

the Together Trust

Trustees' report and financial statements

Year end 31st March 2011



together
trust

care • education • support • since 1870

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Reference and administrative information

The Committee of Management 01.04.10 – 31.03.11

Chairman

Brian Chesworth OBE

Vice Chairman

His Hon. Simon Fawcus

Lead Honorary Treasurer

John Rylands

Assistant Honorary Treasurer

His Hon. Simon Fawcus

Robert Boland

John Bowden

A Edward S Clifford (retired 24.09.10)

David J Claxton LVO TD

Wendy Coomer

Ralph Ellerton

Giles Gaddum

Irene Hegarty

Roger Horne

Wadi Nassar OBE

Simon Lees-Jones (appointed 25.03.11)

Rosemary Pike

Patricia Sym

Registered office

Together Trust Centre

Schools Hill

Cheadle

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Chief Executive and Operational Directors

Chief Executive

David Marriott

Director of Finance and Resources

Brian White

Director of Educational Services

Helen Hewitt

Director of Social Care Services

Pat Walton (retired 30.09.10)

Jill Sheldrake (appointed 01.10.10)

Principal Professional Advisers

Bankers

Royal Bank of Scotland plc

1 Spinningfields Square

Deansgate

Manchester M3 3AP

Barclays Bank

3 Hardman Street

Spinningfields

Manchester M3 3HF

Investment Managers

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PO Box 51

National House

36 St Ann Street

Manchester M60 2EP

Legal Advisers

Gorvins LLP

2-14 Millgate

Stockport SK1 2NN

Addleshaw Goddard LLP

100 Barbirolli Square

Manchester M2 3AB

Auditors

Mazars LLP

The Lexicon

Mount Street

Manchester M2 5NT

HR and Health and Safety Advisers for the reporting period

Royal Society for the Prevention of

Accidents (RoSPA)

RoSPA House, Edgbaston Park

353 Bristol Road

Birmingham B5 7ST

Introduction

This is the annual report of the organisation's Trustees, who are also directors of the company for the purposes of the Companies Act, to accompany the audited financial statements for the year ended 31 March 2011.

Throughout the period the Together Trust has provided and developed over 30 specialist education, social care and community services for children, young people, adults and families. The Charity's work reflects the main themes and ideas within Department for Education plans and the direction of current and future adult social care and health provision.

Delivering high quality services with their associated inflationary pressures at a time of major reductions in Local Authority budgets has been a major challenge that will continue for some years to come. However success this year has been achieved through shaping services to meet need, very active pursuit of new service delivery and at the same time managing central and service budgets as cost effectively as possible.

How we are organised

The Together Trust is a registered charity and a Company Limited by Guarantee which is governed by Articles of Association. The Charity serves children, young people, adults and families whose special needs fall within the areas of behavioural, emotional and social difficulties, physical disabilities, learning disabilities and autism spectrum conditions.

The Charity's objects are:

- To give aid, assistance and care to those with disabilities or in need, including to children and/or young persons; and
- To promote the education, training and advancement in life of those with disabilities or in need, including that of children and/or young persons.

A Governance Handbook and a Trustee Handbook supports the Together Trust's Articles by setting out the policies, procedures and practices the Trustees will adopt in the fulfilment of their final responsibility for the activities of the Charity. The Handbook follows best practice from the Charity Commission, the NCVO 'Code of Good Governance' and the Hallmarks of an Effective Charity (CC60).

The Charity seeks to secure its future governance responsibilities by an active Trustee Review Working Group who are responsible for recruiting new Members of the charitable company who may contribute to governance activity in different degrees and be the main, but not exclusive, source of new Trustees. New Members and Trustees are expected to bring knowledge and abilities to the Charity that have been derived from two major perspectives, these being either business/commerce or professional/occupational/charitable.

Committee of Management

The Board of Trustees is known as the Committee of Management (COM). The COM meets each month, except August and December. 16 Trustees served during the period 1 April 2010 to 31 March 2011. Mr Edward Clifford retired from the Board on 24 September 2010 and Mr Simon Lees-Jones was appointed to the Board on 25 March 2011. The COM proposes and approves new Trustees. All new Trustees receive a formal induction programme which covers obligations, documentation, strategic and operational frameworks, staffing structures, annual budget process, management accounts, strategic objectives, delivery plans and visits to Together Trust services.

The COM holds responsibility for agreeing the strategic direction of the organisation, setting the budgetary framework and deciding upon major undertakings. Responsibility for the day to day operation of the Charity is delegated to the Chief Executive. The Chief Executive reports fully to the Trustees at each COM meeting and to the Chairman on an ad hoc basis. This allows the COM to monitor progress in a well informed and incremental manner; also, to agree any strategic or budgetary adjustments which may become necessary in the year.

The Trustees formally review their performance each year and decide upon any specific training needs and the means by which they may be achieved in the forthcoming period. They are also asked to complete an annual conflict of interest questionnaire.

Trustees and Members are both actively involved in the special purpose groups which contribute to the overall governance system. All Trustees have the opportunity to participate in the groups which systematically visit each service during the year.

Senior management

The Chief Executive, David Marriott, is assisted in the day to day management of the Charity by three operational directors who each have responsibility for an area of its activities – Resources, Social Care and Education.

Special purpose groups

In keeping with its declared governance precepts the COM does not create sub-committees with defined constitutions and powers. It does, however, maintain a number of Trustee led special purpose groups that undertake specific tasks which contribute to the Charity's governance and operation.

Statutory and regulatory

The Together Trust Trading Company – Following a review by Trustees the Trading Company ceased its main activity, the conferencing hire service in 2009. The Company has not traded during the period and has no income and bears no expenditure.

School and College Governing Bodies – each governing body has its own constitution approved by the COM. The COM appoints a Trustee to be the Chair of each governing body. As a minimum, an additional Trustee or Member is appointed to each governing body.

Governing Bodies are in place for the following:

Bridge College
 Inscape School Salford
 Inscape School Cheadle
 CYCES (Child and Youth Care Education Service)

Chair:

Mrs Wendy Coomer
 Mr David Claxton LVO TD
 Mr David Claxton LVO TD
 Mr Roger Horne

The Fostering Panel – Mrs Wendy Coomer acts as the fostering agency representative on behalf of the Trustee board (COM).

Other special purpose groups

Each special purpose group is led by a Trustee and may have other Trustees or Members appointed together with other persons who have specific abilities to assist the group's purpose.

Honorary Treasurers' Monthly Briefing – the Chief Executive and Director of Resources appraise the Honorary Treasurers and Chairman of the operational detail behind the monthly management accounts and any special issues with financial implications which are to be reported to the forthcoming COM.

Pensions Working Group – the group reviews matters in respect of the Charity's pension schemes and assists the COM to comply with all related duties and responsibilities as the employing body.

The Remuneration Advisory Group – receives reports from the Chief Executive on the remuneration systems and levels that are being provided for staff of the Charity and takes a view on their efficacy, equability and competitiveness.

The Audit Group – gives extra assurance on the performance of the organisation's infrastructure and support functions with particular emphasis on reviewing the annual Safeguarding and Health and Safety Reports. During the year the group undertook a review of the risk register for the organisation to reassure Trustees and commissioners that the risks associated with the organisation's work are minimised by the Charity's policies and procedures, staff recruitment, training and performance management procedures, incident reporting and other management approaches. As a result of this exercise Trustees can confirm that the major risks to which the Charity is exposed have been reviewed and systems established to manage the risks. As part of this exercise the group reviewed the corporate business continuity plan which had been developed after a previous analysis of the risk register.

The Trustee Review Group – during the year this sub-group, which includes the Chief Executive and Corporate and Governance Manager, reviewed governance arrangements and took responsibility for identifying potential new Members. At the time of reporting, the membership group is made up of 50 individuals. Our Members are high calibre volunteers and express their support for us by taking an interest in our work and operational environment. They join us formally for two events per year, but also act as a conduit for future trusteeship and governance roles throughout the Charity.

The Service Visitors Group – provides for every service in the Charity to be visited by a Trustee at least once in each financial year. The group also ensures all serving Trustees have the opportunity to visit services in the course of the financial year to broaden their knowledge and awareness of issues relating to the professional activities. During the year a Trustee service visit was made to each of the organisation's Social Care, Education and Support Services.

The Charity maintains and regularly revises risk registers on three levels, these being corporate, large service or service group and individual service. During the year it also reviewed its Corporate Business Continuity Plan across all of its services.

The Charity has an active Health and Safety Group, which meets on a quarterly basis to promote efficient health and safety policies and methods across all areas, and the Together Trust is a registered member of the Contractors Health and Safety Scheme under which our health and safety practice is reviewed each year. We also subscribe to the Royal Society for the Prevention of Accidents (ROSPA), for external guidance and advice where required.

The Charity employed an average of 608 staff over the year in the fields of social care, education, social work, speech and language therapy, nursing, occupational therapy, management and infrastructure support.

The Charity makes substantial provision for the qualification, training and development of staff. During 2010/11 the organisation continued to provide an Employment Assistance Programme through BUPA in collaboration with a group of similar charities. The Teachers Pension Scheme is recognised for eligible employees and all other staff may now join the defined contribution scheme provided through Standard Life from the commencement of their employment.

The Charity's policies actively promote the employment of colleagues with a disability. The organisation holds the 'Positive About Disabled People/Two Ticks Symbol' as a commitment to employing those with a disability. The Charity will always consider forms of adaptation to working environments where this is possible in line with recommendations from the Disability Discrimination Act (DDA) 1995.

The organisation is aware of its responsibilities in accordance with statutory legislation and all appointments are subject to satisfactory references, Independent Safeguarding Authority (ISA), Criminal Records Bureau (CRB) checks and overseas checks. It has acted for a number of years as an umbrella body for the purposes of obtaining police and government department checks for employees and volunteers through the Criminal Records Bureau. As an umbrella body it also provides at cost a CRB and ISA service for a limited number of charities and companies providing social care/special education.

A staff consultative body, known as the Staff Council, meets quarterly. The Council acts as a forum and takes an influential place in the Charity's systems for developing future policies and strategies.

A number of volunteers continue to serve on the Fostering Panels, the Governing Bodies and other special purpose groups. In line with a strategic objective, during the year the Charity increased the use of volunteers within its services. Plans are underway to review how the use of volunteers might contribute to the Charity's core activities more widely in the future.

The Charity is assisted by a growing number of companies, community groups and individuals who arrange and support fundraising initiatives.

Our objectives and achievements

In September 2008 following consultation with a number of different stakeholders, a new three year strategic plan was introduced which was refreshed during the reporting period to reflect operational demands.

Services

Our aims	Our achievements in 2010/11
<p>Provide high quality services that children, young people, adults and their families need and commissioners want to purchase.</p> <p>Develop services that build on our expertise in specialist care and education.</p>	<p>EDUCATION</p> <p>Bridge College was judged to be outstanding in terms of financial health and financial management control by the Learning and Skills Council (now known as the YPLA).</p> <p>Both Inscape School Salford, Inscape School Cheadle and CYCES gained 'Good' Ofsted ratings with some outstanding features.</p> <p>SOCIAL CARE Ofsted inspections of our Residential Social Care Services resulted in 93% of them being graded good or outstanding</p> <p>EDUCATION</p> <p>Delamere Forest School we have worked in partnership with this Jewish special school to improve pupil outcomes and increase the number of pupil placements.</p> <p>Newbridge adult community services for disabled young adults expanded into Bolton and Oldham to meet demand. Newbridge's Stockport service continues to be in demand and 2011 will see the opening of its SK30+ service for adults aged 30+ with learning difficulties.</p> <p>Aiming High for Disabled People funding was awarded by Stockport MBC and Salford CC to enable families from these areas with disabled children and young people to take a much needed short break. The Charity is able to offer similar services to families in Cheshire West and Chester and Derbyshire boroughs.</p> <p>SOCIAL CARE</p> <p>Haines House in Salford opened in 2010 to help young people aged between 5 and 17 in care to find a permanent family placement either with foster parents or their own family.</p> <p>Norvent in Stockport reopened offering specialist therapeutic medium to long-term care for up to two young people.</p> <p>The Charity's Fostering Service secured a Tier One place within the North West Placement Framework and the service became accredited with the West Midlands consortia of 14 local authorities.</p> <p>A number of local authorities accepted the Together Trust as a preferred provider during the year.</p> <p>Community and Domiciliary services continued to expand in the North West and Derbyshire offering a wide variety of support to families in these areas.</p>

People

Our aims	Our achievements in 2010/11
<p>To develop the Together Trust as a learning organisation that listens and encourages participation.</p>	<p>New participation groups were set up to inform service delivery notably with young people in care and domiciliary and community service users.</p>
<p>To develop an organisation that works and learns across service/departmental boundaries.</p>	<p>During the year several working groups helped to shape the Charity's future development.</p>
<p>To maintain an organisation that develops its staff and volunteers and plans for succession.</p>	<p>During the year the Together Trust commissioned Manchester Business School to develop a training programme to enhance the senior management team's capacity to tackle the challenges of delivering high quality services in a commercial and customer-focused climate.</p> <p>The Business School also worked with the Together Trust to develop a staff listening exercise and staff survey. The survey was completed in spring 2011.</p> <p>Volunteer recruitment continues and is supported by a new strategy in 2010/2011.</p> <p>On the retirement of longstanding colleagues, successful appointments were made to senior posts.</p>

Organisation

<p>To maintain effective Quality Assurance through timely cycles of monitoring and self evaluation.</p>	<p>The Together Trust was awarded accreditation for PQASSO Level 1 in October 2010. The Charity is now working towards the Level 2 quality assurance standard.</p> <p>During the year our short break and shared care services and Pocket Nook, our home in Bolton for young people with autism, were accredited by the National Autistic Society.</p>
<p>To provide effective corporate policies practices and codes of conduct.</p>	<p>All policies have been reviewed and updated and reissued during 2010.</p>
<p>To establish the effective involvement of Trustees, Members and Governors.</p>	<p>A training programme is formally agreed with trustees on completion of the board's self-evaluation and appraisal results each year. The Charity has successfully recruited new members during the year.</p>
<p>To articulate how our Charity status adds value to the organisation and to articulate effectively what we do and why we need support.</p>	<p>A new web site was launched in May 2010 to better reflect the broad range of services offered by the Charity.</p>

Resources

<p>Develop the fundraising function to achieve long-term net sustainable income.</p>	<p>The year marked the beginning of what is likely to be a sustained period of local authority commissioners demanding more service for less budget. The Together Trust is absolutely committed to providing high quality services to children, adults and families that have very special needs and so our fundraising is vital to us being able to achieve this.</p>
	<p>The following gives a flavour of some of the many projects that have been supported through voluntary income.</p> <p>During 2010/11, thanks to donations and fundraising support, we have been able to:</p> <ul style="list-style-type: none"> • Support the funding of the new Bridge College being developed in partnership with Manchester College • Purchase a wheelchair bicycle for use by disabled residents at Pearce Lodge and other services thanks to the Bruce Wake Charitable Trust and other local fundraising efforts • Re-stock the library at Inscape House, Cheadle thanks to a kind donation • Take our fostering families on a short holiday to Lancaster thanks to our London Marathon Runners and other fundraising activities • Provide specialist equipment including touch screen computers, a personal communication aid and a wide range of sensory and leisure items, thanks to funders including Boshier Hinton Charitable Trust and the ACT Foundation • Enable CYCES pupils to plan, create and produce a film exploring dreams and reality, using a grant from the National Lottery through the Big Lottery Fund • Support Bridge College students to design and enter a garden in the Tatton Park Flower Show where they won a silver award • To arrange short breaks, parties and social groups throughout the year designed to bring service users together and provide new experiences • Continue to fund a clinical psychologist for service users in care, thanks to funding from the Cheadle Royal Charitable Trust.
<p>To create and maintain a comprehensive ICT strategy across the organisation that incorporates an effective and accessible management information system</p>	<p>New Management information systems are operating in Social Care and Education Services and the system for reporting on Key Performance Indicators is being refined.</p>
<p>To develop a cost effective property strategy and property management system.</p>	<p>With resources at a premium the Together Trust will look to lease/rent properties wherever possible to maximise cashflow in the short to medium term. With reducing staff numbers at our Inscape schools we are rationalising the schools down to one site from three over the next two years. We have further reviewed our property holdings with a view to making excess sites available for disposal. Bridge College, our Further Education college for those with learning difficulties and other disabilities will relocate to a brand new facility in an ideal location from September 2012. The College will be a flagship for the UK and will be built adjacent to The Manchester College in the centre of Manchester.</p>

Resources

<p>To develop a clear procurement strategy.</p>	<p>We continue to review all major areas of spending on a cyclical basis and re-tender where appropriate to ensure we achieve best value.</p>
<p>To conduct the operations of the organisation within a sustainable environmental strategy.</p>	<p>An energy use review took place during the year.</p>

During the year to 31 March 2011 the Charity provided 35 distinct Social Care, Special Education and Community Services for children, young people, vulnerable adults and families whose special needs fall within the areas of behavioural, emotional and social difficulties, physical disabilities, learning difficulties and autistic spectrum conditions. In the main these services were carried out on behalf of local authorities, public sector bodies and service users.

These services were:

Social Care (Residential and Domiciliary Care Services)

- 11 homes for children and young people
- 1 home for children and young people with physical disabilities
- 1 respite service for young people with autism
- 1 shared care service for young people with autism
- 1 respite service for young people with physical disabilities and/or learning disabilities
- 1 semi-independent service for young people 16+
- 6 Community and Domiciliary care services for young adults
- 1 home for disabled young adults
- Fostering Service.

Special Educational Services

- Inscape House School Cheadle
- Inscape House School Salford (including the Russell Centre)
- Inscape Centre for Autism (INCA)
- Bridge College – a Further Education day college for students with disabilities
- CYCES – Child and Youth Care Education Service
- Stockport Parent Partnership Service
- Bury Parent Partnership Service
- Dispute Resolution Service for East Midlands.

Community Support Services

- Adult day services: Newbridge, New Visions and New Directions – Educational, occupational and leisure opportunities for disabled young adults in Stockport, Oldham and Bolton.

The Charity provided some form of service to 1,305 (includes Delamere Forest School) young people, young adults and families in 2010/11 compared to 1,239 in 2009/10.

Throughout the year the Charity has continued to shape and develop services around the main themes and ideas of the previous Government and that reflect the new Government’s evolving policies. It has also had to demonstrate both the quality and cost effectiveness of services to commissioners in order to retain and develop new activities and partnerships.

Particular successes have been:

- Maintaining high levels of occupancy in the majority of residential homes
- The continued expansion of the Charity's Community and Domiciliary Care Services throughout the region and into Derbyshire
- The expansion of Newbridge community services for disabled adults in Cheshire and Greater Manchester
- Significant cost savings through procurement and service efficiencies.



Financial review

Income generation

Following the economic downturn and general election, public spending was heavily cut back as expected with the impact being felt by the Charity through the pressure on local authorities to adapt to lower government grant settlements from 2011/12 onwards. Authorities in the North West were particularly hard hit in many instances with average cutbacks of 28% over four years but with the emphasis on the major cuts being felt in the first two years. This has inevitably led them to cut back on non-priority areas, place children and young adults in their own services where possible, seek decreases in fee levels and increase competition between providers.

Although the main impact of this will be felt in 2011/12 and beyond, the impact in 2010/11 of reduced demand and static fee levels has been a reduction in income of over £1.25m with many commissioning local authorities imposing fee uplifts which did not match average inflation. However the Charity responded by focussing carefully on its cost base and delivered its services with a healthy operational surplus, although a deliberate policy to upgrade properties, progress the Bridge College project, introduce management training and maintain voluntary income spending led to a reduced overall surplus.

The Charity's services are essential for those who receive them and the majority require a funding decision from the responsible local authority or other such public agency. The majority of fees are received for services to individuals, although some services are purchased on a block contract basis by Local Authorities who wish to ensure they have guaranteed access to the Charity as their provider of choice. The Charity is also in a variety of partnership arrangements with a number of local authorities although more recent new business has been awarded via formal tender processes. On total income measures the organisation is positioned 101 within the top 250 charities in the Charity 250 Index¹ (99 in top 250 2009/10).

The Charity's income decreased to £22.4m (09/10 £23.7m). Social Care Services income reduced to £9.9m (09/10 £10.2m) and Educational Services income decreased to £9.7m (£10.3m 09/10).

Incoming resources to year end 31 March 2011

A	Voluntary income	£25,963	0.1%
B	Fundraising activities	£172,135	0.8%
C	Fees for Social Care Services	£9,914,109	44.2%
D	Fees for Educational Services	£9,723,207	43.4%
E	Fees for other services	£2,441,203	10.9%
F	Commercial trading	£0	0%
G	Other income	£143,928	0.6%

Investment policy and returns

The investment portfolio of the Together Trust is invested with the main purpose of ensuring the underlying security of the investment while achieving growth wherever possible against a series of benchmarks and the regular advice of Brewin Dolphin is taken to help achieve this.

The make up of the portfolio is balanced in favour of UK Equities which comprised 68.6% of the portfolio at the year end with fixed interest investments making up 31.2% with the balance being cash. At the year end the market value of investments was £239,677. Dividend income in the year was £12,018.

Fundraising

The Charity's Fundraising team has been operational in its present form for under three years and the long term brief is to substantially increase voluntary income from the current position where it accounts for less than 1% of total income.

The policy of Trustees is for all unrestricted voluntary income to be utilised for the direct and additional benefit of children, young people, vulnerable adults and families served and not to fund the basic activities of the organisation or its administration.

¹ Charity 250 Index: (Charity Finance May 2010)

Additionally, the Charity attempts to attract the support of major funders for larger scale assistance with the development of resources to accommodate and support new or developing services.

In 2010/11 £198,098 was raised from fundraising and voluntary income (2009/10 £252,378) sources with the longer-term plan to substantially increase this contribution through increased corporate and trust fund income. Notable contributions were received from an ever widening group of supporters. However, the Charity particularly wishes to thank:

- Andrew Murray Golf who raised over £2,000 at their annual Pro-Am Golf Day
- Royal Bank of Scotland who raised £5,000 at their annual Manchester Golf Day
- Simplyhealth for sponsorship of the 2011 Cheadle Festival.

The organisation is extremely grateful for the generous support it received from a variety of individual community and corporate supporters as well as all those who participated in running and challenge events.

The Charity's need for fundraised income is greater than ever.

Trust and legacy income received 2010/11

Trust Income:

A M Haworth Charitable Trust
 Big Lottery Fund Awards for All
 Booth Charities
 Boshier Hinton Foundation
 Charles Wolfson Trust
 Duchy of Lancaster Benevolent Fund
 Green and Lilian FM Ainsworth Family Benevolent Fund
 Irwin Mitchell Foundation
 Pennycress Trust
 Rayne Foundation

Legacy Income:

Mrs Gladys Whittington £1,277.20

Resources expended

Having further consolidated services during 2009/10 the Charity reports expenditure of £22.3m in the year (including £94,000 in support of Delamere Forest School), compared to £22.2m in 2009/10. Although most elements of cost have fallen, including staff and service costs, the increased fund expenditure on, for example, Bridge College project fees and property refurbishments kept overall costs up.

Social Care Services expenditure was £9.6m in the year compared to £9.6m in 2009/10. Education Services expenditure increased to £9.8m (2009/10 £9.4m), whilst Other Services expenditure decreased to £2.2m (2009/10 £2.6m).

Resources expended to Year End 31 March 2011

A	FR and PR Costs	£166,693	0.8%
B	Cost of Providing Social Care Services	£9,597,682	43.0%
C	Cost of Providing Education Services	£9,823,809	44.0%
D	Costs Related to Other Services	£2,301,021	10.3%
E	Governance	£420,392	1.9%

The year's average number of employees was 608 (574 in 2009/10) which produced salary and allied costs of £16.6m, a decrease of 0.5% on the previous year.

Whilst the Government continues to actively seek partnership with the voluntary sector, there seems little prospect of them altering their position over VAT. It continues to be a significant burden and the Charity's non-recoverable VAT element was £275,256.

Public benefit

In setting its plans and priorities for areas of work the Trustees of the Together Trust have referred to the guidance from the Charity Commission on the provision of public benefit. The summary of the Charity's strategic plan and the analysis of the achievements to date as shown on pages 7 to 10 of this report, together with more specific examples of the Charity's activities set out in its annual review and performance reports, demonstrates how the Charity has sought to fulfil its principal charitable objective which is to give aid, assistance and care to those with disabilities or in need.

Access to all Together Trust services is based on an objective assessment of need by Together Trust staff and/or a commissioning local authority and is not based on financial ability to pay. In the case of Parent Partnership Services any parent/legal guardian whose child attends school in the area the service operates may have access to its services.

Insurance

Insurance liability premiums continue to be a major cost, but, following a tendering exercise, the Charity has reduced its premiums from £395,000 to £219,000 per year, a saving of £176,000 whilst also increasing the scope of its cover. Included within the Charity's insurance portfolio is Professional Indemnity Insurance of £5m. This policy type has been in place since 1995 and safeguards the executive liability of Trustees.

Reserves

The Trustees periodically review the reserves policy of the Charity and during the last review moved it towards a policy based on the risks faced by the Charity such as falling placement rates and legal claims against the Charity. Based on this assessment there is a need for a general reserve of £1.5m where the lowest cash levels in the year must be sufficient to cover the £1.5m plus the restricted reserves of the Charity as a minimum. As at 31 March 2011 the actual cash balance was £4,738,000 which was more than sufficient to meet this requirement but the reserve level will have to be closely monitored as cash balances temporarily fall below this level during the year. Of the cash balance of £4,738,000, designated and restricted reserves account for £2,746,000, the reserve balance is £1,500,000 leaving £492,000 as free cash at the balance sheet date. However, during the year cash balances can vary considerably meaning that the available level of cash available must be carefully monitored.

Restricted funds have been generated due to income received from a number of donations for specific purposes (see note 13 to the Accounts).

The Charity has a number of designated funds as agreed by the Trustees for purposes as detailed (see note 13 to the Accounts).

Fixed assets

To monitor and control its fixed assets, the Charity makes use of a fixed asset register, which details the organisation's properties, vehicles and other equipment. Use of this register also assists the financial controls as depreciation of the asset is automatically calculated.

As at 31 March 2011 the Charity had 18 buildings and 68 vehicles on the register, which is reviewed on a monthly basis.

As part of the financial controls, debtors are diligently pursued and the Charity's record, over the last twelve months, has ensured an unhindered cash flow.

The organisation has invested considerably over the last few years in buying property in which to operate its services. Its fall back position has always been that if cash flow became a problem then disposal of a fixed asset would be considered to maintain cashflow.

Changes in fixed assets

The changes in tangible fixed assets are summarised in the notes to the Accounts (see note 7).

Plans for future periods

The main thrust of the adopted three year strategic plan is to seek to develop long-term partnerships with local authorities and other partners across Northern England and Wales and hopefully this will lead to a range of resource developments. Of equal importance is a commitment to expand post 16 services for both Social Care and Education Services and to develop Community and Domiciliary Services as there is a demand for the Together Trust's specialist services in this new area of its operation. Whilst fee income will cover the majority of core costs in such developments, the need to generate significant voluntary income will be very important if it is to retain the highest quality of provision for service users.

Development updates

Crossacres – this dormant site has been retained within the Charity's property portfolio for development and sale to provide funds for the construction of a new Bridge College in partnership with Manchester College. Planning permission is awaited to allow residential development for 15 dwellings, after which the site will be marketed for disposal at some point.

Bridge College – Plans to move Bridge College from its existing site in Offerton to an innovative education facility in Openshaw, East Manchester, were approved by Manchester City Council in April 2011. The project, submitted by the Together Trust and the Manchester College, will see the creation of a unique centre of expertise for the further education of students with learning difficulties, disabilities and complex needs from September 2012. Urban regeneration company, New East Manchester, delivered the acquisition and remediation of the site through a £3.6 million grant from the Northwest Regional Development Agency (NWDA) awarded in May 2009. The Together Trust has secured the necessary bank borrowing facilities to complete the project and a final decision to proceed was approved by Trustees in June 2011.

Inscape House – Following a review of the Charity's Inscape School provision and to reflect the changing pattern in specialist education commissioning², Trustees have approved the merger of Inscape House School Cheadle, Inscape House School Salford and the Russell Centre as one single school on three sites. Work will begin to accommodate this from Summer 2011 with a phased programme due for completion to allow the operation of a single site school from September 2013.

In the current financial climate the Charity has decided not to progress a sports hall project on its Cheadle campus. However, the Trustees of the Norma Leigh Charitable Trust have agreed that their donation originally restricted for indoor sports facilities can be used for the improvement of Inscape and Bridge College.

² subject to Department of Education's approval

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees also confirm that as far as they are aware there is no relevant audit information of which the Charity's auditors are unaware and they have taken all 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 to reappoint Mazars LLP as auditors will be proposed at the forthcoming Annual General Meeting.

Signed by order of the Trustees



Mr Brian E Chesworth OBE
Chairman of Trustees
22nd August 2011

Independent auditor's report to the members of Together Trust

We have audited the financial statements of The Together Trust for the year ended 31 March 2011 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated 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).

Respective responsibilities of Trustees and Auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 16, the Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the Charity's affairs as at 31 March 2011 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 the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' 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.

Alastair Smith (Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor, The Lexicon, Mount Street, Manchester, M2 5NT

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNTS)
YEAR ENDED 31 MARCH 2011**

	Note	Funds Unrestricted £	Funds Unrestricted Designated £	Funds Restricted £	Funds Endowment £	Funds Total £	Total Funds 2010 £
INCOMING RESOURCES							
Incoming resources from generated funds							
Voluntary income	2	25,963	-	-	-	25,963	82,821
Activities for generating funds	2	159,992	-	85,200	-	245,192	169,557
Investment income	2	39,077	-	-	-	39,077	48,164
Incoming resources from charitable activities	2	21,675,041	72,217	331,261	-	22,078,519	23,344,425
Other incoming resources	2	31,794	-	-	-	31,794	11,856
TOTAL INCOMING RESOURCES		21,931,867	72,217	416,461	-	22,420,545	23,656,823
RESOURCES EXPENDED							
Costs of generating funds		261,230	-	-	-	261,230	243,896
Charitable activities		20,245,909	944,214	437,852	-	21,627,975	21,598,735
Governance and Audit costs		420,392	-	-	-	420,392	405,008
TOTAL RESOURCES EXPENDED	3	20,927,531	944,214	437,852	-	22,309,597	22,247,639
Net incoming resources before transfers		1,004,336	(871,997)	(21,391)	-	110,948	1,409,184
Gross transfers between funds		53,382	264,311	(317,693)	-	-	-
Net incoming resources before revaluations/ disposals		1,057,718	(607,686)	(339,084)	-	110,948	1,409,184
Gains and (losses) on revaluation of assets		-	-	-	-	-	239,939
Gains/losses on investment assets	8	3,068	-	-	505	3,573	57,307
Actuarial gains and (losses) on defined benefit pension scheme	6	521,000	-	-	-	521,000	(855,000)
NET MOVEMENT OF FUNDS		1,581,786	(607,686)	(339,084)	505	635,521	851,430
Total funds brought forward		11,829,811	2,121,896	1,570,947	120,781	15,643,435	14,792,005
TOTAL FUNDS CARRIED FORWARD		13,411,597	1,514,210	1,231,863	121,286	16,278,956	15,643,435

*The Statement of Financial Activities incorporates the Statement of Total Recognised Gains and Losses (STRGL) required by FRS 3.
All of the activities of the Charity are classed as continuing*

BALANCE SHEETS YEAR ENDED 31 MARCH 2011. COMPANY NUMBER 301722

	Note	2011 Charity	Group £	2010 Charity £
FIXED ASSETS				
Tangible assets	7	13,683,778	14,153,057	14,153,057
Investments	8	239,677	236,104	236,104
		<u>13,923,455</u>	<u>14,389,161</u>	<u>14,389,161</u>
CURRENT ASSETS				
Debtors	9	3,156,355	2,759,058	2,758,945
Cash at bank		4,737,780	5,083,068	5,074,403
		<u>7,894,135</u>	<u>7,842,126</u>	<u>7,833,348</u>
CREDITORS:	10			
Amounts falling due within one year		(2,927,496)	(3,115,945)	(3,107,167)
		<u>4,966,639</u>	<u>4,726,181</u>	<u>4,726,181</u>
NET CURRENT ASSETS				
		<u>4,966,639</u>	<u>4,726,181</u>	<u>4,726,181</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				
		18,890,094	19,115,342	19,115,342
CREDITORS: Amounts falling due after more than one year	11	(1,077,138)	(1,388,907)	(1,388,907)
		<u>17,812,956</u>	<u>17,726,435</u>	<u>17,726,435</u>
NET ASSETS EXCLUDING PENSION DEFICIT				
Pension deficit	6	(1,534,000)	(2,083,000)	(2,083,000)
		<u>16,278,956</u>	<u>15,643,435</u>	<u>15,643,435</u>
NET ASSETS INCLUDING PENSION DEFICIT				
		<u>16,278,956</u>	<u>15,643,435</u>	<u>15,643,435</u>
FUNDS				
Unrestricted:				
General	13	4,984,063	3,282,080	3,282,080
Revaluation reserve	13	8,427,534	8,547,731	8,547,731
Designated	13	1,514,210	2,121,896	2,121,896
Restricted	13	1,231,863	1,570,947	1,570,947
Endowment	13	121,286	120,781	120,781
		<u>16,278,956</u>	<u>15,643,435</u>	<u>15,643,435</u>
FUNDS INCLUDING PENSION DEFICIT				
		<u>16,278,956</u>	<u>15,643,435</u>	<u>15,643,435</u>

These financial statements were approved by the members of the Honorary Treasurers meeting on 30th September 2011 and are signed on their behalf by:



Mr Brian E Chesworth OBE
Chairman of Trustees



Mr John Rylands
Honorary Treasurer

NOTE TO THE BALANCE SHEET FUND BALANCES AS AT 31 MARCH 2011 ARE REPRESENTED BY:

	Unrestricted General £	Unrestricted Designated £	Restricted £	Endowment £	2011 Total £
Tangible fixed assets	13,683,778	-	-	-	13,683,778
Investments	118,391	-	-	121,286	239,677
Current assets					
Cash	1,991,707	1,514,210	1,231,863	-	4,737,780
Debtors	3,156,355	-	-	-	3,156,355
Current liabilities	(2,927,496)	-	-	-	(2,927,496)
Long term liabilities	(1,077,138)	-	-	-	(1,077,138)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net assets excluding pension deficit	14,945,597	1,514,210	1,231,863	121,286	17,812,956
Pension deficit	(1,534,000)	-	-	-	(1,534,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	13,411,597	1,514,210	1,231,863	121,286	16,278,956

The Together Trust would like to draw specific attention to its reserves figures and to clarify a point which is sometimes misinterpreted. For 2010/11 the general unrestricted reserves are £13,411,597 (after accounting for the pension deficit of £1,534,000) but this is held mainly in the form of fixed assets. These assets are properties used to provide accommodation for the care and education of the children and young people and adults who receive our services and are listed in note 7 (on page 35). In terms of 'free' reserves as represented by cash in the unrestricted general reserve there is £491,707 after taking account of the reserve requirement of the Together Trust of £1,500,000.

CONSOLIDATED CASH FLOW STATEMENT YEAR ENDED 31 MARCH 2011
RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011		2010
	£		£
Net movements in funds	635,521		851,430
Income from investments	(12,018)		(11,821)
Interest receivable	(27,059)		(36,343)
Interest payable	33,404		40,281
Depreciation	388,111		364,133
Adjustment arising from revaluation	-		104,536
Profit on disposal of fixed assets	(5,546)		(2,079)
Decrease in stock	-		4,385
Decrease in debtors	(397,297)		411,741
Increase/(decrease) in creditors	(170,022)		(59,925)
(Gains) on investments	(3,573)		(57,307)
Net movement of pension service cost accruals	110,000		138,000
Gain on revaluation of fixed assets	-		(239,939)
Pension actuarial (gain)/loss	(521,000)		855,000
	<hr/>		<hr/>
Net cash inflow from operating activities	30,521		2,362,092
	<hr/> <hr/>		<hr/> <hr/>
	2011		2010
	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		30,521	2,362,092
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received	27,059		36,343
Interest paid	(33,404)		(40,281)
Income from investments	12,018		11,821
	<hr/>		<hr/>
Net cash inflow from returns on investments and servicing of finance		5,673	7,883
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets	(172,786)		(646,068)
Receipts from sale of fixed assets	259,500		2,700
Payments to acquire investments	(24,330)		-
Receipts from sale of investments	24,330		-
	<hr/>		<hr/>
Net cash inflow/(outflow) from capital expenditure		86,714	(643,368)
Cash inflow before financing		122,908	1,726,607
FINANCING			
Net (outflow) from bank loans	(330,196)		(253,414)
Net (outflow) in respect of pension contribution	(138,000)		(138,000)
	<hr/>		<hr/>
Net cash (outflow) from financing		(468,196)	(391,414)
(DECREASE)/INCREASE IN CASH		(345,288)	1,335,193
		<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention as modified for the revaluation of certain fixed assets, and in accordance with applicable United Kingdom Accounting Standards, the Companies Act 2006, and follow recommendations in the Statement of Recommended Practice 'Accounting and Reporting for Charities' (the SORP) issued in March 2005.

Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 3. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member.

Investment assets

Investments are included in the balance sheet at their mid market values at the year end. Movements in market values during the year are included in the SOFA for any realised and unrealised gains and losses. Realised gains or losses are transferred to reserves upon realisation.

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, although in practise they may represent the funding of fixed assets.

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 by the Charity for particular purposes as specified by the donor. The costs of administering such funds are charged against the specific fund. The purpose of each restricted fund is set out in the notes to the financial statements.

Endowment funds are a form of restricted fund where the assets are required to be invested or retained for actual use rather than expended. An endowment fund where there is no power to convert the capital into income is known as a permanent endowment fund which must generally be held indefinitely. Expendable endowment is an endowment fund where the Trustees have the power to convert the assets (ie land, buildings, investments or cash) into expendable income.

Grant income

Income from grants is applied specifically to the specialised activities and recognised in the year in which they are receivable. Any grants received which are subject to preconditions, are carried forward and included as creditors until the preconditions are met.

Fundraising income, subscriptions, donations and legacies

All fundraising income, subscriptions, donations and legacies (specific and otherwise) are credited to the Statement of Financial Activities (SOFA) in the year in which they are receivable. Assets representing specific legacies and endowments are, however, maintained separately in the Charity's books.

Resources expended

Expenditure is recognised when the liability is incurred; all resources expended are accounted for on an accruals basis.

Charitable expenditure includes all expenditure associated with activities directly attributable to the service delivery of the Charities' Charitable Objectives, in respect of residential, respite, outreach, educational, fostering, adoption and social work services.

Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Governance costs include those incurred in the governance of the Charity and its assets, primarily associated with constitutional and statutory requirements. Included within this category are any costs associated with the strategic management of the Charity's activities.

Support costs include Central Head Office costs and have been allocated to activity costs on a basis consistent with incoming resources.



NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

Reserves

The Trustees' policy is to consider on an ongoing basis the level of funds required to meet the working capital adequacy requirement over the foreseeable future to ensure the short term viability of the Charity.

Development fund

The purpose of the development fund reserve is to earmark funds to provide for ongoing maintenance, repair and refurbishment of the Together Trust homes and schools, in compliance with standards set by inspecting bodies such as the Care Quality Commission (CQC) and the Office for Standards in Education (OFSTED). The age and fabric of the establishments necessitate constant repairs, which have been highlighted by comprehensive surveys carried out by an appointed architect and reviewed annually. The programme for refurbishment for any new financial year is specified prior to the previous year end.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Statement of Financial Activities on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against income on a straight line basis over the period of the lease.

Trustees

The Trustees have elected that the Charity apply a policy of non-remuneration for Trustees, excluding out of pocket expenses.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows. In 2007/2008 the value of freehold property was split between land and buildings with only the buildings element being depreciated.

Freehold property	– buildings	– 2% straight line
	– improvement	– 20% straight line
Leasehold property improvement		– over the life of lease
Motor vehicles		– 20% straight line
Ancillary equipment		– 20% straight line

Tangible fixed assets are stated at cost or valuation. Costs of maintenance are charged to revenue as they are incurred. Assets below a value of £2,500 are not capitalised.

Pension costs

Following extensive consultation with Trustees and staff and after recommendation by the Charity's pension provider, The Pension Trust, the Final Salary Scheme became 'paid up' with effect from 31 March 2000. Existing pensioners remain unaffected by the change.

The Charity operates a Group Personal Pension Scheme, which is made available to all staff excluding those eligible for the Teachers' Pension Scheme. Provision of the scheme is made through Standard Life and is accounted for on the accruals basis.

The Charity participates in the Teachers' Pension Scheme, which is a defined benefit scheme. The Charity is unable to identify its share of the underlying assets and liabilities of the scheme and therefore has taken advantage of the exemption in FRS17 and has accounted for its contributions to the scheme as if it was a defined contribution scheme.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

2. INCOMING RESOURCES

Voluntary income:

	Unrestricted General £	Unrestricted Designated £	Restricted £	2011 £	2010 £
Voluntary income	25,963	-	-	25,963	82,821

Activities for generating funds:

	Unrestricted General £	Unrestricted Designated £	Restricted £	2011 £	2010 £
Fundraising activities	86,935	-	-	86,935	94,321
Bridge Appeal	-	-	85,200	85,200	75,236
DFS income	73,057	-	-	73,057	-
	159,992	-	85,200	245,192	169,557

Investment income:

	Unrestricted General £	Unrestricted Designated £	Restricted £	2011 £	2010 £
Investment income	12,018	-	-	12,018	11,821
Bank interest	27,059	-	-	27,059	36,343
	39,077	-	-	39,077	48,164

Incoming resources from charitable activities:

	Unrestricted General	Unrestricted Designated	Restricted	2011	2010
Fees for social care services	9,741,047	72,217	100,845	9,914,109	10,161,031
Fees for educational services	9,497,760	-	225,447	9,723,207	10,270,859
Fees for other services	2,436,234	-	4,969	2,441,203	2,912,535
	21,675,041	72,217	331,261	22,078,519	23,344,425

Other incoming resources:

	Unrestricted General £	Unrestricted Designated £	Restricted £	2011 £	2010 £
External training and education	-	-	-	-	2,066
Other income	26,247	-	-	26,247	7,711
Net gain on disposal of fixed assets	5,547	-	-	5,547	2,079
	31,794	-	-	31,794	11,856

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

3. TOTAL RESOURCES EXPENDED

	Staff and Related Costs £	Premises Costs £	Service Provision Costs £	Service Administration Costs £	Head office Support Costs £	Other Costs £	2011 £	2010 £
Social Care Services	7,180,918	360,568	496,852	152,331	707,897	699,116	9,597,682	9,595,602
Education services	7,102,112	573,817	318,404	141,810	740,821	946,845	9,823,809	9,371,015
Other Services	1,841,257	38,156	11,435	51,362	197,552	66,722	2,206,484	2,632,118
Fundraising and PR cost	65,974	-	27,620	4,492	-	68,607	166,693	175,912
DFS	41,248	2,539	3,304	967	45,533	946	94,537	-
Governance	366,683	5,779	745	13,456	-	33,729	420,392	405,008
Commercial Trading	-	-	-	-	-	-	-	67,984
Totals	16,598,192	980,859	858,360	364,418	1,691,803	1,815,965	22,309,597	22,247,639

Head Office Support Costs Allocation

	Staff and related costs £	Premises costs £	Office administration costs £	Other costs £	2011 £	2010 £
Social Care Services	456,941	45,855	106,780	98,320	707,896	737,818
Education Services	478,194	47,988	111,747	102,893	740,822	737,818
Other Services	127,518	12,797	29,799	27,438	197,552	201,223
DFS	35,031	3,155	7,347	-	45,533	-
Totals	1,097,684	109,795	255,673	228,651	1,691,803	1,676,859

TOTAL RESOURCES EXPENDED

Total Resources expended are split between direct costs incurred in the delivery of Together Trust Services and Head Office support costs, which are apportioned between services. Direct costs include all direct staff, premises and service provision in the day-to-day delivery of the service. It also includes other costs related to the provision of the service at each location in respect of insurance/depreciation/interest and irrecoverable VAT incurred in respect of all direct costs.

HEAD OFFICE SUPPORT COSTS

There is a Head Office function which provides all the support services of the Together Trust's activities. These include Trustees/ Operating Directors/Finance/Personnel and IT services. Cost recovery apportionment is based on the % of estimated activity for each of the services.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 *continued*

Other costs include

	2011	2010
	£	£
Auditors' remuneration – audit	20,755	20,150
Auditors' remuneration – other services	1,685	7,000
Interest paid	33,404	40,281
Depreciation	388,111	364,133
Bank charges	6,075	4,822
Subscriptions	21,235	60,842
Insurance	219,181	192,602
Non-recoverable VAT	275,256	250,521
PR/Marketing	67,737	58,917
Development Fund expenditure	343,156	326,541

These costs include Central Head Office costs where applicable and have been allocated to activity costs on a basis consistent with incoming resources.



NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

4. EMPLOYEE DETAILS

None of the Trustees receive any remuneration for their services to the Charity.

No expenses were reimbursed to any Trustee/Directors in this year.

	2011 No.	2010 No.
Directors accruing benefits under pension schemes	-	-

Employee emoluments over £60,000

	2011 No.	2010 No.
Salary £60,001 to £70,000	3	2
Salary £70,001 to £80,000	1	-
Salary £80,001 to £90,000	-	2
Salary £90,001 to £100,000	2	-
Salary £100,001 to £110,000	-	1
Salary £110,001 to £120,000	-	1
Salary £120,001 to £130,000	1	-

All employees earning income more than £60,000 are members of the Pension Schemes.

The contributions paid for the year amounted to £66,206.

The aggregate payroll costs were:

	2011	2010
Wages and salaries	13,690,998	13,694,916
Social security costs	1,172,046	1,170,266
Other pension costs	991,956	1,020,927
	15,855,000	15,886,109

Particulars of employees:

The average number of staff employed by the Charity during the financial year amounted to:

	2011 No.	2010 No.
Social Care	288	262
Education	264	252
Other	56	60
Total charitable activities	608	574
	No.	No.
Number of employees accruing benefits under pension schemes	350	344

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued**5. INCOME FROM THE SUBSIDIARY'S TRADING ACTIVITIES**

The Charity owns the entire share capital of Together (Trading) Limited which commenced trading on 1 April 2005 as a provider of external conferencing and training courses.

During the year ended 31 March 2010 the subsidiary had turnover of £75,236 and costs of £67,984 before a Gift Aid donation to the Charity of £7,252.

Together Trading Ltd ceased its conferencing hire operation on 31 July 2009 to better utilise the assets of the Charity and to facilitate more efficient management. The subsidiary has therefore not traded during the year ended 31 March 2011. However the Together Trust has decided to keep the trading company dormant for the time being to enable it to be utilised at some time in the future if necessary.



NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

6. PENSIONS

DEFINED BENEFIT PENSION SCHEME

General

- The Scheme is a defined benefit (final salary) funded pension scheme. The Scheme is closed to new entrants
- The Scheme assets do not include investments issued by the sponsoring employer nor any property occupied by the sponsoring employer
- The overall expected rate of return on the Scheme assets has been based on the average expected return for each asset class, weighted by the amount of assets in each
- The employer expects to contribute £332,000 for the year starting 1st April 2011. The current arrangements as regards contribution levels are described in the Schedule of Contributions dated 30 December 2010. The employer contribution includes an allowance for the cost of Administration Expenses and PPF levies
- The scheme holds quoted securities and these have been valued at bid-price. The corresponding amounts from previous years are not bid prices and have not been restated.

Financial assumptions

The assumptions which had the most significant effects in the valuation were the following:

	At 31 March 2011	At 31 March 2010
	%pa	%pa
Discount rate	5.50	5.50
Rate of increase of pensions	2.90 (CPI)	3.40 (RPI)
Rate of revaluation of deferred pensions in excess of GMP	3.40	3.50
Inflation assumption (RPI)	3.40	3.50
Inflation assumption (CPI)	2.90	-
Expected return on scheme assets *	6.84	6.88

The mortality assumptions adapted at 31 March 2011 imply the following life expectancies (years)

– male retiring at age of 65 in 2011	22.4
– female retiring at age of 65 in 2011	24.2
– male retiring at age of 65 in 2031	24.6
– female retiring at age of 65 in 2031	26.1

Notes

*As at the beginning of each period presented.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

Fair value of assets

The assets in the scheme were:

	Value at 31 March 2011	Proportion	Value at 31 March 2010	Proportion
	£000	%pa	£000	%pa
Equities and property	2,524	51	2,447	52
Bonds	2,072	42	1,956	41
Property	371	7	346	7
Other	11	-	-	-
Total value of assets	4,978	100	4,749	100

Balance sheet

The amounts recognised in the balance sheet are as follows:

	Value at 31 March 2011	Value at 31 March 2010
	£000's	£000's
Present value of scheme liabilities	6,512	6,832
Fair value of scheme assets	(4,978)	(4,749)
Present value of unfunded obligations	-	-
Unrecognised past service cost	-	-
Unrecognised asset due to limitations on recognition of scheme surplus	-	-
Deficit	1,534	2,083
Related deferred tax liability (assumed)	Nil	Nil
Net Pension liability	1,534	2,083

Recognition within the Statement of Financial Activities

	Year ending 31 March 2011	Year ending 31 March 2010
	£000's	£000's
Current Service cost *	60	65
Interest on obligation	371	333
(Expected return on scheme assets)	(322)	(260)
Past Service cost recognition	-	-
Losses/(gains) on settlements and curtailments	-	-
Total	109	138

* the current service cost includes the cost of Administration expenses and PPF levies

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

Analysis of the amount recognised in the Statement of Total Recognised Gains and Losses

	Year ending 31 March 2011 £000's	Year ending 31 March 2010 £000's
Net actuarial gains/(losses) recognised in year	521	(855)
Net Cumulative actuarial (losses)**	(2,014)	(2,534)

** includes net cumulative actuarial gain/(loss) since year ending 31 March 2003.

Reconciliation of the Present Value of Scheme Liabilities

	Year ending 31 March 2011 £000's	Year ending 31 March 2010 £000's
Opening defined benefit obligation	6,832	5,072
Service cost	60	65
Interest cost	371	333
Contribution by employees	-	-
Past Service costs – vested benefits	-	-
Past Service costs – non vested benefits	-	-
Losses/(gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Actuarial (gains)/ losses	(521)	1,628
Benefits paid	(230)	(266)
Closing defined benefit obligation	6,512	6,832

Reconciliation of Present Value of Scheme Assets and Actual Return on Assets

	Year ending 31 March 2011 £000's	Year ending 31 March 2010 £000's
Change in the fair value of the scheme assets		
Opening fair value of the scheme assets	4,749	3,844
Expected return	322	260
Assets distributed on settlements	-	-
Actuarial gains/(losses)	(1)	773
Contributions by employer	138	138
Contributions by employees	-	-
Benefits paid	(230)	(266)
Closing fair value of the scheme assets	4,978	4,749
Actual return on Scheme Assets	321	1,033

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

History of the scheme gains and losses in current and previous periods are as follows:

	2011 £000's	2010 £000's	2009 £000's	2008 £000's	2007 £000's
Present value of scheme liabilities	(6,512)	(6,832)	(5,072)	(5,349)	(6,033)
Fair value of scheme assets	4,978	4,749	3,844	5,118	5,206
Surplus/(deficit)	(1,534)	(2,083)	(1,228)	(231)	(827)
Experience gains/(losses) on scheme liabilities:					
Amount	-	67	-	-	(14)
Percentage of the present value of scheme liabilities	0.0%	1.0%	0.0%	0.0%	(0.2%)
Actual return less expected return on scheme assets:					
Amount	(1)	773	(1,214)	(444)	(48)
Percentage of scheme assets	0.0%	16.3%	(31.6%)	(8.7%)	(0.9%)

TEACHERS' PENSION SCHEME

INTRODUCTION

As noted in the accounting policies, the Charity participates in the Teachers' Pension Scheme, which is a defined benefit scheme.

The Charity is unable to identify its share of the underlying assets and liabilities of the scheme and therefore has taken advantage of the exemption in FRS17 and has accounted for its contributions to the scheme as if it was a defined contribution scheme.

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010. These regulations apply to teachers in schools and other educational establishments in England and Wales maintained by local authorities, to teachers in many independent and voluntary aided schools, and to teachers and lecturers in establishments of further and higher education. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

THE TEACHERS' PENSION BUDGETING AND VALUATION ACCOUNT

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%) which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

VALUATION OF THE TEACHERS' PENSION SCHEME

Not less than every four years the Government Actuary (GA), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate (SCR) is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2011 – 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR has been assessed at 19.75%, and the supplementary contribution rate has been assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years); a total contribution rate of 20.5%. This translates into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement has also introduced – effective for the first time for the 2008 valuation – a 14% cap on employer contributions payable.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

7. TANGIBLE FIXED ASSETS

CHARITY	Freehold Property	Motor Vehicles	Property Improvement	Ancillary Equipment	Total
COST OR VALUATION					
At 1 April 2010	13,375,000	947,147	1,076,268	937,720	16,336,135
Additions	122,000	50,786	-	-	172,786
Disposals	(255,000)	(13,872)	-	(3,431)	(272,303)
At 31 March 2011	13,242,000	984,061	1,076,268	934,289	16,236,618
DEPRECIATION					
At 1 April 2010	-	711,789	688,895	782,394	2,183,078
Charge for the year	205,015	91,071	48,422	43,603	388,111
On disposals	(1,047)	(13,872)	-	(3,430)	(18,349)
At 31 March 2011	203,968	788,988	737,317	822,567	2,552,840
NET BOOK VALUE					
At 31 March 2011	13,038,032	195,073	338,951	111,722	13,683,778
At 31 March 2010	13,375,000	235,358	387,373	155,326	14,153,057

The properties were last professionally valued by Bentley Higgs on 31st March 2010.

Properties other than specialised properties were valued at either existing use value (for properties occupied for business purposes) or market value (surplus and investment properties). Specialised properties were valued at depreciated replacement cost.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

7. TANGIBLE FIXED ASSETS (continued)

Maintenance, repair and refurbishment commitments and capital commitments:

The Committee of Management has indicated a budget of up to £250,000 for the adaptation, maintenance and repair of properties in the forthcoming year. In addition, as part of the rationalisation of the Inscape schools, the Together Trust has budgeted £500,000 for improvements at Inscape Cheadle.

Property	Description
Corbar Road	A 5 bedded residential unit accommodating children and young people aged 10 – 17 years.
Crosskeys	A 2 bedded residential unit accommodating children and young people aged 10 – 17 years.
Crossacres	Former residential unit that is now a dormant site that has been retained within the Trust's property portfolio for development. Please refer to the 'Development Update' section of this report (Page 12).
Haines House	A 5 bedded residential unit
Schools Hill	The main administrative centre for the Charity which accommodates 60 employees. The campus also is home to the following Together Trust services: Woodlands – an 8 bedded short break service for disabled young people. Inscape House School Cheadle – a school for young people aged 5 – 19 years with autism. The school can accommodate up to 60 young people. The Inscape Centre for Autism – Assessment, consultancy, diagnostic and speech therapy services for parents and professionals. CYCES School – special education for young people with complex emotional difficulties aged 8 – 16 years. The school can accommodate up to 35 full-time pupils.
Pendlebury House	A shared care service for up to 6 young people with autism and behavioural needs.
Lerryn	A 6 bedded residential unit accommodating children and young people aged 10 – 16 years.
Meridian	A 5 bedded short break service for young people with autism aged 5 – 17 years.
Norvent	A specialist therapeutic residential provision for one young person.
Overdale	A 5 bedded residential unit for disabled young people aged 5 – 17 years who may have complex medical needs.
Pearce Lodge	A 5 bedded unit for disabled young people aged 16 to adulthood.
Pocket Nook	A 4 bedded unit for children and young people with autism and other special requirements.
Russell Centre	A post 16 education provision for students with autism aged 16 – 19 years. The Centre can accommodate up to 20 students.
Sorchan	A 5 bedded house for short term care for children and young people aged 11 – 16 years.
Swann Lane	A 4 bedded unit for children and young people aged 6 to 12 years.
Swinton House	A 3 bedded residential unit for young people aged 8 – 12 years.
Valley View	A 4 bedded residential unit for young people aged 8 – 17 years.
Ventnor Road	A 3 bedded unit for children and young people aged 11 to 17 years.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

8. INVESTMENTS

Listed investments

	Value 2011 £	Value 2010 £	Income 2011 £	Income 2010 £
UK listed investments	<u>239,677</u>	<u>236,104</u>	<u>12,018</u>	<u>11,821</u>

Movement in market value

	2011 £	2010 £
Market value at 1 April 2010	236,104	178,797
Additions	24,330	-
Disposals	(22,633)	-
Net investment gains	3,573	57,307
Movement of cash	(1,697)	-
	<u>239,677</u>	<u>236,104</u>

Unlisted Investments
Company

The company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiary:

Together (Trading) Limited

Country of incorporation: England and Wales

Date of incorporation: 3 March 2005

Nature of business: Conference training

Class of shares:	Holding
Ordinary	100%
Number of shares	1

9. DEBTORS

	2011 Charity £	2010 Group £	Charity £
Due within one year			
Trade debtors	2,974,297	2,681,618	2,681,505
Prepayments	82,058	77,440	77,440
Due after one year			
Other debtors	100,000	-	-
	<u>3,156,355</u>	<u>2,759,058</u>	<u>2,758,945</u>

The debtor due after one year relates to a loan to Delamere Forest School which is repayable in August 2012 at the latest.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

10. CREDITORS: Amounts falling due within one year

	2011	2010	
	Charity	Group	Charity
	£	£	£
Bank and Building Society loans	208,944	227,371	227,371
Trade creditors	346,699	298,111	298,111
Taxation and social security	328,782	324,545	324,476
Contract creditors	136,938	136,938	136,938
Accruals and sundry creditors	1,906,133	2,128,980	2,120,271
	<u>2,927,496</u>	<u>3,115,945</u>	<u>3,107,167</u>

11. CREDITORS: Amounts falling due after more than one year

	2011	2010	
	Charity	Group	Charity
	£	£	£
Bank and Building Society loans	1,077,138	1,388,907	1,388,907
	<u>1,077,138</u>	<u>1,388,907</u>	<u>1,388,907</u>

Repayment of long term creditors

	2011	2010	
	£	£	
Payable within one year	208,944	227,371	
Payable between 1 and 2 years	441,681	491,611	
Payable between 2 to 5 years	594,443	842,715	
Payable after 5 years	41,014	54,581	
	<u>1,286,082</u>	<u>1,616,278</u>	

The above loans are repayable by monthly instalments over periods of up to 25 years and bear interest at rates which fluctuate in line with the inter-bank rate. At the year end the rates were between 1.3% and 5.44% above base rates. Following a change of bank to Barclays in April 2011 all the outstanding loans were consolidated, repayable over the next 23 years at a fixed rate of interest at 6.46%.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

12. SECURED DEBTS

The following secured debts are included within creditors:

	2011	2010
	£	£
Bank and Building Society Loans	1,286,082	1,616,278
	<u>1,286,082</u>	<u>1,616,278</u>

The above debts are secured on various freehold properties.

13. STATEMENT OF GROUP FUNDS

	31 March 2010 £	Income £	Expenditure £	Gains and (Losses) £	Transfers £	31 March 2011 £
Unrestricted						
General	3,282,080	21,931,867	(20,927,531)	524,068	173,579	4,984,063
Revaluation reserve	8,547,731	-	-	-	(120,197)	8,427,534
Designated	2,121,896	72,217	(944,214)	-	264,311	1,514,210
Restricted	1,570,947	416,461	(437,852)	-	(317,693)	1,231,863
Endowment	120,781	-	-	505	-	121,286
	<u>15,643,435</u>	<u>22,420,545</u>	<u>(22,309,597)</u>	<u>524,573</u>	<u>-</u>	<u>16,278,956</u>
	31 March 2010 £	Income £	Expenditure £	Gains and (Losses) £	Transfers £	31 March 2011 £
Designated Funds						
Development	564,174	-	(343,156)	-	28,982	250,000
Others	1,557,722	72,217	(601,058)	-	235,329	1,264,210
	<u>2,121,896</u>	<u>72,217</u>	<u>(944,214)</u>	<u>-</u>	<u>264,311</u>	<u>1,514,210</u>

The development fund is a maintenance provision which allows the Charity to maintain its homes and schools in compliance with standards set for the services by inspecting bodies such as the Office for Standards in Education (OFSTED), the Commission for Social Care Inspection (CSCI) and YPLA previously known as LSC.

The 'Others' fund has been agreed on the basis that 'unspent' donations which have been generated during the year will be spent specifically and directly on the children and young people. The Together Trust operates a 'wish list' process whereby the children and young people submit their 'wishes' and as far as the fund will allow these are considered and met during the year.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 Continued

13. STATEMENT OF FUNDS (continued)

		31 March 2010	Income	Expenditure	Transfers	31 March 2011
	Restricted Funds	£	£	£	£	£
1	Young Peoples Training and Support Fund	22,513	-	2,100	-	20,413
2	Bridge Standards Funds	47,727	14,680	23,187	-	39,220
3	Inscape Cheadle and Salford Dfes grants for specific purposes	543,450	197,511	279,138	-	461,823
4	Inscape Cheadle	14,964	5,614	4,250	-	16,328
5	Bridge Appeal	-	85,200	8,730	-	76,470
6	Sports Hall	340,100	-	-	-	340,100
7	CWDF/log cabin 2	82,975	-	(9,093)	-	92,068
8	DCSF	28,947	33,030	23,791	-	38,186
9	School Fund bank accounts	21,403	-	-	-	21,403
10	Caravan 2 fund	48,369	60	16,455	-	31,974
11	CYCES Vol project	21,207	-	-	-	21,207
12	Taxal	318,500	-	-	(318,500)	-
13	Miscellaneous*	80,792	80,366	89,294	807	72,671
	Fund Balances	1,570,947	416,461	437,852	(317,693)	1,231,863

- 1 **Young Peoples Training and Support Fund** – This fund supports service users and young people making the transition to adult life.
- 2 **Bridge Standards Funds** – These funds represent a residual special grant from the Learning Skills Council to be spent by Bridge College. This special grant has now been incorporated into main stream funding.
- 3 **Inscape Cheadle and Salford DfES grants for specific purposes**
- 4 **Inscape Cheadle** – These funds represent donations made for specific use at Inscape Cheadle.
- 5 **Bridge College Appeal** – This is residual money from donors who supported a former Bridge College appeal and is to be spent on student at Bridge College.
- 6 **Sport Hall** – These funds represent donations made for the specific development of a sports hall on the Cheadle Campus.
- 7 **CWDF/log cabin 2** – To support the procurement of a log cabin.
- 8 **DCSF** – Annual grants from DCSF to non maintained schools (Inscape Cheadle and Salford) – includes funding for school improvement and raising attainment including some capital improvements and funding for teachers’ threshold payments.
- 9 **School Fund bank accounts** – Income received mainly from parents to support school activities e.g. trips, uniforms.
- 10 **Caravan 2 fund** – To support the procurement of a caravan.
- 11 **CYCES project** – Funding for provision of accredited vocational courses.
- 12 **Taxal Fund in accordance with the ICAA** – See note 16 to the Accounts.
- 13 **Miscellaneous** – This represents a number of individual service funds of under £10,000 at 31/03/2011, generally established by donations made for use by a particular service.

*Grant Fund Big Lottery – Within fund 13 is the 'Awards for All' Grant, through the Big Lottery Fund, awarded for £4,975 to run a film project with CYCES pupils and staff, called CYCES, Camera Action!



NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 Continued

13. STATEMENT OF FUNDS (continued)

Endowment Funds	1 April 2010 £	Income £	Expenditure £	Gains and (Losses) £	Transfers £	31 March 2011 £
Jubilee Trust Fund	73,884	-	-	505	-	74,389
Funds held as custodian	46,897	-	-	-	-	46,897
	<u>120,781</u>	<u>-</u>	<u>-</u>	<u>505</u>	<u>-</u>	<u>121,286</u>

Jubilee Trust Fund

This fund forms part of the Charity's investment portfolio and, as an endowment fund, the restrictions on capital and use of income must be followed and spent in accordance with the Jubilee Trust Fund objects. Trustees do have the power to widen the objects to allow easier application of the income should they so wish.

Funds held as custodian

These are endowment funds held by the Charity as appointed custodian on behalf of a number of Trusts to be used in accordance with the individual Charity objects. These Trusts are as follows:

- Hoyer Trust Fund
- Thomas Hunt Trust Fund
- William Melland Trust Fund
- Ragged and Industrial Trust Fund
- Ann Street Wardle Trust Fund
- Harold Grimshaw Trust Fund.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

14. RECONCILIATION OF NET CASH FLOW MOVEMENT TO MOVEMENT IN NET DEBT

	2011 £	2010 £
Increase/(decrease) in cash in the period	(345,288)	1,335,193
Cash used to increase liquid resources:		
Cash outflow from bank loans	<u>330,196</u>	<u>253,414</u>
Change in net debt	(15,092)	1,588,607
Net debt at 1 April 2009	<u>3,466,790</u>	<u>1,878,183</u>
Net debt at 31 March 2010	<u><u>3,451,698</u></u>	<u><u>3,466,790</u></u>

15. ANALYSIS OF CHANGES IN NET DEBT

	31 March 2011 £	Cash flows £	31 March 2010 £
Cash in hand, at bank	<u>4,737,780</u>	<u>(345,288)</u>	<u>5,083,068</u>
Debt due within 1 year	(208,944)	18,427	(227,371)
Debt due after 1 year	<u>(1,077,138)</u>	<u>311,769</u>	<u>(1,388,907)</u>
	<u><u>3,451,698</u></u>	<u><u>(15,092)</u></u>	<u><u>3,466,790</u></u>
ANALYSED IN BALANCE SHEET	2011		2010
	£		£
Cash in hand, at bank	4,737,780		5,083,068
Bank and Building Society loans – within 1 year	(208,944)		(227,371)
Bank and Building Society loans – after 1 year	<u>(1,077,138)</u>		<u>(1,388,907)</u>
	<u><u>3,451,698</u></u>		<u><u>3,466,790</u></u>

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011 continued

16. INVALID CHILDRENS' AID ASSOCIATION

The accounts incorporate the assets and liabilities of the Invalid Childrens' Aid Association as follows:

Balance Sheet at 31 March 2011

	2011 £	2010 £
CURRENT ASSETS		
Bank	-	318,500
	<u> </u>	<u> </u>
FUNDS		
Restricted	-	318,500
	<u> </u>	<u> </u>

Funds Statement for the year ended 31 March 2010

	2011 £	2010 £
OPENING FUNDS	318,500	318,500
Transfer to unrestricted funds for the refurbishment of the property previously purchased from ICAA funds, being Hilton Lane in Salford.	(318,500)	-
	<u> </u>	<u> </u>
FUNDS CARRIED FORWARD	-	318,500
	<u> </u>	<u> </u>

In compliance with the scheme and following advice from the Charity Commission, the ICAA Fund which comprised the Taxal Edge property in Buxton Derbyshire is now sold and the proceeds have been spent on the purchase and renovation of a property in Salford in accordance with the Constitution of the ICAA, to be applied towards disabled children in Manchester, Salford and District. The Together Trust will now inform the Charity Commission and request the ICAA is removed from the Register of Charities.

17. OPERATING LEASE COMMITMENTS

At 31 March 2011 the Charity had annual commitments under non-cancellable operating leases as set out below.

	Land and Buildings		Other	
	2011 £	2010 £	2011 £	2010 £
Operating leases which expire:				
Within 1 year	12,767	-	133,946	2,876
Within 2 to 5 years	44,500	57,267	7,717	145,054
After more than 5 years	142,440	142,440	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	199,707	199,707	141,663	147,930
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The Together Trust is a charity that has been operating for over 140 years. We believe that everyone deserves an equal chance in life and everyone has the ability and right to experience joy, safety, happiness and hope. By providing specialist education, care and community services to children, young people and adults the Together Trust aims to do everything in its power to make that happen.

For further information about our range of services please visit our website www.togethertrust.org.uk or phone 0161 283 4848

Chief Executive David Marriott
A company limited by guarantee
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VAT number 611 4005 06
Company registration number 301722
Registered charity number 209782

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