Knight Frank in June 2008. The operational properties were valued at £13.84m. The temporarily non-operational properties included in fixed assets were valued at £525,000 on an open-market basis and at the valuation date were let producing £32,250 per annum. 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 2008 of £7,984,745.

The depreciation estimates were changed with effect from 1 January 2008. Furniture, plant and equipment changed from 12.5% on the reducing balance to 16.5% straight line. The effect of this was to increase this year's charge by £35,000. Fire precaution work, included within Freehold land & buildings, changed from 7.5% on the reducing balance to 15% straight line. The effect of this was to increase this year's charge by £10,000.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008 - Continued

8. Investments

	2008 £	2007 £
(a) Movements in year at market value		
Market value at 1 January	9,068,095	8,304,214
Acquisitions at cost	2,603,108	2,261,053
Disposals at book value	(2,928,734)	(2,161,488)
Net (losses)/gains on revaluation	(1,866,448)	664,316
Market value at 31 December	6,876,021	9,068,095
Historical cost		
At 31 December	7,635,480	7,569,721
(b) Realised (losses) in the year		
Proceeds	2,377,434	2,040,998
Disposals at book value	(2,928,734)	(2,161,488)
	(551,300)	(120,490)
(c) Reconciliation of movement in unrealised gains		
Unrealised gains at 1 January	1,498,374	1,153,056
Less in respect of disposals in the year	(391,385)	(318,998)
Net (losses)/gains on revaluation	(1,866,448)	664,316
Unrealised (losses)/gains at 31 December	(759,459)	1,498,374
(d) Analysis of market value		
Listed Securities - UK	3,743,608	5,450,379
- Overseas	3,071,061	3,508,005
Cash deposits	61,352	109,711
	6,876,021	9,068,095

Included within investments are holdings in the following representing more than 5% of the value of the portfolio at 31 December 2008:

Sarasin Sterling Bond CLS 'A' INC	5.3%
Sarasin CI Equisar Sterling Global Thematic Fund Dist Units	38.6%

NOTES TO THE FINANCIAL STATEMENTS **YEAR ENDED 31 DECEMBER 2008 - 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 1 ordinary share 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	2008	2007
	£	£
Trade debtors	1,280,545	1,524,048
Amount due from joint venture	183,043	244,684
The Retreat Benevolent Fund	372	1,335
The Retreat York Pension Scheme	6,294	-
	<u>1,470,254</u>	<u>1,770,067</u>

10. Creditors: amounts falling due within one year

	2008	2007
	£	£
Trade creditors	500,018	167,189
Accruals	524,836	350,164
Tax and social security	153,628	150,068
Patient fees in advance	20	10,847
Monies due to patients	312,069	310,177
	<u>1,490,571</u>	<u>988,445</u>

NOTES TO THE FINANCIAL STATEMENTS **YEAR ENDED 31 DECEMBER 2008 - Continued**

11. Unrestricted funds

	Designated funds			
	General Fund	Tangible fixed asset fund	Development fund	Total
	£	£	£	£
At 1 January 2008	9,411,863	10,800,803	7,743,000	27,955,666
Incoming resources	10,831,450	-	-	10,831,450
Resources expended	(9,204,683)	-	-	(9,204,683)
Losses	(9,036,748)	-	-	(9,036,748)
Transfers	(327,525)	2,644,521	(1,130,000)	1,186,996
At 31 December 2008	<u>1,674,357</u>	<u>13,445,324</u>	<u>6,613,000</u>	<u>21,732,681</u>

General fund

	2008	2007
	£	£
General fund excluding pension (liability)/asset	3,043,270	4,629,311
Pension (liability)/asset	(1,368,913)	4,782,552
General fund	<u>1,674,357</u>	<u>9,411,863</u>

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

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 £6,613,000 in total has been earmarked for capital projects for the development of care services at The Retreat, York.

Transfers

	£	£
Analysis of additions to tangible fixed asset fund		
Additions	(2,902,407)	
Depreciation	257,886	
		(2,644,521)
Transfer from Garrow House restricted fund		1,192,000
Transfer from development fund		1,130,000
Transfer to other restricted funds		(5,004)
		<u>(327,525)</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008 - Continued

12. Restricted funds

	Garrow House	Library	Charity shops	Patient holiday fund	Outpatient development fund	Other funds	Total
	£	£	£	£	£	£	£
At 1 January 2008	476,800	5,402	7,643	9,914	6,227	16,795	522,781
Incoming resources	715,200	-	22,690	-	13,800	9,456	761,146
Expenditure during the year	-	-	(813)	(1,671)	(15,262)	(19,126)	(36,872)
Transfers between funds	(1,192,000)	-	(5,105)	-	-	10,109	(1,186,996)
Balance at 31 Dec. 2008	-	5,402	24,415	8,243	4,765	17,234	60,059

Garrow House

This fund comprises a grant received from the Department of Health towards the cost of the upgrade of a property called Garrow House to provide a 12 bedded low secure unit as part of a national pilot scheme.

The grant was given without restriction on the underlying assets. The funds have therefore been transferred to unrestricted reserves at the end of the year.

Library

This fund comprises donations from external bodies to be spent on the library.

Charity shops

This fund comprises amounts raised by the sale of refreshments from a shop staffed by volunteers. The monies are donated to the charity to be used for specific purposes.

Patient holiday fund

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

Outpatient development fund This is the fund created by the fundraising currently being undertaken to extend the outpatient building.

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 liability	Fund balances
	£	£	£	£	£
Restricted funds	-	-	60,059	-	60,059
Unrestricted:					
Designated funds					
Tangible fixed asset fund	13,445,324	-	-	-	13,445,324
Development fund	-	6,613,000	-	-	6,613,000
General fund	-	263,522	2,779,748	(1,368,913)	1,674,357
	<u>13,445,324</u>	<u>6,876,522</u>	<u>2,839,807</u>	<u>(1,368,913)</u>	<u>21,792,740</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008 - Continued

14. Operating leases

At 31 December 2008 the company had annual commitments under non cancellable operating leases as set out below.

	Land and buildings	
	2008	2007
	£	£
Operating leases which expire:		
Within one year	38,000	36,380

15. Capital commitments

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

	2008	2007
	£	£
Contracted for	220,000	-

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 2009, 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

	2008	2007
	£	£
Travel expenses reimbursed to Trustees	5,318	4,637
Number of Trustees reimbursed	6	6

A premium of £1,942 for trustee indemnity insurance was paid by the Company during the year.

18. Related party transactions

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

	2008	2007
	£	£
Services provided	177,206	188,720
Overheads recharged	1,594	1,598
Rent	132,299	127,642
	311,099	317,960

The amount owing by York House at 31 December 2008 in respect of services and unremitted surpluses is £183,043.