

# The Retreat York

Company number: 04325622

Charity number: 1089826

**Report and Financial Statements**

**For the year ended 31 December 2023**

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<b>Company number</b>	<b>4325622</b>
<b>Charity number</b>	<b>1089826</b>
<b>Registered office address</b>	107 Heslington Road York YO10 5BN
<b>Country of registration</b>	England & Wales
<b>Country of incorporation</b>	United Kingdom

### Trustees

Trustees, who are also Directors under company law, who served during the year and up to the date of this report were as follows:

James Eddington <sup>1,4,3</sup>

Martin Ford <sup>1,4,3</sup>

David Robson<sup>2</sup> Clerk to the Board

Beverley Goddard<sup>1,4,3</sup> Resigned 23<sup>rd</sup> January, 2023

Paul Henderson- Grey<sup>2</sup> Resigned 18<sup>th</sup> December, 2023

Clare Scott Booth <sup>1,4,3</sup>

Christian Farrell <sup>2</sup> Resigned 16<sup>th</sup> December 2024

Ruth McTighe <sup>2</sup> Appointed 14<sup>th</sup> December, 2023

1 Member of the Finance & Resources Committee

2 Member of the Quality and Safety Committee

3 Member of the Remuneration Committee

4 Member of the Audit Committee

<b>Key Management Personnel</b>	Ruth Dixon	Chief Officer (now Chief Executive) - Appointed 1 <sup>st</sup> March, 2023
	Kim Bevan	Chief Officer (Clinical Services) - Left 28/02/2023
	Ian Holborn	Chief Officer (Corporate) - Left 14/07/2023

**Bankers** HSBC Bank plc  
13 Parliament Street  
York YO1 1XS

**Solicitors** Rollits LLP  
Citadel House  
58 High Street  
Hull HU1 1QE

**Investment Managers** Sarasin & Partners  
Juxon House  
100 St Paul's Churchyard  
London EC4M 8BU

**Auditor** Sayer Vincent LLP  
110 Golden Lane  
London EC1Y 0TG

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## Report of the Clerk to the Board

The sale of our estate is continuing to face delays, due to circumstances outside of our control, and is currently still progressing positively, although the planning process seems exceptionally slow. The board is acutely aware that our ability to deliver clinical services in the short to medium term is dependent upon receiving the proceeds of the sale. In the meantime, we are taking a range of steps to improve our profitability.

The Board continues to show commitment to in-person service delivery at both the Tuke Centre in York and Hampden House in Manchester.

Recruitment of specialist clinical staff continues to be challenging.

Our mission is to deliver high quality, sustainable, renowned mental health services, alongside Autism and ADHD Services, helping people to live well with themselves so that we all live better together.

This is a challenging mission in the light of the current financial situation in the UK, but we continue to work towards this and are determined to succeed.

### Clinical Services

We are striving to allow clients the choice of online or face-to-face therapy dependent on their preference whilst meeting the needs of our staff by offering a flexible, family friendly approach.

We are continuing to focus on our two 'big things' – therapy and Autism/ADHD Services for people of all ages. We offer a balance between self-funded and NHS funded services.

We continue to promote our online services to people on a sub-regional basis, widening our reach and providing services further afield.

We are working tirelessly to explore new income streams and reduce costs in order to become a sustainable organisation for the future. This will only be achieved, in the short to medium term, with the proceeds from the sale of the estate and in the medium to long term, with the support and innovations provided by our committed and talented staff and our relationship with Key commissioners and other partners.

**Investments and Resources** - The Retreat continued to draw down on Investment values during 2023. Retaining £2.237m in December 2023 (£3.328m December 2022). In addition to the investments The Retreat held £0.574m in cash at the end of December 2023.

The Trustees present their report and the audited financial statements for the year ended 31 December 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with the requirement of the Directors' Report as required under company law, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

*David Robson*  
**Clerk to The Board**

*Ruth Dixon*  
**Chief Executive**

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## Objectives

### The focus of our work

The Retreat is a charitable, not-for-profit provider of care related to people's mental wellbeing and enabling neurodiverse people to reach their full potential and live well. We work both with the NHS and with self-funded clients and organisations in the provision of community based neurodevelopmental and mental health services for people of all ages.

The Retreat Clinics believes that successful therapeutic relationships are based on respect, dignity and tolerance and ensures the voice of the people who use its services, along with their friends, families and carers are given every opportunity to be heard.

Our main objectives for 2023 continued to be the promotion of positive mental health and the acceptance and celebration of neurodiversity. The strategies we used to meet these objectives continued to include:

- Providing a range of community-based services designed to meet the needs of people of all ages who are experience mental ill-health;
- Providing community-based assessment, diagnostic and therapy services for people of all ages with neurodevelopmental conditions;
- Ensuring that, wherever possible, our work is externally accredited and combines our distinctive values, clinical model and evidence-based best practice into an effective and accessible service;
- Working in partnership with other organisations and agencies to ensure the widest range of support of available in order to improve people's mental wellbeing.

The Trustees review the aims, the objectives and activities of the charity each year. In 2023 the Trustees decided that the organisation's current aims, objectives and activities did not require a change and that the main aims during 2023 were stability, financial steady state and employee wellbeing. These objectives will be considered further in 2024.

This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes

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## Purposes and aims

The Retreat's purpose as set out in the objects contained in the company's Articles of Association, are to relieve suffering from mental illness. In simple language we describe this simply as 'improving people's mental health'.

## Our strategic objectives for 2023

Our strategic objective largely remained the same during 2023. The only objectives that we changed were those related to our neurodevelopmental services. This was because of the exponential increase in referrals during 2022 and the subsequent maintenance of our contract requirements that became an urgent priority.

### Objectives: Psychological Therapy Services

- To extend our psychological assessment and therapy services to a sub- regional audience
- To ensure the activity undertaken by psychological therapies staff is sufficient to cover their costs
- To grow our current psychological assessment and therapy service offer through promotion, marketing and awareness raising of the excellence of our services.

### Objectives: Neurodevelopmental Services

- To maintain and successfully deliver the key performance indicators for our NHS funded adult Autism and ADHD Assessment, Diagnosis and post-diagnostic support services.
- Where capacity allows, to expand our self-funded neurodevelopmental services through effective promotion and awareness raising.
- To increase staffing for our neurodevelopmental services to ensure we are ready for planned (and potential) expansion.

### Objectives: Services for Children and Young people

- To extend the reach of our services for Children and Young People
- To establish and grow our facility for children and young people and extend our Manchester services for children and young people – providing a service across the North of England.
- Where capacity allows, to expand our self-funded neurodevelopmental and psychological therapy services for children and young people in York, in Manchester, sub-regional northern demographics and online.

## Public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set. All of the work we undertake focuses on the benefits we can offer to the public and, wherever we can, we work with the NHS to offer services free at the point of delivery.

## Risk Review

### Risk Governance: Strategic Risk

The following table reflects the position of high-level strategic risks at the date of the approval of the Financial Statements.

Key risks	Mitigation	Next steps
<b>Failure to meet quality standards in the context of capacity issues and recruitment problems</b>	Maintain our APPTS accreditation and continue to self-assess the quality of our services.  Recruit where possible and use carefully curated agency staff when recruitment is impacting on capacity to deliver	Continue striving to recruit suitably qualified staff, especially in the Autism / ADHD Service  Monitor and act on the Quality Improvement Plan, developing this continually
<b>Failure to dispose appropriately of The Retreat's estate and to provide a high-quality environment for its clinical services</b>	Plans for the estate were carefully considered, using advisers to ensure the right decisions were made and the estate was sold, subject to planning.  The wider Retreat estate has a strategic focus on delivery needs and not about retaining Land assets for their own sake.	Complete the estate sale  Consolidate retained buildings  Consider further changes to buildings where necessary – including ownership v rental models.
<b>Financial sustainability</b>	This is dependent on the sale of the estate together with careful reserve and investment management.  Continually analysing our cost base with a view to reducing costs whilst endeavouring to increase our presence on a regional basis and working to grow our presence in Greater Manchester.	Ensure we are working efficiently and offering best value.  Consolidate current services, increase self-funded Autism / ADHD services and deliver to plan.

### Risk Management: Operational risks

The Board of Trustees is responsible for reviewing major financial and operational risks to which the charity is exposed, and to ensure that systems have been established to mitigate those risks. These risks include:

- Changes in NHS Commissioning
- Loss of key personnel
- Recruiting specialist clinicians
- Maintaining an ageing and deteriorating estate
- Inability to attract sufficient numbers of self-funded clients

#### Methods of dealing with these risks include:-

- Maintaining close working relationships with key NHS Commissioners
- Streamlining and adapting our service offer, ensuring we are very aware of market trends.
- Effective marketing of our services
- Promotional and branding activities to raise awareness of our brand and our service offers.

## Board Assurance Framework

The Trustees are responsible for the Board Assurance Framework, which is reviewed on an annual basis. The following objectives and associated risks for 2023 were considered and reviewed:-

Corporate and strategic objectives	Review of objective
Ensure The Retreat's three-year strategy is current, fit for purpose, in place and has shared ownership across the organisation	<p>A 3 year strategy was begun in January 2024, and each service has objectives for marketing, delivery and quality.</p> <p>All members of the Senior Leadership Team (SLT) are fully aware of the need for increasing income and reducing costs, and targets are reviewed at least monthly. SLT meets for an organisational review quarterly, and sets appropriate objectives for the next quarter</p>
Information Governance standards and GDPR compliance	<p>Each year we submit our Data Protection and Security Toolkit (DSP) – this assures our compliance and the last three years we have reached compliance.</p> <p>The Chief Executive and Head of APTS (York) will take over the GDPR toolkit submissions for 2024, and this is in progress for complete submission in June</p>
Continually work towards improvements in quality	<p>Improvements are monitored via monthly stats, audits, CQC, APTS and DSP toolkit compliance. Issues are reported regularly via Committees and the Board</p> <p>The Retreat is APTS registered, and we are working towards full CQC compliance via their new online reporting site. We have been fully DSP toolkit compliant for three years. We monitor incidents, complaints, comments and issues and regularly review in SLT, Committees and Board</p>
Develop an estates strategy to ensure our environment is fit for modern purposes and that it can be used flexibly and smartly	<p>The Board Advisor, and an Estates Adviser, alongside expert planning and property advisers, ensure the plans for the estate are the best they can be.</p> <p>The Resources Committee, made up of Trustee Directors, Chief Executive and specialist advisors has been set up to oversee the development of the estates strategy</p> <p>Planning permission for the Retreat site remains crucial for our future clinical business plans</p>
Monitor and track our marketing and promotional strategy to ensure it increases business	<p>Our marketing team consists of external SEO and digital marketing support, and an inhouse Relationship Manager. All Heads of Service are responsible for supplying material to promote services. There is a 12 month marketing plan which can be used to plan, deliver and monitor our presence and successes.</p> <p>Recent improvements to online presence are starting to show increases in enquiries. SEO is improving. Face to face presence in both York and Manchester is crucial for relationship building</p> <p>We need to increase online presence and focus, and to be increasingly visible in our target communities</p>
Ensure the organisation achieves a stable financial position	<p>The Board and the Resource Committees are regularly monitoring the financial position</p> <p>The strategy and the business plan will improve the quality of the services offered but also enable business development within a clear strategic framework, through innovation, relationship development and partnerships</p> <p>The future of the organisation is reliant on the completion of the land sale by the end of 2024</p>



Corporate and strategic objectives	Review of objective
Review The Retreat's Business Continuity Plan annually	<p>Our Business Continuity Plan has recently been reviewed; taking into account direction and information staff would require in the event of a serious incident occurring.</p> <p>The revised Business Continuity Plan is now accessible through BreatheHR so that all staff can access it</p>
Improve staff wellbeing	<p>Our Wellbeing Group has restarted and is inviting involvement and ideas from all staff. The most recent idea implemented has been a move to a 50 minute meeting instead of hourly to give staff chance for breaks between meetings.</p>
Relationships with Commissioners and the way they commission	<p>We have a 5+2 year contract for Adult Autism and ADHD Diagnostic Assessment Services in York, and continue to meet with the ICB on a regular basis. The issues raised by the DoltProfiler will continue to be discussed with the ICB and the community, and we will work with our commissioners and our clients to provide the best service possible</p> <p>We continue to seek extra commissioned services, for the stability of provision and finances</p>
Use of Professional advisers and outsourced support	<p>The Board have sanctioned the use of outsourced support service as an economic solution until the strategy changes (increasing the scale of charity). Risk includes expensive service accompanied by poor or inappropriate advice. We plan to re-tender most services each 5 years subject to Board approvals to ensure best-value is tested.</p> <p>The Executive are able to select specialist advisors over £50k when agreed with Resources comm eg Legal claims, enforcement issues etc. Any service outside budget eg specialist legal advice – required Resources Comm / Trustees approval</p>
Reputation and clients	<p>We increasingly ask user groups and partners for feedback, and value the wider input this offers</p>

## Financial review

The Statement of Financial Activities for the period is set out on page 25 of the financial statements.

The financial results can be summarised in the following table.

	2023	2022
	£	£
Operating Surplus / (Deficit)	(2,723,105)	(2,123,708)
Change Program Impacts and transition costs	-	(561,041)
Profit / Loss on disposal / Fixed Asset write down	17,369	-
Profit on disposal of Joint Venture	-	-
Net Gains on Investments	114,179	(879,005)
Revaluation of Investment Properties	-	204,000
Accounting adjustments in relation to defined benefit pension scheme	(1,041,000)	(4,159,000)
<b>Net Movement of funds per SOFA</b>	<b>(3,632,557)</b>	<b>(7,518,754)</b>

The operating results of The Retreat, which include expenditure on the charity's two key areas of Outpatient Services and Estates and Property Management, in the year ended 31 December 2023 produced a deficit of £(2,723,105) (2022 – deficit £(2,123,708)). Included within this is other income from investments, donations, legacies and government grant produced income of £69,141 (2022 - £225,438).

The overall result, before gains / losses on investments and movement on pensions, for the year amounting to £(2,705,736) (2022 - deficit £(2,684,749)).

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## **Reserves policy and going concern**

### **Reserves Policy**

It is the policy of the charity to maintain undesignated funds, which are the free reserves of the charity, at a level sufficient to cover between 6 and 18 months of expenditure, a range between £1,500,000 and £4,500,000. This period of sufficiency aligns with NHS community contracts periods and lease periods for some short-term tenancies.

This is to ensure that in periods of weaker trading, the company can continue to operate without cash-flow problems.

Free Reserves at the year end were £1.22m (2022 – £3.1m)

The pension asset of £4,132,000 (2022 £5,276,000) is excluded from free reserves on the basis that this asset does not result in any cash flow to the charity and is likely to diminish over time.

### **Investment Policy**

The Retreat holds investments in a portfolio approach that includes cash balances, Investment properties, long-term reserves and short-term reserve instrument holdings.

The investments are held to enable the charity to discharge its charitable purposes and serving as a safety-net in the face of challenges and to enable some sustainability and capital investment in the medium term.

Short term reserves are held with a minimal return objective and are used to preserve capital, longer term reserves are held to obtain a return above inflation over the medium term. The Retreat Board recommended a more ethical portfolio to actively support ethical causes and further move away from companies involved in some sectors which did not align to the Quaker values. The portfolio moved to a global equity based ethical scheme in 2020 generating a total income of £62k in 2023 (see note 4). The Investments in total realised a net gain of £114k in 2023 versus a net loss of £(879k) in 2022 (see note 14),

As a Quaker charity, The Retreat has an ethical investment approach, avoiding direct investments in companies that derive more than 5% of their revenue from Arms sales, tobacco manufacture and sale of alcohol, gambling, and facilitation of pornography or prostitution.

### **Going Concern**

2024 has been an extremely financially challenging year for The Retreat. The financial stability of the organisation is dependent upon the successful sale of a large part of the estate to a local developer. The decision to sell off the estate began in 2018 with planning permission only granted in August 2024. Following the initial planning permission, the decision was referred to the Secretary of State due to an objection from Sport England. This referral time period was delayed and subsequent delays occurred, that were all outside the control of the trustees. These delays culminated in the planning decision not being published until January 2025 with a judicial review period to follow.

During this period, buildings on the part of estate included in the sale were made vacant in readiness for the development to commence. Due to the long delays, insurance costs rose exponentially; additionally, on-site security was required, at considerable cost, to protect the site. This put severe financial pressure on the charity to such a level that a bridging loan was obtained to maintain ongoing clinical services.

The agreement to sell became unconditional on 13 March 2024, with the first tranche of proceeds due within 20 days. Now having reasonable expectation of receipt of these proceeds means this will safeguard the financial future of the organisation for the foreseeable future, at least 12 months from signing the report and accounts. The organisation is exploring various options to secure additional income to further stabilise the finances for the long-term sustainability of the charity.

The Retreat continues to adopt the going concern basis in preparing the financial statements.

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## **Fundraising Policy**

The Retreat is not a conventional charity, most of our income is generated from our charitable service provision and from the assets of the charity which includes investments and investment properties. We do not actively raise funds from the public and we have no agency arrangements in place in respect of fundraising. We have received no complaints during the year in respect of our fundraising activities.

## **Plans for the Future**

Plans for the future have been on pause awaiting the successful sale of the land which has been a prolonged process. We have spent 2024 reviewing all our costs and have reduced them where possible. Our aim is to diversify our income streams by seeking small manageable contracts with a view to finding a break-even financial position over the coming years. Costs will continue to be reviewed and any contracts will need to help cover our direct costs and contribute to overheads. Detailed work will commence once the land sale is completed.

## **Structure, governance and management**

### **Constitution**

The Retreat York is a charitable company limited by guarantee. It was formed on 20 November 2001 and was granted charitable status on 18 December 2001. Its governance arrangements are set out in its Articles of Association, which were amended at the AGM held on 24 June 2010 and the EGMs held in February 2011, February 2012 and November 2016.

### **Directors**

The management of The Retreat York is vested in the Board of Directors. The Directors are also charity Trustees as defined in the Charities Act 2011. All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the financial statements.

### **Management**

Whilst strategic decisions are taken by the Directors, the day-to-day management of the charity is the responsibility of the Chief Executive who reports directly to the Board of Directors.

### **Finance & Resources Committee**

This committee meets 6 times a year to consider matters of a financial nature, including operational performance, investments, Pensions, together with human resource issues.

### **Quality, safety and Governance Committee**

This committee meets 4 times a year to consider matters related to the governance of the clinical and corporate activities.

### **Remuneration Committee**

The Remuneration Committee is formed as a sub-committee of the Board and is responsible for meeting annually to consider the remuneration of the Executive Director.

### **Audit Committee**

The Audit committee is formed as a sub-committee of the Board and is responsible for reviewing the Audit processes and work of the external auditors in addressing financial assurance issues of the company.

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## Appointment of Trustees

Trustee Directors are appointed for a period of four years and are eligible for re-appointment for a further four years. The maximum number of Directors is eleven and the minimum three. The person appointed as the chair of the Directors is known as the Clerk. The Clerk and Deputy Clerk must be members of The Religious Society of Friends.

The Society of Friends has up to three representatives on The Retreat Nominations Committee that is responsible for recommending the names of individuals for appointment as Directors and for other working groups at The Retreat. Both Friends and non-Friends are appointed as Directors but there must always be more Friend Directors than non-Friend Directors.

## Trustee induction and training

All Members and Directors receive induction upon appointment to their respective roles. Directors receive training in relation to their role as Trustees. Directors receive a copy of a range of documents including the Annual Report and Accounts and the charitable deed. Training is provided on a variety of topics relevant to the work conducted at The Retreat York.

## Remuneration policy for key management personnel

The Remuneration Committee is formed as a sub-committee of the Board and is responsible for meeting annually to consider the remuneration of the members of senior members of staff.

## Employee Information

### Policy for employment of disabled persons

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

### Employee Consultation

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

### The Living Wage

The Retreat operates a living wage policy and regime. The Retreats adheres to minimum wage legislation and is a living wage employer. The Retreat ensures that contractor staff also adheres to living wage guidance and seek positive assurance from key suppliers each year.

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## **Statement of responsibilities of the Trustees**

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation.

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

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2023 was 6 (2022: 7).

The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the assets of the charity.

The Trustees' annual report which includes the strategic report has been approved by the Trustees on 14<sup>th</sup> March 2025 and signed on their behalf by:

David Robson

**Clerk to the Trustees**

## **Opinion**

We have audited the financial statements of The Retreat York (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 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
- Have been prepared in accordance with the requirements of the Companies Act 2006

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Retreat York's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## **Other Information**

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which 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.

## **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

## **Capability of the audit in detecting irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements

made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Use of our report**

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

Judith Miller (Senior statutory auditor)  
18 March 2025  
for and on behalf of Sayer Vincent LLP, Statutory Auditor  
110 Golden Lane, LONDON, EC1Y 0TG

# The Retreat York

## Statement of Financial Activities (incorporating the Income and Expenditure Account)

For the year ended 31 December 2023

	Note	Unrestricted – General £	Unrestricted – Designated Pension Scheme £	Unrestricted – Designated Other £	2023 Total £	2022 Total £
<b>Income from:</b>						
Donations		7,083	–	–	7,083	112,084
Charitable activities – outpatient services	2	1,825,694	–	–	1,825,694	2,514,926
<b>Other trading activities:</b>						
Other trading income – estates and property management	3	484,320	–	–	484,320	424,828
Investments	4	62,058	–	–	62,058	113,354
Net interest on pension scheme asset	24	–	245,000	–	245,000	178,000
<b>Total income</b>		<b>2,379,155</b>	<b>245,000</b>	<b>–</b>	<b>2,624,155</b>	<b>3,343,192</b>
<b>Expenditure on:</b>						
<b>Raising funds –</b>						
Other trading activity – estates and property		1,626,918	–	–	1,626,918	1,337,976
<b>Charitable activities</b>						
Outpatient services		3,305,564	–	16,409	3,321,973	3,882,924
Current service cost on pension scheme asset	24	–	381,000	–	381,000	246,000
<i>Total charitable activities</i>		<i>3,305,564</i>	<i>381,000</i>	<i>16,409</i>	<i>3,702,973</i>	<i>4,128,924</i>
Exceptional transition costs		–	–	–	–	561,041
<b>Total expenditure</b>	5	<b>4,932,482</b>	<b>381,000</b>	<b>16,409</b>	<b>5,329,891</b>	<b>6,027,941</b>
<b>Net (expenditure) before other gains/(losses)</b>		<b>(2,553,327)</b>	<b>(136,000)</b>	<b>(16,409)</b>	<b>(2,705,736)</b>	<b>(2,684,749)</b>
Net gains/(losses) on investments	14	114,179	–	–	114,179	(879,005)
Revaluation gains on investment properties	13	–	–	–	–	204,000
Actuarial (losses) on defined benefit pension schemes	24	–	(1,041,000)	–	(1,041,000)	(4,159,000)
<b>Net (expenditure) for the year</b>		<b>(2,439,148)</b>	<b>(1,177,000)</b>	<b>(16,409)</b>	<b>(3,632,557)</b>	<b>(7,518,754)</b>
Transfers between funds	20	667,017	33,000	(700,017)	–	–
<b>Net movement in funds</b>		<b>(1,772,131)</b>	<b>(1,144,000)</b>	<b>(716,426)</b>	<b>(3,632,557)</b>	<b>(7,518,754)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		2,990,652	5,276,000	9,333,238	17,599,890	25,118,644
<b>Total funds carried forward</b>		<b>1,218,521</b>	<b>4,132,000</b>	<b>8,616,812</b>	<b>13,967,333</b>	<b>17,599,890</b>

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

A fully detailed Statement of Financial Activities for the year ending 31 December 2022 is shown at note 27 to these financial statements.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# The Retreat York

## Balance sheet

Company no. 04325622

As at 31 December 2023

	Note	£	2023 £	£	2022 £
<b>Fixed assets:</b>					
Goodwill	11		13,750		27,500
Tangible assets	12		7,718,097		8,275,917
Investment properties	13		350,000		900,000
Investments	14		2,237,136		3,328,698
			<u>10,318,983</u>		<u>12,532,115</u>
<b>Current assets:</b>					
Debtors	16	118,275		173,852	
Cash at bank and in hand	22	573,546		947,927	
			<u>691,821</u>	<u>1,121,779</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	17	(1,175,471)		(1,330,004)	
			<u>(483,650)</u>	<u>(208,225)</u>	
<b>Net current liabilities</b>					
			<u>9,835,333</u>		<u>12,323,890</u>
<b>Net assets excluding pension asset</b>					
Defined benefit pension scheme asset	24		4,132,000		5,276,000
<b>Total net assets</b>			<u>13,967,333</u>		<u>17,599,890</u>
<b>The funds of the charity:</b>	19,20				
Unrestricted income funds:					
Designated funds	20	12,748,812		14,609,238	
General funds	19	1,218,521		2,990,652	
			<u>13,967,333</u>	<u>17,599,890</u>	
<b>Total unrestricted funds</b>					
			<u>13,967,333</u>	<u>17,599,890</u>	
<b>Total charity funds</b>					
			<u>13,967,333</u>	<u>17,599,890</u>	

These financial statements were approved by the Trustees on 14 March 2025 and signed on their behalf by:

David Robson  
Clerk to The Trustees

# The Retreat York

## Statement of cash flows

For the year ended 31 December 2023

### Reconciliation of net (expenditure) to net cash flow from operating activities

	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>				
Net (expenditure) for the reporting period (as per the statement of financial activities)	(3,632,557)		(7,518,754)	
Actuarial losses	1,041,000		4,159,000	
Depreciation and amortisation charges	566,484		161,347	
Dividends, interest and rent from investments	(62,058)		(113,354)	
Change in fair value of investments	(114,179)		879,005	
Net interest on pension scheme asset	(245,000)		(178,000)	
Defined benefit pension scheme adjustments	381,000		246,000	
Defined benefit pension scheme contributions paid	(33,000)		(31,000)	
Revaluation gains on investment properties	–		(204,000)	
(Profit) / Loss on the disposal of fixed assets	(15,078)		–	
(Profit) / Loss on the disposal of investment properties	(2,179)		–	
Decrease in debtors	55,577		30,805	
(Decrease) in creditors	(154,533)		(510,694)	
<b>Net cash (used in) operating activities</b>		(2,214,523)		(3,079,645)
<b>Cash flows from investing activities:</b>				
Dividends, interest and rents from investments	62,058		113,354	
Purchase of fixed assets	–		(112,702)	
Proceeds from sale of fixed assets	20,164		–	
Proceeds from sale of investment properties	552,179		–	
Proceeds from sale of investments	3,131,199		2,983,962	
Purchase of investments	(1,980,193)		(567,799)	
<b>Net cash provided by investing activities</b>		1,785,407		2,416,815
<b>Change in cash and cash equivalents in the year</b>		(429,116)		(662,830)
Cash and cash equivalents at the beginning of the year		1,044,308		1,707,138
<b>Cash and cash equivalents at the end of the year</b>		615,192		1,044,308
<b>Analysis of cash and cash equivalents</b>				
	At 1 January 2023 £	Cash flows £	Other changes £	At 31 December 2023 £
Cash at bank and in hand	947,927	(374,381)	–	573,546
Cash awaiting investment	96,381	(54,735)	–	41,646
<b>Total cash and cash equivalents</b>	1,044,308	(429,116)	–	615,192

The charitable company does not have any debt at the current or prior balance sheet date.

# The Retreat York

## Notes to the financial statements

### For the year ended 31 December 2023

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#### 1 Accounting policies

##### a) Statutory information

The Retreat York is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 107 Heslington Road, York, YO10 5BN. The principal business address is The Tuke Centre, 28 Green Dykes Lane, York, YO10 3HH.

##### b) Basis of preparation

The financial statements have been prepared on a going concern basis in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The Retreat York meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

##### c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

##### d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Whilst investment values have been impacted by market movements during the COVID-19 virus, the charity has considerable cash reserves, sufficient to meet its immediate requirements. Thus the Trustees have continued to adopt the going concern basis of accounting in preparing the financial statements.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

##### e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

# The Retreat York

## Notes to the financial statements

For the year ended 31 December 2023

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### 1 Accounting policies (continued)

#### f) Interest receivable and dividends

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are amounts received from listed investments as notified by investment managers and are re-invested in the funds available to the investment managers.

#### g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

#### h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds are the invoiced costs of professional property and estate management.
- Expenditure on charitable activities includes the costs of delivering Specialist Mental Health Services undertaken to further the purposes of the charity and their associated support costs.
- Expenditure on estates management includes the cost of maintaining and running the buildings and grounds owned by the charity which are partially rented out to tenants.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### i) Allocation of support costs

Expenditure is allocated to the particular activity where the cost relates directly to that activity. Building shared services are allocated between charitable activities and estates and property management based on approximate floor area. The cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned according to staff headcount.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

# The Retreat York

## Notes to the financial statements

For the year ended 31 December 2023

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### 1 Accounting policies (continued)

#### j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

#### k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,200. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Land and buildings are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Short Leasehold Buildings	Over the period of the lease
● Furniture, plant and equipment	16.5% straight line
● Vehicles	25% reducing balance
● Fire Precaution Work	4% straight line
● Computer Equipment	25% straight line

#### l) Intangible fixed assets

Goodwill relates to the excess consideration over net assets acquired on trade acquisitions. Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 4 years, subject to an annual impairment review.

#### m) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. The valuation method used to determine fair value will be stated in the notes to the accounts.



# The Retreat York

## Notes to the financial statements

For the year ended 31 December 2023

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### 1 Accounting policies (continued)

#### n) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

#### o) Unlisted Investments

Unlisted investments are measured initially at cost and subsequently included in the balance sheet at historic cost less impairment for amounts considered irrecoverable. Any change in carrying value is recognised in the statement of financial activities.

#### p) Investments in subsidiaries

Investments in subsidiaries are at cost less impairment.

#### q) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

#### r) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

#### s) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### t) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### u) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

# The Retreat York

## Notes to the financial statements

For the year ended 31 December 2023

### 1 Accounting policies (continued)

#### v) Pensions

The charity operates a defined benefit plan for the benefit of its eligible employees. A liability for the charity's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The Scheme closed to new entrants in 2013.

The charity also operates a Defined Contribution Scheme for those members of staff not eligible to join the Defined Benefit Scheme. This Scheme is also used to discharge our auto enrolment obligations.

### 2 Income from charitable activities

	2023 Total £	2022 Total £
Out-patient services	1,825,694	2,514,926
<b>Total income from charitable activities</b>	<b>1,825,694</b>	<b>2,514,926</b>

All income from charitable activities for the current and previous financial year was unrestricted.

### 3 Income from estates and property management

	2023 Total £	2022 Total £
Rental income	253,710	243,702
Facilities costs recharged to tenants	230,610	181,126
	<b>484,320</b>	<b>424,828</b>

All income from donations are unrestricted in both periods.

### 4 Income from investments

	2023 Total £	2022 Total £
Dividends	40,269	104,705
Bank interest	12,120	3,883
Interest from listed investments	9,669	4,766
	<b>62,058</b>	<b>113,354</b>

All income from investments for the current and previous financial year was unrestricted.

Income from estates and property management amounted to £494,320 (2022: £424,828) and relates to rental income of £253,710 (2022: £243,702) and facilities costs recharged to tenants of £240,610 (2022: £181,126).

# The Retreat York

## Notes to the financial statements

### For the year ended 31 December 2023

#### 5 Analysis of expenditure

For the year ended 31 December 2023	Charitable activities £	Estates and property management £	Transition costs £	Governance costs £	Support costs £	2023 Total £
Staff costs (Note 7)	1,640,890	142,766	–	–	33,000	1,816,656
Direct costs	799,989	342,442	–	6,566	44,348	1,193,345
Legal & professional fees	1,147	1,300	–	180,547	1,570	184,564
Insurance	4,767	4,978	–	6,100	238,373	254,218
IT costs	26,961	–	–	37,334	308,569	372,864
Office costs	102,394	739	–	5,184	16,226	124,543
Property costs	81,368	377,454	–	–	377	459,199
Auditor's remuneration	–	–	–	21,880	–	21,880
Depreciation and (profit)/loss on disposal	–	535,365	–	–	–	535,365
Amortisation	13,750	–	–	–	–	13,750
Trustee expenses	–	–	–	5,507	–	5,507
Pension administration expenses (Note 26)	–	–	–	–	348,000	348,000
	2,671,266	1,405,044	–	263,118	990,463	5,329,891
<b>Support cost allocation</b>	859,282	131,181	–	–	(990,463)	–
<b>Governance costs</b>	172,425	90,693	–	(263,118)	–	–
<b>Total expenditure 2023</b>	<b>3,702,973</b>	<b>1,626,918</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5,329,891</b>

Estates and property management costs relate to the costs of running the elements of the estate which are not currently utilised by outpatient services, to which appropriate estates costs have been allocated. Some of the residual estate is tenanted by third parties and generates rental income which contributes to both the direct costs of that tenancy and to the overall upkeep of the rest of estate. This includes certain areas which are intentionally not tenanted and generate no income but still require expenditure for their upkeep and management to ensure the property of the charity is appropriately safeguarded. As a result Estates and Property Management generated a net deficit of £691,157 (2022: £913,147 deficit) after the allocation of support costs of £131,181 (2022: £147,597) which is based on headcount.

For the year ended 31 December 2022	Outpatient services £	Estates and property management £	Transition costs £	Governance costs £	Support costs £	2022 Total £
Staff costs (Note 7)	1,887,984	239,513	–	–	31,000	2,158,497
Direct costs	1,216,759	300,111	478,020	33,617	101,242	2,129,749
Insurance	–	5,583	–	10,620	139,242	155,445
IT costs	34,888	87	68,546	19,761	354,747	478,029
Office costs	125,323	1,105	3,693	4,549	14,351	149,021
Property costs	72,455	472,869	10,782	–	2,248	558,354
Auditor's remuneration	–	–	–	19,740	–	19,740
Depreciation and Loss on disposal	–	147,597	–	–	–	147,597
Amortisation	13,750	–	–	–	–	13,750
Trustee expenses	–	–	–	2,759	–	2,759
Pension administration expenses (Note 26)	–	–	–	–	215,000	215,000
	3,351,159	1,166,865	561,041	91,046	857,830	6,027,941
<b>Support cost allocation</b>	710,233	147,597	–	–	(857,830)	–
<b>Governance costs</b>	67,532	23,514	–	(91,046)	–	–
<b>Total expenditure 2022</b>	<b>4,128,924</b>	<b>1,337,975</b>	<b>561,041</b>	<b>–</b>	<b>–</b>	<b>6,027,941</b>

Transition costs above related to incremental exceptional costs incurred relating to the fundamental restructure of the organisation and the strategic review and investment into the outpatient facilities.

# The Retreat York

## Notes to the financial statements

For the year ended 31 December 2023

### 6 Net (expenditure) for the year

This is stated after charging:

	2023 £	2022 £
Depreciation and Amortisation	566,484	161,347
Operating lease rentals:		
Property	75,000	75,000
Equipment	–	5,254
Auditor's remuneration (excluding VAT):		
Audit	17,750	16,450

### 7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	1,559,796	1,833,147
Redundancy and termination costs	–	16,038
Social security costs	153,204	183,686
Pension contribution to defined contribution schemes	70,656	94,626
	1,783,656	2,127,497
Operating costs of defined benefit pension schemes (Note 26)	33,000	31,000
	1,816,656	2,158,497

The following number of employees received employee benefits in excess of £60,000 (excluding employer pension costs and employer's national insurance) during the year between:

	2023 No.	2022 No.
£60,000 – £69,999	1	–
£80,000 – £89,999	1	1
£90,000 – £99,999	–	–
£100,000 – £109,999	–	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £206,526 (2022: £313,286).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £5,507 (2022: £2,759) incurred by 5 (2022: 5) members relating to attendance at meetings of the trustees.

### 8 Staff numbers

Total staff numbers are as follows (average head count based on number of staff employed):

	2023 No.	2022 No.
	49	61

# The Retreat York

## Notes to the financial statements

For the year ended 31 December 2023

### 9 Related party transactions

In June 2020, the Retreat made an investment of £50,000 in convertible preference shares of Tend VR Limited (company number 11552335). Tend VR Limited is developing technological solutions to mindfulness and low level mental interventions and the Retreat is supporting the trial and development phases of the project. The Investment can be converted to Ordinary and voting shares of Tend VR Limited in the future and under specific circumstances relating to the future ownership of the company. Tend VR Limited has three Directors, one of whom is Mr Matthew Hoad-Robson. Mr Hoad-Robson is the son of Dr David Robson, the Clerk to the Trustees of the Retreat. Dr Robson took no part in the in discussion or decision-making processes related to the investment in Tend. An impairment of £49,999 was recognised during 2021 to write down the carrying value of the investment to £1 (see note 14).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

### 10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

### 11 Goodwill

	<b>Goodwill</b>
<b>Cost</b>	
At the start of the year	55,000
Additions in year	–
Disposals in year	–
At the end of the year	<u>55,000</u>
<b>Amortisation</b>	
At the start of the year	27,500
Charge for the year	13,750
Eliminated on disposal	–
At the end of the year	<u>41,250</u>
<b>Net book value</b>	
<b>At the end of the year</b>	<u>13,750</u>
At the start of the year	<u>27,500</u>

Goodwill represents the surplus of cost over the fair value of assets acquired on the purchase of Hampden House.

### 12 Tangible fixed assets

	<b>Freehold property £</b>	<b>Leasehold property £</b>	<b>Equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At the start of the year	12,793,977	797,166	1,033,456	<b>14,624,599</b>
Additions in year	–	–	–	–
Disposals in year	–	–	(66,013)	<b>(66,013)</b>
At the end of the year	<u>12,793,977</u>	<u>797,166</u>	<u>967,443</u>	<b><u>14,558,586</u></b>
<b>Depreciation</b>				
At the start of the year	5,117,437	326,107	905,138	<b>6,348,682</b>
Charge for the year	24,606	471,059	57,069	<b>552,734</b>
Eliminated on disposal	–	–	(60,927)	<b>(60,927)</b>
At the end of the year	<u>5,142,043</u>	<u>797,166</u>	<u>901,280</u>	<b><u>6,840,489</u></b>
<b>Net book value</b>				
<b>At the end of the year</b>	<u>7,651,934</u>	<u>–</u>	<u>66,163</u>	<b><u>7,718,097</u></b>
At the start of the year	<u>7,676,540</u>	<u>471,059</u>	<u>128,318</u>	<b><u>8,275,917</u></b>

The freehold property was valued by Carter Jonas in February 2021 as at 31 December 2020 on a depreciated replacement cost basis, and the company decided to incorporate this valuation into the financial statements. The Trustees remain satisfied that this is a reasonable estimated valuation of the properties.

All of the above assets are used for charitable purposes.

# The Retreat York

## Notes to the financial statements

For the year ended 31 December 2023

### 13 Investment Properties

	2023 £	2022 £
Fair value at the start of the year	900,000	696,000
Disposals	(550,000)	–
Revaluation during the year	–	204,000
Fair value at the end of the year	<u>350,000</u>	<u>900,000</u>

### 14 Investments

Investments comprise:	2023 £	2022 £
Listed investments	2,195,488	3,232,315
Cash	41,646	96,381
Equity investment in group undertaking	1	1
Unlisted investment carried at fair value	1	1
	<u>2,237,136</u>	<u>3,328,698</u>

Listed investments and cash comprise:	2023 £	2022 £
Fair value at the start of the year	3,232,315	6,527,483
Additions at cost	1,980,193	567,799
Disposal proceeds	(3,131,199)	(2,983,962)
Realised and unrealised gains on change in fair value	114,179	(879,005)
	<u>2,195,488</u>	<u>3,232,315</u>
Cash held by investment broker pending reinvestment	41,646	96,381
Fair value at the end of the year	<u>2,237,134</u>	<u>3,328,696</u>

Unlisted investment comprises:	2023 £	2022 £
Fair value at the start of the year	1	1
Additions at cost	–	–
Unrealised (losses) on change in fair value	–	–
Fair value at the end of the year	<u>1</u>	<u>1</u>

Change in fair value of investments:	2023 £	2022 £
Realised and unrealised gains on listed investments	114,179	(879,005)
Realised and unrealised gains on unlisted investments	–	–
Fair value at the end of the year	<u>114,179</u>	<u>(879,005)</u>

# The Retreat York

## Notes to the financial statements

For the year ended 31 December 2023

### 15 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of Cottage Villa Limited, a company registered in England (company number 09650020). The company was set up to collect rents from The Retreat York's Learning Disability Service. The Learning Disability Service was transferred to Mencap on 1 January 2019 and rents continued to be collected. The company is now dormant.

### 16 Debtors

	2023 £	2022 £
Trade debtors	16,073	29,451
Prepayments	102,202	144,401
	<u>118,275</u>	<u>173,852</u>

### 17 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	137,386	142,685
Other creditors	37,515	15,883
Accruals	231,750	198,572
Deferred income	768,820	972,864
	<u>1,175,471</u>	<u>1,330,004</u>

### 18 Deferred income

	2023 £	2022 £
Deferred income at 1 January	972,864	1,260,799
Amounts released from previous years	(972,864)	(1,260,799)
Income deferred during the year	768,820	972,864
Deferred income at 31 December	<u>768,820</u>	<u>972,864</u>

# The Retreat York

## Notes to the financial statements

For the year ended 31 December 2023

### 19 Analysis of net assets between funds

As at 31 December 2023	General unrestricted £	Designated £	Total funds £
Tangible fixed assets	–	7,718,097	7,718,097
Goodwill	–	13,750	13,750
Investment properties	–	350,000	350,000
Investments	2,237,136	–	2,237,136
Net current assets/ (liabilities)	(1,018,615)	534,965	(483,650)
Defined benefit pension asset	–	4,132,000	4,132,000
<b>Net assets at 31 December 2023</b>	<b>1,218,521</b>	<b>12,748,812</b>	<b>13,967,333</b>

As at 31 December 2022	General unrestricted £	Designated £	Total funds £
Tangible fixed assets	–	8,275,917	8,275,917
Goodwill	–	27,500	27,500
Investment properties	–	900,000	900,000
Investments	3,328,698	–	3,328,698
Net current assets / (liabilities)	(338,046)	129,821	(208,225)
Defined benefit pension asset	–	5,276,000	5,276,000
<b>Net assets at 31 December 2022</b>	<b>2,990,652</b>	<b>14,609,238</b>	<b>17,599,890</b>

The balance of general unrestricted funds also represents the charity's free reserves.



# The Retreat York

## Notes to the financial statements

For the year ended 31 December 2023

### 20 Movement in funds

For the year to 31 December 2023	At 1 January 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2023 £
Tangible fixed assets	8,303,417	–	–	(150,017)	8,153,400
Investment properties	900,000	–	–	(550,000)	350,000
Charitable service reserve	46,045	–	(4,042)	–	42,003
Hardship fund	83,776	–	(12,367)	–	71,409
Pension reserve	5,276,000	–	(1,177,000)	33,000	4,132,000
<b>Total designated funds</b>	<b>14,609,238</b>	<b>–</b>	<b>(1,193,409)</b>	<b>(667,017)</b>	<b>12,748,812</b>
<b>General funds</b>	<b>2,990,652</b>	<b>2,493,334</b>	<b>(4,932,482)</b>	<b>667,017</b>	<b>1,218,521</b>
<b>Total unrestricted funds</b>	<b>17,599,890</b>	<b>2,493,334</b>	<b>(6,125,891)</b>	<b>–</b>	<b>13,967,333</b>
<b>Total funds</b>	<b>17,599,890</b>	<b>2,493,334</b>	<b>(6,125,891)</b>	<b>–</b>	<b>13,967,333</b>

  

For the year to 31 December 2022	At 1 January 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2022 £
<b>Restricted funds:</b>					
Other	4,216	–	–	(4,216)	–
<b>Total restricted funds</b>	<b>4,216</b>	<b>–</b>	<b>–</b>	<b>(4,216)</b>	<b>–</b>
<b>Designated funds:</b>					
Tangible fixed assets	8,310,812	–	–	(7,395)	8,303,417
Investment properties	696,000	–	204,000	–	900,000
Development fund	(12,762)	–	(561,041)	573,803	–
Charitable service reserve	50,000	–	(3,955)	–	46,045
Hardship fund	–	80,460	(900)	4,216	83,776
Pension reserve	9,472,000	–	(4,227,000)	31,000	5,276,000
<b>Total designated funds</b>	<b>18,516,050</b>	<b>80,460</b>	<b>(4,588,896)</b>	<b>601,624</b>	<b>14,609,238</b>
<b>General funds</b>	<b>6,598,378</b>	<b>2,205,727</b>	<b>(5,216,045)</b>	<b>(597,408)</b>	<b>2,990,652</b>
<b>Total unrestricted funds</b>	<b>25,114,428</b>	<b>2,286,187</b>	<b>(9,804,941)</b>	<b>4,216</b>	<b>17,599,890</b>
<b>Total funds</b>	<b>25,118,644</b>	<b>2,286,187</b>	<b>(9,804,941)</b>	<b>–</b>	<b>17,599,890</b>

# The Retreat York

## Notes to the financial statements

For the year ended 31 December 2023

### 20 Movement in restricted and designated funds (continued)

The transfers out of restricted funds in 2022 represent a historic review of patient transactions and a re-assessment of historic payments.

#### Purposes of restricted funds:

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

Since the closure of the Retreat Mental Health Hospital Services in January 2019, the only remaining restricted fund was entitled the Patient Clothing Fund. This was a fund established by donations and gifts specifically for the purpose of clothing patients who had no specific means of their own and for this purpose. The Departure of all inpatient clients in January 2019 resulted in no means or ability to apply these funds for patient clothing needs. The Board requested that this fund be closed, and balances transferred to general unrestricted reserves and reallocated for other designated purposes befitting a mental health community outpatient service. This action was approved by the Charity Commission in March 2022.

#### Purposes of designated funds:

**Pension scheme** – as detailed in note 26 the charity is party to a defined benefit pension scheme which was in surplus at 31 December 2023. This amount has been designated as it does not form funds freely available to the charity for charitable purpose.

**Tangible fixed assets and investment properties** – These funds have been set up to identify those funds which are not free funds. They represent the carrying value of the charity's fixed assets. The tangible fixed asset fund includes the carrying value of goodwill and a revaluation reserve of £562,804 (2021 – £562,804).

**Development fund** – An amount of £4,533,327 in total was earmarked for projects for the development of care services and the development of the estate owned by The Retreat York. This was completed during 2021 and the remaining balance transferred to general unrestricted funds in December 2021 statements.

**Hardship fund** – The Board of the Retreat requested the establishment of a designated fund specifically for those in need who were not applicable for NHS based funding and were unable, or unlikely to be able, to pay the self-funded fees for The Retreat services usually charged. This fund was developed to consider individual Client requests.

**Charitable Service Reserve** – The trustees decided to set aside an amount of £50,000 to undertake non-chargeable service to special cases agreed by the Board. It was set up to provide mental health services to first line staff during COVID-19 such as care home workers and nursing staff in NHS hospitals in York. This fund was also established to consider requests from cohorts of workers or communities requiring specific mental health support as a result of traumatic or systemic events or circumstances, future examples may include support for refugees or other groups in need of short term support.

### 21 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2023	2022	2023	2022
	£	£	£	£
Less than one year	75,000	75,000		5,254
One to five years		300,000	–	–
	<b>75,000</b>	<b>375,000</b>	<b>–</b>	<b>5,254</b>

### 22 Rents receivable

The charity's total future rent receivable from investment properties is as follows for each of the following periods

	2023	2022
	£	£
Less than one year	60,000	236,185
One to five years	–	–
	<b>60,000</b>	<b>236,185</b>

### 23 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

# The Retreat York

## Notes to the financial statements

### For the year ended 31 December 2023

#### 24 Defined benefit pension scheme

The company operates a defined benefit scheme in the UK called The Retreat York Pension Scheme, with both Final Salary and Career Average Revalued Earnings benefits. For service prior to 1 August 2006, benefits are linked to members' final pensionable salaries at their retirement or earlier leaving. For service after 31 July 2006, benefits are built up each year, linked to members' salaries in that year and then increased each year in line with inflation. The Scheme was closed to new entrants on 31 December 2013 but accrual of benefits continues for current members of the Scheme. The most recent valuation as at 31 December 2023 was performed on 15 February 2024 by First Actuarial LLP.

The contributions made during the year ended 31 December 2023 for the defined benefit scheme were at a rate of 31.6% (2022: 31.6%) of pensionable salaries for the charity. The employer contributions paid over to the Scheme trustees in the year amounting to £33,000 (2022: £31,000), together with the actuarial gains and losses on the Scheme for the year, are recognised in the statement of financial activities in accordance with FRS102. Insurance premiums for death in service benefits were payable in addition.

The employee benefit obligations recognised in the balance sheet are as follows:

	2023 £	2022 £
Present value of funded obligations	(29,181,000)	(29,223,000)
Fair value of plan assets	33,313,000	34,499,000
	<b>4,132,000</b>	<b>5,276,000</b>
Amounts in the balance sheet:		
Liabilities	(29,181,000)	(29,223,000)
Assets	33,313,000	34,499,000
Net asset	<b>4,132,000</b>	<b>5,276,000</b>

Amounts recognised in the statement of financial activities are as follows:

	2023 £	2022 £
Current service cost	381,000	246,000
Net interest credit	(245,000)	(178,000)
Total cost	<b>136,000</b>	<b>68,000</b>

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

	2023 £	2022 £
Opening defined benefit obligation	29,223,000	43,454,000
Service cost	10,000	45,000
Interest cost	1,356,000	808,000
Actuarial (gains)/losses – change of basis	53,000	(15,389,000)
Actuarial losses – experience	515,000	2,214,000
Members contributions	6,000	6,000
Benefits paid	(1,982,000)	(1,915,000)
Closing defined benefit obligation	<b>29,181,000</b>	<b>29,223,000</b>

# The Retreat York

## Notes to the financial statements

### For the year ended 31 December 2023

#### 24 Defined benefit pension scheme (continued)

Changes in the fair value of plan assets are as follows:

	2023 £	2022 £
Opening fair value of plan assets	34,499,000	52,926,000
Interest Income	1,601,000	986,000
Administration expenses	(371,000)	(201,000)
Actuarial gains/(losses)	(473,000)	(17,334,000)
Contributions by employer	33,000	31,000
Members contributions	6,000	6,000
Benefits paid	(1,982,000)	(1,915,000)
Closing fair value of plan assets	33,313,000	34,499,000
Net actuarial ( loss)/gain on defined benefit pension scheme	2023 £	2022 £
Actuarial (loss) /gain on plan obligations	(568,000)	13,175,000
Actuarial (loss) /gain on plan assets	(473,000)	(17,334,000)
	(1,041,000)	(4,159,000)

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2023 %	2022 %
Retail Price Inflation assumption before retirement	3.0%	3.1%
Retail Price Inflation assumption after retirement	3.0%	3.1%
Consumer Price Inflation assumption before retirement	2.4%	2.2%
Consumer Price Inflation assumption after retirement	2.6%	2.8%
Discount rate at the end of the year	4.5%	4.8%
Future salary increases	2.4%	2.2%
Future pension increases where linked to inflation:		
• Limited price index 5%	2.6%	2.8%
• Limited price index 3%	2.3%	2.4%
• Limited price index 2.5%	2.0%	2.1%

Amounts for the current and previous four periods are as follows:

	2023 £	2022 £	2021 £	2020 £	2019 £
Defined benefit obligation	(29,181,000)	(29,223,000)	(43,454,000)	(45,289,000)	(37,587,000)
Plan assets	33,313,000	34,499,000	52,926,000	50,003,000	46,671,000
<b>Surplus</b>	<b>4,132,000</b>	<b>5,276,000</b>	<b>9,472,000</b>	<b>4,714,000</b>	<b>9,084,000</b>
Experience gain/(loss) on benefit obligation	(473,000)	(17,334,000)	3,857,000	4,181,000	4,676,000

# The Retreat York

## Notes to the financial statements

For the year ended 31 December 2023

### 25 Comparative Statement of Financial Activities for the year ended 31 December 2022

	Unrestricted – General	Unrestricted – Designated Pension Scheme	Unrestricted – Designated Other	Restricted	2022 Total
	£	£	£	£	£
<b>Income from:</b>					
Donations and legacies	31,624	–	80,460	–	112,084
Charitable activities – outpatient services	2,514,926	–	–	–	2,514,926
<b>Other trading activities:</b>					
Other trading income – estates and property management	424,828	–	–	–	424,828
Investments	113,354	–	–	–	113,354
Net interest on pension scheme asset	–	178,000	–	–	178,000
<b>Total income</b>	<b>3,084,732</b>	<b>178,000</b>	<b>80,460</b>	<b>–</b>	<b>3,343,192</b>
<b>Expenditure on:</b>					
<b>Raising funds –</b>					
Other trading activity – estates and property	1,337,976	–	–	–	1,337,976
<b>Charitable activities –</b>					
Outpatient services	3,878,069	–	4,855	–	3,882,924
Current service cost on pension scheme asset	–	246,000	–	–	246,000
<b>Total charitable activities</b>	<b>3,878,069</b>	<b>246,000</b>	<b>4,855</b>	<b>–</b>	<b>4,128,924</b>
Exceptional transition costs	–	–	561,041	–	561,041
<b>Total expenditure</b>	<b>5,216,045</b>	<b>246,000</b>	<b>565,896</b>	<b>–</b>	<b>6,027,941</b>
<b>Net (expenditure) before other gains/(losses)</b>	<b>(2,131,313)</b>	<b>(68,000)</b>	<b>(485,436)</b>	<b>–</b>	<b>(2,684,749)</b>
Net (losses) on investments	(879,005)	–	–	–	(879,005)
Net gain on revaluation of investment properties	–	–	204,000	–	204,000
Actuarial (losses) on defined benefit pension schemes	–	(4,159,000)	–	–	(4,159,000)
<b>Net (expenditure) for the year</b>	<b>(3,010,318)</b>	<b>(4,227,000)</b>	<b>(281,436)</b>	<b>–</b>	<b>(7,518,754)</b>
Transfers between funds	(597,408)	31,000	570,624	(4,216)	–
<b>Net movement in funds</b>	<b>(3,607,726)</b>	<b>(4,196,000)</b>	<b>289,188</b>	<b>(4,216)</b>	<b>(7,518,754)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	6,598,378	9,472,000	9,044,050	4,216	25,118,644
<b>Total funds carried forward</b>	<b>2,990,652</b>	<b>5,276,000</b>	<b>9,333,238</b>	<b>–</b>	<b>17,599,890</b>