



**ANNUAL REPORT
AND FINANCIAL
STATEMENTS**

2012/13

Together
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London EC1V 9BE
Tel: 020 7780 7300

www.together-uk.org

Charity Registration number: 211091
Company Registration number: 463505

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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, EC1V 9BE
Tel 020 7780 7300
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Email contactus@together-uk.org
www.together-uk.org

TRUSTEES

Erica Conway	Interim Chair (until 10 July 2013)
Sue Turner	Chair Designate (from 10 July 2013)
Edward Weiss	Honorary Treasurer
Stuart Aaron MBE	
Helen Davies	
Paul Farrimond	
Alison Faulkner	
Lisa Goodwin	
Albert Larmie	
Carole Murray	
Steve Radford	
Professor Antony Sheehan	
Robert Wood	
Susan Young	

COMPANY SECRETARY

Anne Oates

CORPORATE MANAGEMENT TEAM

Liz Felton	Chief Executive
Anne Oates	Director of Resources
Anne Beales MBE	Director of Service User Involvement
Rowena Naylor-Morrell	Director of Operations and Development
Michael Smith	Director of Operations and Development
Cashain David	Director of Operations and Development
Liam Cole	Head of Human Resources

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 Hamlins, 3 Bunhill Row, London EC1Y 8YZ

INTRODUCTION FROM THE CHAIR DESIGNATE AND CHIEF EXECUTIVE

The continuing challenges of public service cuts and an ever-changing commissioning landscape have made it necessary for us to be more flexible and responsive than ever in our approaches and ways of working this year. We are proud that, in doing so, we have been able to continue supporting people to move on with their lives and achieve independence.

The climate of the last year has been uncertain and chaotic, but no more so than for those most at risk: those in medium or high secure facilities, or those in contact with the criminal justice system, for example. We have expanded and developed our work to provide advocacy for some of the most vulnerable people in hospital settings, ensuring their voices are heard when they most need it. Our criminal justice services have continued to ensure people's wellbeing needs are addressed in the community so they are not needlessly held in custody.

More than ever, our focus this year has been to change lives and enable independence. No matter which of our services they use, we are proud to have stayed true to our overriding aim to help people move on from distress towards independent living within their community, at a pace that is right for them and in a way that they have chosen and directed.

In our residences in particular, we have taken strides towards a more personalised and individually tailored model of support, and are proud to have achieved what we believe to be a pioneering approach to working with residents to design their own support and take meaningful steps towards a more independent life. These developments follow on the heels of the nationwide roll-out of our Your Way community support, now a thriving and growing model helping hundreds of people to take control of their support and live the life they dream of.

By listening to those who choose our support, shaping our services to their needs and adapting our approaches to fit with a new and changing environment, we have been able to work alongside more people than ever on their journey to better wellbeing.

This year has seen financial challenges too with many of our services experiencing cuts in income. We have had to find new ways of working to ensure we can continue to offer support in this harsh economic environment.

Much of this work would not have been possible without the dedication of our partner organisations, and we would like to thank them for their invaluable support in helping us to achieve our aims over the last year. A big thank you is also due to our staff and volunteers, whose hard work and commitment have kept us on track to meet our goals, often in a difficult operating environment.

We continue to be inspired and encouraged by the resourcefulness and determination of those with lived experience of mental distress who choose to work alongside us. Their ideas, energy and expertise are the driving force behind our progress towards achieving our mission.

We look forward to continuing that journey with them this year.

Sue Turner
Chair Designate

Liz Felton
Chief Executive

TRUSTEES' REPORT

The Board of Trustees of Together: Working for Wellbeing presents its annual report and accounts for the year ended 31 March 2013. 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 by 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 is a national charity working alongside people with mental health issues on their journey to leading fulfilling and independent lives.

ORGANISATION STRUCTURE

Together's Board of Trustees are also directors of the company. The full Board meets four 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. There is also a Reward, Remuneration and Nominations Committee with a remit for trustee recruitment, Board performance and development and senior staff appointment and remuneration. This Committee meets at least once a year and other times as necessary.

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 Resources
- Director of Service User Involvement
- Directors of Operations and Development
- Head of HR

Early in 2013/14 we changed the composition of the Corporate Management Team. The Director of Policy and Development, Head of Fundraising, Marketing and Communications posts and one Director of Operations and Development post were removed, and the Director of Housing post has not been filled. Alongside this we have expanded our service development team. This is in view of the expectation that high numbers of existing services will be retendered. We also see opportunities to work alongside the new commissioning organisations to develop new local services.

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.
- The Finance and Audit Committee and Quality and Safety Committee both play a 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 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, business, finance and experience of using mental health services.

At our AGM, Erica Conway, Helen Davies, Paul Farrimond, Albert Larmie, Carole Murray, Mark Vincent and Robert Wood were re-elected as trustees for a further three years although Mark Vincent decided subsequently to stand down. Sara Atkins, Jose Grayson and William Obomanu also stood down as trustees during the year. We would like to thank them all for their service.

We are delighted to welcome Sue Turner, Alison Faulkner and Lisa Goodwin as new trustees. Professor Antony Sheehan decided not to return as Chair. Therefore Sue Turner has been appointed to take over from Erica Conway as Chair Designate and will be confirmed as Chair following our AGM.

Further details about our trustees and their expertise can be found on our website at www.together-uk.org/trustees.

EMPLOYEES

Together is an accredited Investor In People organisation. This, along with our proactive approach to learning and development, demonstrates our commitment to valuing and developing our employees whose skills are critical to our services.

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 can play their part in breaking down the barriers that exist through ignorance and lack of understanding and live their 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.

We will support people to realise their hopes and dreams and in doing so will achieve Together's ambition to support more and more people to gain control of their lives, exercise real choice and move away from distress.

THE JOURNEY TOWARDS GREATER WELLBEING

Wellbeing, 'recovery' or 're-discovery' is about people being able to connect with themselves, their chosen loved ones and with their communities.

Together offers support so that people have a suitable and safe place to live with appropriate support, can work or engage in other activities, as they wish, without fear or discrimination.

We aim to help people to have hope for the future and a realistic chance of achieving their ambitions.

We believe that people should 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. In addition, many people go onto support others within Together or in their community.

Our work is underpinned by sound practices in financial management, skills development support for our paid staff and volunteers and our investment in a system to ensure quality in all of our activities.

SERVICE USER INVOLVEMENT, LEADERSHIP AND PEER SUPPORT

At Together we are trusted for our expertise and work around user leadership and peer support. In line with our mission, we have recruited new trustees with lived experience so that our governance arrangements continue to be informed by people with experience of mental distress and who have used mental health services.

The active engagement of service users is central to all of our work and we aspire to be led by the experience of the people who choose our support. This is reflected within our Outcomes Framework that has been developed by staff and service users.

We have developed and grown the elements of service user leadership and peer support in our service models, particularly our community based Your Way services and our residences. Our peer supporters directly worked with or supported around 1,000 people per month.

We have developed and delivered an accredited service user led Peer Support Training Programme that enables people who experience mental distress to develop their understanding, knowledge, skills and confidence to support their peers through distressing times.

Staff and service users have worked together to design, produce and deliver training for staff, service users and volunteers about peer support, involvement, leadership, change management and recovery. These training days have supported the transformation of services by putting lived experience at the centre of our learning.

We have brought together national partners through the Peer Led Collaboration to influence policy and practice across mental health, representing more than 260,000 individuals and user organisations. We have also led the development of the Forensic Collaboration to explore the role of peer support within secure mental health facilities. We have supported the growth of the Peer2Peer Network, bringing together over 150 stakeholders, including user led organisations, NHS Trusts, mental health commissioners, local government and academic bodies, to develop innovative peer support models, share good practice and build valuable, strong partnerships at national and local level.

We have added to the literature about peer support in England through the publication of "The freedom to be, the chance to dream" and have taken part in a research project to explore the role of peer support workers in different environments.

SUPPORT AND SERVICES

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

- **A place to live**

Together recognises that having a suitable place to live is an extremely important factor in recovery from mental distress and so we provide a range of services that support individuals to live in the accommodation which is right for them.

We offer residential care placements, crisis beds, supported housing and a wide range of support for people who are maintaining independent tenancies.

Our care homes aim to offer the greatest level of individual choice possible and opportunities to engage actively with the local community.

Some of our services offer support to people with complex needs and we have developed a way of

working which puts people at the centre of their own care and supports them through a staged process towards independence. We have recently been awarded funding from the Department of Health for a formal evaluation of this way of working, which will be carried out by the Mental Health Foundation over the next three years.

- **Advocacy Together**

We offer statutory Independent Mental Health Advocates, Independent Mental Capacity Advocates and generic advocacy services nationally including at Ashworth and Rampton high secure hospitals. Our advocacy portfolio has expanded again this year across all sectors providing invaluable support to more vulnerable people subject to the Mental Health Act, or who lack capacity when faced with life-changing decisions. In addition we have seen the launch of our Your Voice community based volunteer advocacy scheme.

Together's services have recently been awarded the prestigious advocacy Quality Performance Mark which is the only national advocacy-specific quality assessment system. The award not only reiterates the high quality of frontline advocacy provided by Together but also recognises the robust organisational support and governance systems we have in place.

- **Mental Health and the Criminal Justice System**

There are significant numbers of people with mental health needs in the criminal justice system. Mental health support within these settings is often inadequate or inappropriate and for many people a cycle of mental health issues, offending and re-offending is created.

Together offers services that aim to improve the mental health of offenders and reduce re-offending.

We work with Court and Probation Services, carrying out mental health assessments and acting as independent advocates for defendants, to ensure that people get the most appropriate support for their needs and that community services are put in place instead of custodial sentences where this is appropriate.

These services have continued to expand over the current year. This has included working in partnership with local NHS Trusts to deliver three dedicated women's court liaison services, including additional housing support. The services are being independently evaluated in order to support the Department of Health's National Diversion Programme.

In collaboration with our partners, we aim to reach more people in the criminal justice system over the coming years.

- **Support in the Community - 'Your Way'**

For many people with lived experience of mental health needs, life can be lonely and unfulfilling and people may lack the confidence to get involved with ordinary life activities including employment or hobbies and social networks.

Together's Your Way model is a flexible and individual approach to supporting people in the community, putting them at the centre of their support and letting them lead their own journey to better wellbeing. The past year saw the roll-out of Your Way to 19 sites across England.

Your Way services are easy to access, respond promptly to requests for support, provide maximum choice to the individual and offer people the chance to become peer support workers and to support others. Projects that have transformed to become Your Way sites this year have included previous day, community and floating support services in locations including Rochdale, St Helens, Southwark, Shropshire, Bedford, Suffolk and Northamptonshire. Individuals can choose to purchase Your Way support using personal social care budgets if they wish and a growing number of people are doing so.

The Your Way evaluation project – being funded by the Department of Health – is now under way and we have over 100 people signed up so far to take part. The evaluation is being undertaken by the Mental Health Foundation and will involve 16 Your Way sites over the next year. The project will evaluate the impact of Your Way support on the lives of those choosing the service, as well as sharing learning with other service providers.

- **Together's "Our Space" art gallery**

Our gallery hosts a range of exhibitions of work by artists with mental health related experience. This year's exhibitions have included Unlock, a range of mixed media artwork by service users from Priory Group residential units Thornford Park and Chadwick Lodge, and Side Effects, a series of illustrations from former Together service user Andrew Voyce's graphic book of the same name.

PRIORITIES FOR 2013/14

In the coming year we will continue to:

- Reach more people
- Evaluate our Your Way services and further embed the model in our community support sites
- Embed high quality peer support in our services
- Support people with complex needs to move on with their lives and achieve independence
- Maximise the choice and control available to people in our residential homes
- Determine a financial plan to enable short term investment in key areas but enabling longer term financial sustainability

We will underpin these aims with sound quality systems, excellence in housing management, high quality skills development and sound financial management.

FINANCIAL REVIEW

This has been a challenging year financially. We had agreed a deficit budget for the year, to allow for critical improvements to our properties and to invest in new services, but the additional impact of the deficit on the pension scheme has significantly worsened the results. We have taken action to address the operating deficit, including the restructure of the management team, but these are likely to take more than one year to take effect and we will continue to invest in the development of new services. We have, therefore, agreed a deficit budget for 2013/14. Over the coming year we will be working to develop a robust financial plan that ensures long term sustainability for the charity.

On unrestricted funds the charity made a deficit for the year, before gains and losses, of £338,360 (2011/12 surplus £810,143). Adjusting for the movement on the pensions scheme and investments this is decreased to a deficit of £404,628 (2011/12 deficit £145,018).

On restricted funds of £2,483,310 there was a deficit of £141,089 (2011/12 deficit £206,070) resulting in a combined deficit of £545,717 (2011/12 deficit £351,088).

The movement on the pension scheme liability is detailed below (see note 20).

This year's deficit on restricted funds arises from expenditure incurred on services for which donations and grants had already been included in income in earlier years.

RESERVES

Financial reserves policy

Unrestricted reserves provide some protection to the Charity and its work by allowing time to adjust to changing financial circumstances. The Trustee Board, via its Finance and Audit Committee, reviews, on an annual basis, the level of unrestricted reserves by considering the risks associated with various income streams, expenditure plans and Balance Sheet items. This enables an estimate to be made of the level of reserves that are sufficient:

- to allow time for re-organisation in the event of a downturn of income or asset values; and
- to protect ongoing work programmes.

The minimum level is estimated at 3 months of the unrestricted expenditure budget. Consequently, trustees have decided that the appropriate, prudent level of reserves is in the range 3 to 6 months of the unrestricted expenditure budget.

General reserves (unrestricted)

At 31 March 2013 general reserves amounted to £6,688,790 (2011/12: £6,664,852). The trustees have approved a policy for the organisation of having general reserves of between 3 and 6 months unrestricted expenditure. Current levels are just over 4.4 months of unrestricted expenditure (2011/12: 4 months).

Designated funds (unrestricted)

Designated funds £512,248 (2011/12: £563,814) 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 in 2002, and gave them discretionary investment 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. This performance is reviewed quarterly by the Finance and Audit Committee and annually with UBS Wealth Management (UK). The next review of our investment manager's performance is planned for summer 2014.

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 2013 amounted to £2,036,305, an increase of £188,327 (2011/12: increase £3,293). Interest and dividend income in the year amounted to £65,632 (2011/12: £77,793). The increase in capital value of the investments of slightly over 10 % reflects the improvement experienced in the financial markets over the year.

Portfolio structure

During the year the portfolio was transferred into unit funds.

	2013	2012
	%	%
Common Fund units	98.7	-
Equity	-	72.2
Fixed interest	-	20.9
Property trust	-	2.3
Cash	1.3	4.6

SUBSIDIARY COMPANY

Together has a wholly owned subsidiary company, Together Trading Limited. The company facilitates the management of building contracts for Together. Its sales are only to the charity. The company provides its services approximately at cost, and therefore makes either a nil or minimal profit. For the year ended 31 March 2013 the turnover of the company was £14k (2012: £54k) and the result was neither profit nor loss (2012: nil result).

PENSIONS

The Together defined benefit pension scheme was closed to new accruals on 30 September 2011. The charity now offers a defined contribution pension scheme to all staff (see note 20).

Although the final salary scheme is now closed for future accruals, it remains a significant risk for the charity. The deficit as valued by FRS 17 is included in the balance sheet as a long-term liability and balanced by a negative pension reserve.

The accounts as presented reflect 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. The net present value (deficit) of the pension scheme at 31 March 2013 is £514,000 compared with a deficit of £137,000 at 31 March 2012.

The most significant element of this deficit is the increase in liabilities of the scheme from £10.765m at 31 March 2012 to £12.129m at 31 March 2013.

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:

- select suitable accounting policies and then apply them consistently;
- 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 385 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

Sue Turner
Chair Designate of Together
24 September 2013

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOGETHER

We have audited the financial statements of Together for the year ended 31 March 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

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Fairfax House
15 Fulwood Place
London
WC1V 6AY

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2013

	Notes	Unrestricted & Designated Funds £	Restricted Funds £	2013 Total £	2012 Total £
Incoming Resources:					
Incoming resources from generated funds					
Voluntary Income					
Subscriptions, Donations and Legacies	8	50,689	108,367	159,056	64,726
Grant Income	9	-	621,993	621,993	106,000
Investment Income	11	65,632	-	65,632	77,793
Incoming Resources from Charitable Activities					
Charges for Accommodation and Services	10	17,137,614	-	17,137,614	19,081,706
Other incoming resources	12	241,454	-	241,454	270,604
Total Incoming Resources		17,495,389	730,360	18,225,749	19,600,829
Resources Expended					
Cost of Generating funds:					
Cost of Generating Voluntary Income	3	122,152	-	122,152	82,779
Investment of Management Costs		16,109	-	16,109	9,729
Charitable Activities	2	17,653,827	871,449	18,525,276	18,852,117
Governance Costs	4	41,661	-	41,661	52,131
Total Resources Expended		17,833,749	871,449	18,705,198	18,996,756
Net (Outgoing)/ Incoming Resources before other recognised gains and losses		(338,360)	(141,089)	(479,449)	604,073
Other recognised gains and losses					
Investment property revaluation	14a	233,992	-	233,992	25,346
Realised Gains on Investment	14b	47,145	-	47,145	24,203
Unrealised Investment Gains/(Losses)	14b	154,595	-	154,595	(17,710)
Net Gain on Investment Assets	14b	435,732	-	435,732	31,839
Actuarial (losses)/gains on defined benefit pension scheme	20	(502,000)	-	(502,000)	(987,000)
Net Movement in Funds		(404,628)	(141,089)	(545,717)	(351,088)
Reconciliation of Funds					
Total funds brought forward as previously stated		7,091,666	2,483,310	9,574,976	9,926,064
Total funds carried forward		6,687,038	2,342,221	9,029,259	9,574,976

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

The notes on pages 16 to 27 form part of these financial statements

BALANCE SHEET

as at 31 March 2013

	Notes	2013 £	2012 £
Fixed Assets:			
Tangible Assets	13	4,871,295	4,995,532
Investment property	14a	1,953,991	1,650,000
Investments	14b	2,036,305	1,847,978
		<u>8,861,591</u>	<u>8,493,510</u>
Current Assets:			
Debtors	15	1,470,838	1,220,850
Cash at Bank and in Hand		<u>1,848,954</u>	<u>2,659,467</u>
		3,319,792	3,880,317
Creditors: Amount falling due within one year	16	<u>(2,072,135)</u>	<u>(1,977,400)</u>
Net current assets		1,247,657	1,902,917
Creditors: Amount falling due after more than one year	17	<u>(565,989)</u>	<u>(684,451)</u>
Net Asset excluding pension liability		9,543,259	9,711,976
Defined benefit pension scheme liability	20	<u>(514,000)</u>	<u>(137,000)</u>
Net Assets	24	<u>9,029,259</u>	<u>9,574,976</u>
FUNDS			
Unrestricted Funds			
Designated	18	512,248	563,814
General	18	<u>6,688,790</u>	<u>6,664,852</u>
Unrestricted Income Funds excluding Pension reserve		7,201,038	7,228,666
Pension Reserve	20	<u>(514,000)</u>	<u>(137,000)</u>
Restricted Funds	19	2,342,221	2,483,310
Total Charity Funds		<u>9,029,259</u>	<u>9,574,976</u>

Approved by the Council and authorised for issue on 24 September 2013

Sue Turner
Chair Designate

Edward Weiss
Honorary Treasurer

The notes on pages 16 to 27 form part of these financial statements
Charity registration number 211091 Company registration number 463505

CASH FLOW STATEMENT

for the year ended 31 March 2013

		2013 £	2012 £
Net cash inflow from operating activities	Notes A	(557,161)	46,826
Capital expenditure and financial investment			
Investment property additions		(69,999)	(124,654)
Purchase of tangible fixed assets		(78,304)	(7,417)
Purchase of investments		(2,567,665)	(267,132)
Sale of investments		<u>2,524,442</u>	<u>332,972</u>
		(191,526)	(66,231)
Financing			
Debt due beyond a year			
Repayment of Loan Capital		(118,462)	(118,462)
Net cash (outflow)	B	<u>(867,149)</u>	<u>(137,867)</u>
		2013 £	2012 £
A. Reconciliation of net incoming resources to net cash (outflow) from operating activities			
Net (outgoing)/incoming resources		(479,449)	604,073
Depreciation charges		202,541	200,630
(Increase)/Decrease in debtors		(249,988)	(176,938)
Increase/(Decrease) in creditors		94,735	(386,939)
Pension adjustment		<u>(125,000)</u>	<u>(194,000)</u>
Net cash inflow from operating activities		<u>(557,161)</u>	<u>46,826</u>
B. Analysis of Changes in Cash — net funds during the year			
Net funds at 1 April 2012		2,659,467	2,859,973
Change in investment cash		56,636	(62,639)
Net cash (outflow)		<u>(867,149)</u>	<u>(137,867)</u>
Net funds at 31 March 2013		<u>1,848,954</u>	<u>2,659,467</u>
C. Analysis of Net Funds as at 31 March 2013			
Cash at bank and in hand		<u>1,848,954</u>	<u>2,659,467</u>

NOTES TO THE ACCOUNTS

for the year ended 31 March 2013

1. ACCOUNTING POLICIES

- (a) The accounts are prepared under the historical cost convention with the exception of investments 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.

All turnover of the charity's wholly owned subsidiary, Together Trading Limited, represents sales of building construction to Together. The subsidiary has no material net assets or liabilities and there is therefore no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity itself and those of the group comprising the charity and its subsidiary. The charity and its subsidiary are not consolidated.

- (b) Tangible assets are included at cost, less depreciation calculated in equal instalments from first use 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 & software	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.
- (d) Expenditure on repairs and maintenance is written off as incurred.
- (e) All grants receivable are treated as income. Where grants are received specifically to finance a particular cost they are credited to the cost centre.
- (f) Instalments on operating lease contracts are charged to the income and expenditure account when they become payable.
- (g) Together is not liable to UK corporation tax on its charitable activities.
- (h) 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.
- (i) Stock is valued at the lower of cost and net realizable value.

2. CHARITABLE ACTIVITIES

Provision of mental health services

	Direct Costs £	Support Costs £	2013 Total £	2012 Total £
Residential Homes	7,713,719	1,204,518	8,918,237	9,661,576
Supported Housing	2,192,407	342,350	2,534,757	2,215,416
Advocacy Services	1,257,968	196,435	1,454,403	1,473,615
Criminal Justice Services	944,950	147,557	1,092,507	687,435
Community Support & Day Services	3,590,078	560,601	4,150,679	4,363,889
Service User Involvement	324,086	50,607	374,693	450,186
	16,023,208	2,502,068	18,525,276	18,852,117

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 % direct cost generated by the each Charitable activity.

	% Direct Cost	Operational Support £	CEO £	HR £	Finance & Central Support £	2013 Total £	2012 Total £
Residential Homes	48.14%	355,983	78,363	242,734	527,438	1,204,518	1,191,344
Supported Housing	13.68%	101,178	22,272	68,990	149,910	342,350	273,177
Advocacy Services	7.85%	58,055	12,779	39,585	86,016	196,435	181,708
Criminal Justice Services	5.9%	43,609	9,600	29,736	64,612	147,557	84,766
Community Support & Day Services	22.41%	165,680	36,471	112,972	245,478	560,601	538,100
Service User Involvement	2.02%	14,956	3,292	10,199	22,160	50,607	55,511
		739,461	162,777	504,216	1,095,614	2,502,068	2,324,606

3. COST OF GENERATING VOLUNTARY INCOME

	2013 £	2012 £
Fundraising	82,728	41,494
Publicity	39,424	41,285
	122,152	82,779

4. GOVERNANCE COSTS

	2013 £	2012 £
External Audit	15,600	15,600
Trustees meeting costs	6,700	6,024
Legal & Professional Services	2,133	11,820
Staff cost	17,228	18,687
	41,661	52,131

5. MOVEMENT IN FUNDS FOR THE YEAR

	2013	2012
	£	£
This is stated after charging:		
Operating lease cost		
Plant and machinery	2,656	33,862
Other	-	-
Audit	15,600	15,600
Depreciation	202,541	200,630

6. STAFF COSTS

	2013	2012
	£	£
Wages and salaries	11,597,242	11,799,693
Social security costs	1,025,448	1,057,487
Pension costs	209,035	292,755
	12,831,725	13,149,935

One employee earned £100,000 or more in the year to 31 March 2013.

Number of employees within salary range:

	2013	2012
£100,001 - £110,000	1	1
£90,001 - £100,000	0	0
£80,001 - £90,000	0	0
£70,001 - £80,000	2	2
£60,001 - £70,000	2	2

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

	2013	2012
Mental health services	581	608
Fundraising and publicity	5	5
Management and administration of the charity	32	30
Governance	1	1
	619	644

7. RELATED PARTY TRANSACTIONS

Nine trustees were reimbursed travelling expenses during the year amounting to £2,009 (2012: £3,010).

No remuneration was paid this year to any trustee (2012: £Nil).

8. VOLUNTARY AND DONATIONS INCOME

	Unrestricted Income £	Restricted Income £	2013 Total £	2012 Total £
Donald Forrester Trust	5,000	-	5,000	-
The Big Lottery for West Suffolk Befriending	-	90,600	90,600	14,294
Bromley Trust	-	15,000	15,000	15,000
Legacies	23,067	-	23,067	-
Other Subscriptions & Donations	22,622	2,767	25,389	35,432
	50,689	108,367	159,056	64,726

9. GRANTS

	2013 £	2012 £
London Probation Trust		27,000
Lankelly Chase Foundation		53,000
NHS Tower Hamlets		20,000
LTSB Foundation	47,923	-
The Pilgrim Trust	30,130	-
NHS Greenwich	203,000	-
C & NW London NHS Foundation Trust	47,867	-
S London & Maudsley NHS Foundation Trust	53,295	-
West London Mental Health Trust	113,912	-
Department of Health	96,631	-
Project Service Grant (see note 19)	29,235	6,000
	621,993	106,000

10. INCOMING RESOURCES FOR CHARITABLE ACTIVITIES

	2013 £	2012 £
Local Authorities, Health Authorities & NHS trusts	9,124,111	10,057,270
Charges for accommodation and services	5,631,195	5,713,422
Supporting People	1,450,400	2,556,459
Spot/Outreach Income	365,542	329,726
Probation Services	317,150	266,110
Voluntary Agencies	249,216	158,719
	17,137,614	19,081,706

11. INVESTMENT INCOME

	2013 £	2012 £
Interest and Dividends Received	65,632	77,793

12. OTHER INCOMING RESOURCES

	2013 £	2012 £
Other Income	241,454	270,604

13. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Furniture and Equipment £	Total £
Cost:			
At 1 April 2012	6,551,131	1,051,485	7,602,616
Additions	36,109	42,195	78,304
Disposals	-	-	-
At 31 March 2013	<u>6,587,240</u>	<u>1,093,680</u>	<u>7,680,920</u>
Depreciation:			
At 1 April 2012	1,735,461	871,623	2,607,084
Charge for the year	147,089	55,452	202,541
Depreciation on disposal	-	-	-
At 31 March 2013	<u>1,882,550</u>	<u>927,075</u>	<u>2,809,625</u>
Net book value at 31 March 2013	<u>4,704,690</u>	<u>166,605</u>	<u>4,871,295</u>
Net book value at 31 March 2012	<u>4,815,670</u>	<u>179,862</u>	<u>4,995,532</u>

14a. INVESTMENT PROPERTY

	2013 £	2012 £
Net Book Value BF	1,650,000	1,500,000
Costs of maintaining investment property	69,999	124,654
Investment property revaluation	233,992	25,346
Investment Property	<u>1,953,991</u>	<u>1,650,000</u>

The property was valued at £1.95m by John Brennan, Director of Housing (MIH) on 8 March 2013.

14b. INVESTMENTS

	2013 £	2012 £
Listed investments, at market value		
At 1 April 2012	1,763,792	1,823,139
Additions	2,567,665	267,132
Disposal proceeds	(2,524,442)	(332,972)
Unrealised investment gains/(losses)	154,595	(17,710)
Realised investment gains	47,145	24,203
At 31 March 2013	<u>2,008,755</u>	<u>1,763,792</u>
Portfolio Structure		
Equity	-	1,334,446
Fixed interest	-	386,081
Real Estate – Scottish Widows INV Prtnrs – Property trust	-	43,265
Resolution Fund UK Income Focus FD	2,008,755	-
Listed investments	2,008,755	1,763,792
Cash holdings	27,550	84,186
At 31 March 2013	<u>2,036,305</u>	<u>1,847,978</u>
Historical cost at 31 March 2013	<u>1,881,710</u>	<u>1,560,380</u>

Equity in excess of 5% of the portfolio.

There were three equities in excess of 5% of the portfolio in 2011/12. In 12/13 the portfolio was transferred into the Resolution Fund UK Income Focus.

	2013	2012
	£	£
Equities		
Resolution Fund UK Income Focus	2,008,755	-
Artemis Income FD Units Class R	-	129,518
Invesco Fund Managers, Perpetual High Income INC. NAV.	-	136,546
Neptune Invest FD Income Fund Class B	-	102,443

15. DEBTORS

	2013	2012
	£	£
Trade debtors	1,149,213	898,677
Prepayments and accrued income	321,625	322,173
	<u>1,470,838</u>	<u>1,220,850</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013	2012
	£	£
Accruals	831,36	627,340
Trade creditors	477,97	447,562
Owed to subsidiary company	6,144	10,000
Other creditors including taxes and social security costs	306,38	313,376
Deferred Income	331,81	460,660
Bank Loans (see below)	118,46	118,462
	<u>2,072,135</u>	<u>1,977,400</u>

Other creditors include £301,459 for the PAYE and National Insurance contributions (2012: £281,555).

17. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2013	2012
	£	£
Bank Loan - Old Street	565,989	684,451

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 6 years to run.

18. UNRESTRICTED FUNDS

	April 2012	Incoming resources	Revaluations	Transfers	Expenditure	March 2013
	£	£	£	£	£	£
Project Designated funds	404,338	168,123	-	-	(9,689)	352,772
Pension Potential Liability	159,476	-	-	-	-	159,476
Total Designated funds	563,814	168,123	-	-	(219,689)	512,248
General Fund	6,664,852	17,202,266	435,732	-	(17,614,060)	6,688,790
Pension reserve	(137,000)	125,000	(502,000)	-	-	(514,000)
	7,091,666	17,495,389	(66,268)	-	(17,833,749)	6,687,038

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

	Movements			Balance at 31 March 2013
	Balance at 1 April 2012	in resources: incoming	Transfers and outgoing	
	£	£	£	£
Green Lane Grant	637,500	-	(18,750)	618,750
Hopewell House	787,500	-	(22,500)	765,000
Snowdon	568,750	-	(16,250)	552,500
Carisbrooke (SRB) Grant	186,266	-	(5,890)	180,376
Department of Health (NMH DU)	4,748	-	-	4,748
Project Services Grants:	60,189	32,002	(33,008)	59,183
Bromley Trust	30,000	15,000	(30,000)	15,000
Impact Grant	13,605	-	(420)	13,185
J Paul Getty	50,000	-	(50,000)	-
Women's Diversification Group/Lankelly Chase Foundation	29,912	-	(29,912)	-
Lloyds TSB Foundation Trust	-	47,923	(47,923)	-
London Probation Trust/Forensic	37,500	-	(37,500)	-
London Probation Trust/Brent	6,750	-	(6,750)	-
Richard Uttley Estate	50,590	-	(50,590)	-
NHS Tower Hamlets/National liaison and Diversion	20,000	-	(20,000)	-
Big Lottery for West Suffolk Befriending	-	90,600	(79,736)	10,864
West London Mental Health Trust	-	113,912	(80,870)	33,042
NHS Greenwich	-	203,000	(157,062)	45,938
DH IESDU Your Way National Development Project	-	96,631	(77,390)	19,241
S London & Maudsley NHS Trust	-	53,295	(40,081)	13,214
C & NW London NHS Foundation Trust	-	47,867	(36,687)	11,180
The Pilgrim Trust	-	30,130	(30,130)	-
	2,483,310	730,360	(871,449)	2,342,221

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 23).

Project Services Grants: Various donations for the provision of client services.

Big 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.

Richard Uttley Estate: New Legacy for work with Service Users in Yorkshire

Forensic projects: Received grants from DoH and other Trusts to fund 6 new forensics mental health practitioners posts based in London.

20. PENSION SCHEME

On 1 October 2011 Together introduced a group personal pension scheme available to all staff. Contributions are charged to expenditure in the accounting period in which they are payable. Contributions in the period were £279,778 (2012 £138,985).

Prior to 1 October 2011 the organisation contributed 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 scheme was closed to new accruals on 30 September 2011.

The defined benefit scheme (now closed) provides benefits at retirement based on final pensionable pay for its deferred members. The scheme is funded by the assets being held by trustees of the scheme separately from the assets of the organisation.

The latest triennial valuation of the scheme was carried out in 2011 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:

	2013	2013	2012	2012	2011	2011	2010	2010
	Expected		Expected		Expected		Expected	Value
	rate of		rate of		rate of		rate of	
	return		return		return		return	
	%pa	£000	%pa	£000	%pa	£000	%pa	£000
Equities	6	6,514	6.3	7,517	7.4	7,571	7.5	6,402
Bonds	3.7	4,202	4.1	2,952	5.1	2,709	4.6	2,568
Other	0.5	899	0.5	159	0.5	402	0.5	703
Present value of plan assets		<u>11,615</u>		<u>10,628</u>		<u>10,682</u>		<u>9,673</u>
Present value of scheme liability		(12,129)		(10,765)		(10,026)		(10,125)
Net present value of scheme assets/(liabilities)		<u>(514)</u>		<u>(137)</u>		<u>656</u>		<u>(452)</u>

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

	2013	2012	2011
	£000	£000	£000
Actual return less expected return on assets	522	(823)	24
Experience gains/(losses)	21	244	341
Changes in assumptions	(1,045)	(408)	664
	<u>(502)</u>	<u>(987)</u>	<u>1,029</u>

Analysis of amounts recognised in the Statement of Financial Activities

	2013	2012	2011
	£000	£000	£000
Current service cost	-	210	529
Past service cost	-	2	9
Expected return on Pension Scheme assets	(592)	(703)	(626)
Interest on Pension Scheme liabilities	517	571	567
Net return on scheme assets and liabilities	<u>(75)</u>	<u>80</u>	<u>479</u>

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

	2013	2012
	£000	£000
Opening defined benefit obligations	10,765	10,026
Current service cost	-	210
Interest on obligations	517	571
Actuarial losses/(gains)	1,024	164
Past service cost	-	2
Benefits paid	(177)	(208)
Closing defined benefit obligations	<u>12,129</u>	<u>10,765</u>

Changes in fair value plan assets are as follows:

	2013	2012
	£000	£000
Opening fair value of plan assets	10,628	10,682
Expected return on assets	592	703
Actuarial gains/(losses)	522	(823)
Contributions	50	274
Benefits paid	(177)	(208)
Closing fair value of plan assets	<u>11,615</u>	<u>10,628</u>

The organisation expects to contribute £100,000 to this defined benefit pension plan in the year to 31 March 2014 to cover its administration costs.

Movements in scheme's surplus in the year

	2013	2012	2011
	£000	£000	£000
(Deficit)/surplus at the start of the year	(137)	656	(452)
Current service cost	-	(210)	(529)
Contributions	50	274	558
Settlement/curtailments	-	-	-
Net return on scheme assets and liabilities	75	130	50
Actuarial (loss)/gain	(502)	(987)	1,029
	<u>(514)</u>	<u>(137)</u>	<u>656</u>

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

	Proportion at 31		Proportion at 31	
	2013 £000	March 2013	2012 £000	March 2012
UK Equities	3,245	28%	3,493	33%
Global Thematic Equities	3,269	28%	3,933	37%
Other Overseas Equities	-	0%	91	1 %
Sterling Govt Bonds	1,045	9%	-	0%
Sterling Corporate Bonds	3,157	27%	1,521	14%
Inflation Linked Bonds	-	0%	1,431	13%
Cash	899	8%	159	2%
Total	11,615		10,628	

Actuarial Assumptions Used

A qualified independent actuary has updated the results of the last actuarial valuation of the scheme (as at 1 April 2009) to 31 March 2013: the major assumptions used by the actuary were as follows:

	2013 %	2012 %	2011 %	2010 %	2009 %
Discount rate	4.3	4.8	5.7	5.6	6.9
Retail price inflation	3.4	3.4	3.7	3.8	3.2
Consumer price inflation	2.4	2.4	N/A	N/A	N/A
Salary increase rate	4.6	4.6	4.9	5.0	4.4
Pension increase (at limited price indexation)					
- LPI maximum 5%	2.3	2.3	3.7	3.8	3.2
- LPI minimum 2.5%	2.1	2.1	2.4	2.4	2.4
Deferred pension revaluation	3.0	3.0	3.7	3.8	3.2

Mortality Assumption

Mortality follows the standard table known as S1 PA using 10% of the base table with medium cohort mortality improvements subject to a 1 % minimum to the annual improvements. Members are treated as if they are 2 years older. The mortality assumptions used at the previous year end following the PA92 table with medium cohort mortality improvements subject to a 1 % minimum to the annual improvements.

The life expectancy used as a basis for our mortality assumption following FRS1 7 recommendations is :- assuming retirement at age 65, life expectancy in years are as follows:

	at 31 March 2013	at 31 March 2012
For a male aged 65 now	20.8	20.7
At 65 for a male member aged 45 now	22.7	22.6
For a female aged 65 now	23.4	23.3
At 65 for a female member aged 45 now	25.3	25.2

History of experience gains and losses

	2013	2012	2011	2010	2009	2008
Difference between actual and expected return on assets (£000's)	522	(823)	24	1,659	(2,171)	(949)
- as % of scheme assets	4	8	0	17	30	11
Experience gains/(losses) on liabilities (£000's)	21	244	341	(19)	(35)	39
- as % of scheme assets	0	2	3	0	1	1
Total amount recognised in the Statement of Financial Activities	(502)	(987)	1,029	(1,401)	(1,136)	129
- as % of scheme assets	4	9	10	14	18	2

21. OBLIGATIONS UNDER OPERATING LEASES

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

	Land and Building 2013 £	Other 2013 £	Land and Building 2012 £	Other 2012 £
Operating leases which expire:				
Within one year	-	1,864	-	2,442
In two to five years	-	843	-	3,909
Over five years	-	-	-	-
	-	2,707	-	6,351

22. SUBSIDIARY COMPANY**Together Trading Limited**

The wholly owned trading subsidiary was incorporated in the United Kingdom in 1999 (Registered Number 03751 52). The company manages building contracts on behalf of Together. Together owns all the issued share capital of 10 ordinary shares.

All turnover of the charity's wholly owned subsidiary, Together Trading Limited, represents sales of building construction to Together. The subsidiary has no material net assets or liabilities and there is therefore no significant difference between the Statement of Financial Activities and the Balance Sheet of the charity itself and those of the group comprising the charity and its subsidiary. The charity and its subsidiary are not consolidated.

A summary of the trading results is shown below:

Summary profit and loss account Year ended 31 March 2013

Turnover	£ 13,688
Less: cost of sales and admin expenses	(9,803)
Payments under Gift Aid	(3,885)
Retained profit for the year	<u>-</u>
The assets and liabilities of the subsidiary were	
Current assets	7,395
Less current liabilities	(7,385)
Total net assets	<u>10</u>
Aggregate share capital and reserves	<u>10</u>

23. CONTINGENT 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 set-up 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 Garthowen, 78 Barrowgate Road, Chiswick, London, W4 4QP to provide cover for any potential deficit in the pension scheme.

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General fund	Designated funds	Restricted funds	Pension reserve	Total funds
	£	£	£	£	£
Tangible fixed assets	6,585,489	159,476	2,116,626	-	8,861,591
Cash at bank and in hand	1,270,587	352,772	225,595	-	1,848,954
Other net current liabilities	(601,297)	-	-	-	(601,297)
Creditors of more than one year	(565,989)	-	-	-	(565,989)
Pension asset	-	-	-	(514,000)	(514,000)
	6,688,790	512,248	2,342,221	(514,000)	9,029,259