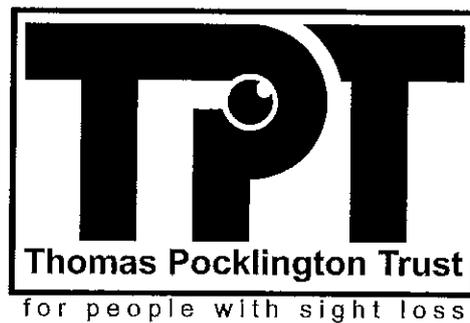


Thomas Pocklington Trust



Report and Accounts

for the year

ended

31 March 2018

**Registered with the Charity Commission as
Thomas Pocklington Trust
Charity No. 1113729
Company No. 05359336**

Thomas Pocklington Trust

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Thomas Pocklington Trust
Trustees, Patrons, Key Management Personnel and Advisers

Board of Trustees

Rodney Powell Chairman
Jenny Pearce BEM Deputy Chair
Alastair Chapman
Mervyn Williamson
John Thompson
Fadeia Hossian
Phil Longworth
Matt Wadsworth
Marsha De Cordova MP (appointed 11 October 2017)
Graham Findlay (appointed 04 July 2017)

Patrons

Pat Powell
Hon. Jessica White

Key Management Personnel

Peter Corbett Chief Executive

Registered Office

Tavistock House South
Tavistock Square
London
WC1H 9LG

Registered Numbers

Registered as a charity, number: 1113729
Registered as a company, number: 05359336

Website

www.pocklington-trust.org.uk

Principal Professional Advisers

Bankers	The Co-operative Bank Plc 9 Prescot Street, London E1 8BE
Registered Auditor	Nexia Smith & Williamson 25 Moorgate, London EC2R 6AY
Solicitors	Russell-Cooke 2 Putney Hill, London SW15 6AB
Investment Managers	Schroders Cazenove 12 Moorgate, London EC2R 6DA Sarasin and Partners Juxon House 100 St. Paul's Churchyard London EC4M 8BU
Property Managers and Advisers	Farebrother 27 Bream's Buildings, London EC4A 1DZ
Insurance Brokers	Lockton The St Botolph Building 138 Houndsditch London EC3A 7AG

Thomas Pocklington Trust Trustees' Annual Report incorporating the Strategic Report

The Trustees, who are also Directors for the purposes of company law, present their report and the accounts of the Charity for the year ended 31 March 2018. This Trustees' Report, required by the Charities Act 2011, is also the Directors' Report and incorporates the Strategic Report, both prepared in accordance with the Companies Act 2006.

Our Purpose – why we exist

Thomas Pocklington Trust is a Charity committed to increasing awareness and understanding of the needs of people with sight loss and to developing and implementing services which meet their needs and improve lives.

Moving forward, the Charity will strive to champion needs, provide change leadership, seek out gaps in service provision and with the cooperation of like-minded partner organisations, prioritise actions aimed at addressing identified deficiencies.

In short, we exist for people with sight loss.

Our vision – what we aspire to

A world in which people with sight loss can participate fully.

Structure, Governance and Management

Thomas Pocklington Trust is a company limited by guarantee, company number 05359336, registered with the Charity Commission, registration number 1113729.

The Charity's constitution is its Articles of Association. The objects of the Charity were amended and approved by the Charity Commission on 14 March 2018, as set out below:

- To relieve those in need through sight loss and other related conditions, in particular by the provision of support services and information for their care and welfare; and
- To undertake research into the advancement of knowledge of the prevention, alleviation and cure of visual impairment and other related problems.

Thomas Pocklington Trust is authorised by the Charity Commission to be the sole Corporate Trustee of The Gift of Thomas Pocklington (The Gift). As Corporate Trustee, Thomas Pocklington Trust receives the income generated

Structure, Governance and Management (continued)

by the Permanent Endowment (held by The Gift) to carry out the charitable activities in line with the objectives set out in its Articles of Association.

The Board may comprise up to twelve Trustees who have legal responsibility for the effective use of resources in accordance with the Charity's objectives, and for providing effective leadership and direction.

Trustees have been appointed to the Board in accordance with the Trustees' selection policy and taking account of the range of skills required to govern the Charity's business. The recruitment and selection policy provides for various methods of recruitment such as advertising and nomination. A skills audit is conducted periodically to ensure that the Board has the requisite range of skills to carry out its responsibilities.

All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses are disclosed in note 16 to the accounts. Trustees are required to disclose all relevant interests and register them with the Chief Executive and, in accordance with the Charity's policy, withdraw from decisions where a conflict of interest may arise.

Each new Trustee is given an appropriate induction programme and training relevant to their responsibility. Trustees are also encouraged to involve themselves in areas of particular interest through close involvement with the management, staff and users of the Charity's services.

The Board of Trustees controls the Charity both directly and through its three sub-committees. The Board meets four times in the year, with the Finance and Resources Committee, Services Committee and the Research and Policy Committee each meeting up to three times in the year. The terms of reference and composition of the sub-committees were reviewed during the year to ensure they continue to meet the evolving needs of the Charity and its governance requirements and will be reviewed again as the organisation continues to evolve.

The day to day management of the Charity is delegated by the Trustees to the Chief Executive, who is supported by the senior leadership team. The Chief Executive works within a schedule of delegated authorities with any decisions outside of the schedule being reserved to the Trustees. Matters reserved to the Trustees include Chief Executive remuneration, spend over £100k (2017: £100k), property disposals and approving strategy, budgets and accounts.

Structure, Governance and Management (continued)

The Chief Executive's remuneration is set by the Trustees and is subject to an annual review. In undertaking this review the Trustees consider the outcome of the annual appraisal of the Chief Executive and the remuneration of comparative positions.

Trustee indemnity insurance is provided by Hiscox.

Grant Making and Funding Policy

Proposals for funding externally commissioned research are assessed by our research team and Research and Policy Committee and may involve external peer review and consultation with people with sight loss before approval.

Other funding or provision of support to other Charities in the sight loss sector is provided on a case by case basis based on an assessment of need and an organisation's current position and strategy by members of the Senior Leadership Team. This is subject to approval by the Chief Executive and Trustees, where required, within the limits set by the Trustees as part of the budgeting process.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report incorporating the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable Company and of the 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 accounting estimates that are reasonable and prudent;

Statement of Trustees' Responsibilities (continued)

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue in business.

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

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.

Disclosure of Information to Auditor

In so far as the Trustees are aware at the time of approving our Trustees' Annual Report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charitable Company's auditor is unaware; and
- the Trustees, having made enquiries of fellow directors and the charitable Company's auditor that they ought to have individually taken, have each taken all steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Risk Management

The Trustees have a formal risk management process to assess business risks and view the strategic management of risk as an integral part of their decision-making processes, supporting effective planning and evaluation of its activities. The key risks faced by the Charity are as follows:

Risk	How the risk is managed
Thomas Pocklington Trust property values	Frequent monitoring of the London market and regular valuations of the portfolio. Thomas Pocklington Trust also employs a highly experienced Head of Property.
Pension liability	Regular monitoring of the liability and economic environment.
Reputational risk	Regular monitoring of the internal policies in place, in particular those regarding safeguarding and vulnerable people.

The Trustees confirm that they have reviewed the major risks and processes for addressing them have been implemented.

Aims and Activities for the Public Benefit

The principal aims of the Charity are to provide services for the welfare of people with sight loss and to carry out and apply research into the prevention, alleviation and cure of sight conditions.

On 14 March 2018, the Charity updated its objectives to reflect these aims and extend its reach to all visually-impaired people, not just those over the age of 16.

The Charity is committed to increasing awareness and understanding of the needs of people with sight loss and to developing and implementing services which meet their needs and improve their lives.

Aims and Activities for the Public Benefit (continued)

The Charity's activities are:

- | | |
|---------------------|---|
| Understanding needs | <ul style="list-style-type: none">• Identifying priority needs across the sector and ensuring that these are communicated and disseminated widely;• Undertaking research and pilot interventions into priority needs and the effectiveness of interventions; and• Influencing change in the sector using our knowledge and expertise, and the outcomes of our research. |
| Meeting needs | <ul style="list-style-type: none">• Using our knowledge and resources we seek to ensure needs are met by:<ul style="list-style-type: none">- Direct service provision;- Supporting service providers in the sector; and- Working with other sector bodies (charities, umbrella bodies and government) to develop frameworks for the provision of future services. |

For more details see 'Activities and Performance'.

The Trustees confirm that they 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 future activities. We are here '*for people with sight loss*'; our services are open to any person with sight loss regardless of their economic status, gender, ethnicity, race or religion.

Where it is appropriate to charge for the services we provide, we aim to set our fees, rents and other charges at a level which will cover our direct operating costs and make a contribution to central overheads, an objective which is consistent with our aim of providing quality sustainable services. The Charity received nil (2017: £12k) donations during the year and does not currently conduct public fundraising activities.

Activities and Performance for the Year Ended 31 March 2018 (Strategic Report)

Over the year, the Charity built on previous strategic aims and the organisation continued the transition from being considered a supported housing provider to becoming a provider of local community-based services and an enabler and facilitator drawing services together across the sector, increasing our reach and working in line with our purpose.

The Charity measures success through a scorecard setting out key performance indicators against relevant benchmarks. These indicators demonstrate the success in delivering the change in strategy through investing more in Meeting Needs and less in Understanding Needs:

	2017	2018	2018 Target
Number of research projects*	15	11	13
Amount invested into research	£304k	£204k	£250k
Number of volunteers	163	251	200
Number of organisations supported	13	16	20
Total return rate	3.5%	4.25%	4.25%

Though the Charity has spent less on fewer research projects than targeted, the increased focus on the outputs has led to more value for money.

*In accordance with the change in strategy the basis of this measure was changed for 2018 to only include projects directly supported through funding.

Understanding needs

The research we fund supports independent living for people with sight loss. It identifies barriers and opportunities in areas such as employment, housing and technology and we work in partnership to promote positive change across the health, social care and design sectors. We share our knowledge and expertise widely to influence policy and services and to provide solutions directly to people with sight loss.

Activities and Performance for the Year Ended 31 March 2018 (Strategic Report) (continued)

Understanding needs (continued)

In 2017/18, we grant funded 11 (2017:15) research or development projects and were named major collaborators in several others funded by other organisations. The total funding committed in the year was £204k (2017: £304k). Working with other organisations to deliver good research and development projects is important to us in making the best use of skills and resources and we continued to collaborate closely with many national and local charities as well as university and consultancy teams whose work we have funded.

We are committed to sharing freely our knowledge base and it is a requirement of the research and development projects we fund that their findings are published by Thomas Pocklington Trust and, wherever possible, in peer reviewed and/or professional journals. All our publications are available on our website and in a range of accessible formats and channels. Much of our research informs good practice guidance for housing, health and social care professionals, people with sight loss and those who provide support for them. Our published guides continue to be popular and often lead to changes in practice on the ground.

The findings of the research we funded relating to vision rehabilitation services, good design of home appliances, a Minimum Income Standard for people with sight loss, accessibility of fitness equipment and the experiences of younger people with sight loss as they move to independent living have been widely applied in the work of other organisations.

Our policy team has led on how we support the development and implementation of the England Vision Strategy to address the problems faced on a daily basis by blind and partially sighted individuals and to promote the importance of maintaining good eye health. This has been undertaken in partnership with the leading organisations in England which are working together to deliver the Strategy.

This strategy is part of Vision UK's country-led approach and encompasses the 'Seeing It My Way' outcomes for adults and children. The England Vision Strategy has identified six priorities until 2021 as the key building blocks for change, both nationally and locally.

Activities and Performance for the Year Ended 31 March 2018 (Strategic Report) (continued)

Understanding needs (continued)

An Executive Committee comprising lead organisations from across our sector provides leadership for the England Vision Strategy. The priorities are addressed across England by groups actively promoting partnership working across the Adult UK Sight Loss Pathway and the Pathway for Children and Young People (0 to 25 years) with Visual Impairment and their families.

Within Thomas Pocklington Trust we have continued to influence other organisations at a local and national level using our funded research and knowledge to inform others. In the past year we responded to 10 consultations focusing on issues around health, equality and independent living. We have representation at Policy co-chair level for the Disability Benefits Consortium and are furthering our work in challenging issues with the current benefits system. We are also working to improve issues related to Access to Work.

We have responsibility for chairing the Vision UK Rehabilitation and Low Vision Committee and will use this to work with partners across the sector to improve provision along the eye health and sight loss pathway.

Meeting needs – working with partner organisations

Through the provision of grants and other support, we also continued to work together with other sight loss organisations to widen our reach to visually impaired people. We have actively supported the activities of VISION 2020 UK, the UK Vision Strategy, Metro Blind Sport and Visionary, and have continued to provide leadership and funding for the London Visual Impairment Forum (www.lvif.co.uk).

In the course of the financial year to 31 March 2018, Visionary has developed and delivered a range of services which support local sight loss charities to reach blind and partially sighted people. Visionary staff assisted local sight loss charities to secure funds, win contracts and develop sustainable services.

The Visionary team also delivered a national conference, reaching approximately 200 delegates, at which sight loss charities come together to learn new skills and share experiences. Working alongside Thomas Pocklington Trust, Visionary is supporting sight loss charities to work with each other and develop productive partnerships which will benefit people living with sight loss.

Activities and Performance for the Year Ended 31 March 2018 (Strategic Report) (continued)

Meeting needs – working with partner organisations (continued)

Visionary continues to work to three strategic priorities:

- Identifying the unmet needs of blind and partially sighted people;
- Developing the roles of local sight loss Charities in meeting these needs; and
- Developing a strong national network and working with partners to support the effective delivery of consistently high quality services for people with sight loss.

Visionary is working alongside the Scottish Council on Visual Impairment and the Welsh Council for the Blind to ensure there is support available nationwide.

We have continued to actively support East London Vision (www.eastlondonvision.org.uk), South East London Vision (www.selvis.org.uk) and Birmingham Vision (www.birminghamvision.co.uk) to provide increased services and coordination of activities for visually impaired people. We are supporting the development of Wandsworth Vision and a wider umbrella organisation; London Vision.

Other organisations with which we have actively collaborated during the year include:

- Metro Blind Sport (www.metroblindsport.org)
- Croydon Voluntary Association for the Blind
- Gateshead & South Tyneside Sight Service
- The Guide Dogs for the Blind Association
- Merton Voluntary Association for the Blind
- Newcastle Vision Support
- Royal National Institute of Blind People
- RP Fighting Blindness
- Wiltshire Sight

Our support of partner organisations was provided through £1,843k (2017:£1,737k) of grants in the form of direct financial support, donated services in the form of staff secondments and other professional services support.

Activities and Performance for the Year Ended 31 March 2018 (Strategic Report) (continued)

Meeting needs – direct service delivery

During 2017/18 we continued our strategy of reducing our involvement with provision of supported housing.

In 2016 we had made the decision, following an extensive review of services, that we would no longer be able to offer supported housing at Pocklington Court, our centre in south west London. In 2017 we completed the process of finding new homes for all the residents, suitable for their individual needs. Subsequently we have agreed the sale of the site to Optivo Housing who plan to undertake a development to provide a mixture of extra care housing and affordable homes. Completion of the sale is conditional on Optivo obtaining an acceptable planning permission.

Our only housing centre is now at Pocklington Lodge in west London. To make this sustainable in the long term we appointed professional managing agents to be responsible for repair and maintenance. Support is provided by Hestia under a contract funded by the local authority.

We continue to provide an independent housing service to assist people with a visual impairment to access general needs housing. At our resource centre in Balham in south west London we provide social and educational activities for people with sight loss. This service is partly funded by the local authority.

Financial Performance

Our total funds are made up of our permanent endowment, restricted funds and unrestricted funds.

The net amount spent on our charitable aims in the period, excluding income and gains and losses on investments and before the total return transfer from the permanent endowment, was £5,818k (2017: £4,837k). This was a planned increase in expenditure for the benefit of current beneficiaries under the total return policy.

Overall, including net income from the permanent endowment and after gains and losses on investments in the year, we generated a deficit of £6,606k (2017: £7,186k surplus). This was mainly driven by unrealised losses due to a

Activities and Performance for the Year Ended 31 March 2018 (Strategic Report) (continued)

Financial Performance (continued)

downward revaluation of the investment property portfolio because of a dip in the property market in London.

In determining the dates at which the initial value of the trust for investment was determined, the Trustees considered the legal requirements and the Charity Commission guidance, and they determined that the most appropriate approach was that the starting date for the assessment should be the dates on which the original bequest was received by the Charity.

The initial value of the trust for investment was established from historical records of the value of the receipts of the original bequest to the Charity as follows:

	£'000
September 1958	517
December 1965	400
Total	917

The Trustees have adopted a policy of applying 4.25% (2017: 3.5%) of the opening value of the permanent endowment to income; in accordance with the policy £6,704k (2017: £5,310k) was transferred from the total unapplied return to income and included in income prior to the adoption of the total return approach. The Trustees took advice from the Charity's accountants (Smith & Williamson LLP, Chartered Accountants).

We monitor the level of unrestricted reserves against the risks identified on our risk register and the anticipated need for change. As at 31 March 2018, we held £5,977k (2017: £5,037k) in unrestricted funds, £6k (2017: £45k) in restricted funds and £161,934k (2017: 169,441k) in the permanent endowment with total funds of £167,917k (2017: £174,523k).

Activities and Performance for the Year Ended 31 March 2018 (Strategic Report) (continued)

Investment Policy

The Charity's investment powers are governed by the Articles of Association, which permit the funds to be invested in stocks and unit trusts, freehold land and long leasehold land.

The investment policy was revised following a review of best practice in the charity sector and currently sets out that we seek to achieve a long term overall return of CPI+3%. This was not achieved in 2017/18 due to the unrealised losses within the investment property portfolio, but the long-term target remains.

The policy recognises that a significant part of the overall return will be in the form of capital appreciation rather than income. Under the Total Return investment approach we are able to access some of the capital appreciation from the permanent endowment to release additional funds for expenditure on our charitable activities in the future.

The Trustees considered the split of investment and will continue the policy of being overweight in property which has served it so well historically.

Some of the Charity's investments are in the form of cash deposits, equities and bonds; as such, the charity is exposed to credit, price and liquidity risks. The Charity seeks to minimise these risks by using a number of different banks with a minimum credit rating and investing via a number of listed investment funds in various territories.

Reserves Policy

Our unrestricted reserves are maintained to provide funds to offset any unexpected events which may arise, including volatility in the transfers from the permanent endowment due to changes in the London property market, and to provide for major planned events including new developments and research.

The permanent endowment reserves reflect capital growth accumulated prior to the adoption of the total return approach on 1 April 2016. Subsequently, a plan to increase expenditure on charitable activities has been implemented to reduce the level of reserves held. This plan provides a gradual increase in the

Activities and Performance for the Year Ended 31 March 2018 (Strategic Report) (continued)

Reserves Policy (continued)

transfer from the permanent endowment fund to allow the Charity to scale its activities in a considered manner.

Plans for the Future and Achieving our Priorities

Over the coming period we will continue to ensure that our strategic aims and our values remain aligned to the England Vision Strategy, the 'Seeing It My Way' outcomes framework and the Eye Health and Sight Loss Pathways (for both adults and young people) to reflect the evidenced priority needs and aspirations of visually impaired people.

We will continue to focus our work around our six key priorities of evidence, advocacy, networks, early intervention, employment and technology.

We have established London Vision and Vision West of England and, with partners, Vision UK, and we will continue to help these organisations as well as Visionary and its members to further develop and implement strategies to meet the needs of people with and at risk of sight loss across the UK.

We will include in our plans an increased focus on giving people with sight loss greater control over their lives and their services through initiatives such as the Sight Loss Council, which has been very successful in Birmingham.

We will increasingly differentiate where appropriate between the needs and aspirations of younger people, working age people, older people and people with additional conditions.

We will seek to further strengthen support in areas of the country where it is most needed, including Scotland, Wales and Northern Ireland.

We will have a particular, and increasing, focus on initiatives to address the employment rate gap.

To help monitor the effectiveness and impact of our work we are developing a new approach to monitoring outputs, outcomes and impacts to reflect both qualitative and quantitative measures of performance.

Activities and Performance for the Year Ended 31 March 2018 (Strategic Report) (continued)

Plans for the Future and Achieving our Priorities (continued)

We will continue to develop our new website so that it remains an engaging and informative resource for the community we serve and our stakeholders.

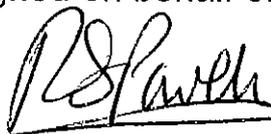
We will build upon our campaigning and fundraising capabilities to help those charitable organisations who are delivering services locally.

Internally, we will continue to review our structure to ensure that we have the appropriate teams and governance in place to deliver on our aims and objectives and we will continue to ensure that our people understand the value of their contribution to the people we serve.

To read more about our work please refer to our website www.pocklington-trust.org.uk.

Approved by the Directors on *October 18th* 2018

Signed on behalf of the Directors by:



R S POWELL, Chairman

Registered Office:

Tavistock House South
Tavistock Square
London
WC1H 9LG

Independent Auditor's Report to the Members of Thomas Pocklington Trust

Opinion

We have audited the financial statements of Thomas Pocklington Trust (the 'Charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the Notes to the Accounts, including a summary of 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 March 2018 and of 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.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

Independent Auditor's Report to the Members of Thomas Pocklington Trust (continued)

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Report and Accounts, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion 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, which incorporates the Strategic Report, prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report included within the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Members of Thomas Pocklington Trust (continued)

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 Strategic Report contained within the Trustees' Annual Report.

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.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 5-6, the Trustees (who are also 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

Independent Auditor's Report to the Members of Thomas Pocklington Trust (continued)

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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.

Nexia Smith & Williamson

22 October 2018

Jonathan Pryor
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

25 Moorgate
London
EC2R 6AY

Thomas Pocklington Trust

Statement of Financial Activities for the year ended 31 March 2018

		Unrestricted funds	Restricted funds	Permanent endowment	Total funds	Total funds
	Notes	2018	2018	2018	2018	2017
		£'000	£'000	£'000	£'000	£'000
Income and endowments from:						
Donations and other activities	5	-	-	-	-	112
Charitable activities	6	590	-	-	590	1,375
Investments	7	35	-	5,030	5,065	4,665
Other	26	6,704	-	(6,704)	-	-
Total income	8	7,329	-	(1,674)	5,655	6,152
Expenditure on:						
Raising funds	10	(15)	-	(1,492)	(1,507)	(1,448)
Charitable activities						
Understanding needs		(1,000)	-	-	(1,000)	(894)
Meeting needs		(5,411)	(39)	-	(5,450)	(5,452)
Total	11	(6,411)	(39)	-	(6,450)	(6,346)
Other		22	-	(39)	(17)	(84)
Total expenditure		(6,404)	(39)	(1,531)	(7,974)	(7,878)
Net gain / (loss) on investments		15	-	(4,302)	(4,287)	8,912
Net income / (expenditure)		940	(39)	(7,507)	(6,606)	7,186
Reconciliation of funds:						
Total funds brought forward		5,037	45	169,441	174,523	167,337
Total funds carried forward		5,977	6	161,934	167,917	174,523

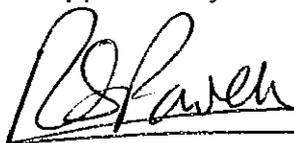
Thomas Pocklington Trust

Statement of Financial Position as at 31 March 2018

	Notes	2018 £'000	2017 £'000
Fixed assets:			
Property, plant and equipment	19	11,916	12,032
Investments	20	156,450	166,552
		<u>168,366</u>	<u>178,584</u>
Current assets:			
Debtors	21	617	932
Cash at bank and in hand		4,447	1,035
		<u>5,064</u>	<u>1,967</u>
Creditors – amounts falling due within one year	22	<u>(1,517)</u>	<u>(1,574)</u>
Net current assets		<u>3,547</u>	<u>393</u>
Total assets less current liabilities		<u>171,913</u>	<u>178,977</u>
Creditors - amounts falling due after more than one year	23	<u>(3,996)</u>	<u>(4,454)</u>
Net assets		<u>167,917</u>	<u>174,523</u>
Represented by:			
Unrestricted funds	25	5,977	5,037
Restricted funds	25	6	45
Permanent endowment funds	25	161,934	169,441
Total funds		<u>167,917</u>	<u>174,523</u>

These accounts were approved by the Trustees on 18th October 2018 and were signed on their behalf by:

R S Powell
Director



Company registered number: 05359336

Thomas Pocklington Trust

Statement of Cash Flows for the year ended 31 March 2018

	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Reconciliation of net (expenditure) / income to net cash used in operating activities				
Net (expenditure) / income, including dividends and interest	(6,606)		7,186	
Adjustments for:				
Depreciation	124		98	
Net loss / (gain) on investments	4,287		(8,912)	
Movement in debtors	315		(226)	
Movement in creditors due within less than one year	(52)		(334)	
Movement in creditors falling due after more than one year	(311)		(109)	
Net cash used in operating activities		(2,243)		(2,297)
Cash flows from investing activities				
Acquisition of property, plant and equipment	(8)		(711)	
Acquisition of investment properties	(401)		(717)	
Disposals of investment properties	5,128		-	
Acquisition of equity investments	(4,839)		(4,649)	
Disposals of equity investments	5,081		3,349	
Net cash provided by investing activities		4,961		(2,728)
Cash flows from financing activities				
Repayment of loan		(152)		(150)
		2,566		(5,175)
Cash and cash equivalents				
At 1 April 2017		6,283		11,458
At 31 March 2018		8,849		6,283
Cash and cash equivalents				
Cash at bank, held by investment managers		4,402		5,248
Other cash at bank and in hand		4,447		1,035
		8,849		6,283

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018

1. Charity information

Thomas Pocklington Trust ("the Charity") is a private company limited by guarantee and is incorporated in England; the registered office address is Tavistock House South, Tavistock Square, London, England, WC1H 9LG and the registered number is 05359336. The company is also a registered charity number 1113729.

In the event of the Company being wound up, the liability in respect of the guarantee is limited to £10 per member. The number of members as at 31 March 2018 was 2 (2017 – 2).

Details of the principal activity of the company are given in the accompanying narrative reporting.

2. Accounting policies

Basis of accounting

The accounts have been prepared in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS 102 (effective 1 January 2015) (the SORP) and the Companies Act 2006.

The Charity is a public benefit entity as defined by FRS 102.

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain assets in accordance with the Charity's accounting policies.

Uniting direction

The accounts include the results of both the Thomas Pocklington Trust Charity and the Permanent Endowment Fund of the Gift of Thomas Pocklington, which are combined for reporting purposes under the uniting direction issued by the Charity Commission on 2 May 2006.

Going concern

The accounts have been prepared on the going concern basis as, after making enquiries, the Trustees have reasonable assurance that the Charity has adequate resources to continue in operational existence for the foreseeable future.

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

2. Accounting policies (continued)

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

The following specific policies apply to categories of income:

- **Voluntary income**

All voluntary income is recognised as soon as it is received. Gifts in kind are stated at Trustees' valuation.

- **Investment income**

Dividends, bank interest and rent are recognised on a receivable basis.

- **Fees, rent and other income**

All income from rents for supported housing, home care and support charges and day centre income is recognised as soon as it becomes due to the Charity. Any lease incentives are recognised on a straight-line basis over the non-cancellable lease term.

- **Grants receivable**

Grants are accounted for using the performance model.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category.

- **Raising funds**

Raising funds comprises expenditure incurred in managing, maintaining and repairing investment properties along with investment management fees and staff costs, wholly or mainly attribution support costs and apportionment of general overheads.

- **Charitable activities**

Costs of charitable activities comprise all costs identified as wholly or mainly attributable to achieving the charitable objectives of the Charity, including the costs of disseminating information in support of charitable activities and governance costs. These costs include staff costs, wholly or mainly attributable support costs and an apportionment of general overheads.

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

2. Accounting policies (continued)

Research and development costs

Research and development costs are accounted for on an accruals basis and are recognised at the point an obligation has been established.

Grant expenditure

Grants provided by the Charity to other Charities and organisations are recognised when a constructive obligation is established and any performance conditions have been met by the recipient.

Employee benefits

The Charity provides a range of benefits to employees, including paid holiday arrangements and defined benefit and defined contribution pension plans. These are recognised as follows;

- **Short term benefits**

Short term benefits, including termination benefits, holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

- **Defined contribution pension plan**

The Charity operates a defined contribution plan, whereby it pays fixed contributions into a separate entity. Once the contributions have been paid the Charity has no further payment obligations. The contributions are recognised as an expense in the period to which they relate. Amounts not paid are shown in accruals in the Statement of Financial Position. The assets of the plan are held separately from the Charity in independently administered funds.

- **Defined benefit pension plan**

The Trust participates in the Social Housing Pension Scheme (SHPS), a multi-employer defined benefit plan. The Scheme is funded and is contracted out of the State scheme. The Charity is unable to identify its share of the Plan's assets and liabilities and therefore it is accounted for as a defined contribution plan.

The estimated net present value of any additional contributions specified by the actuary as payable by the Charity to remedy past funding shortfalls is recognised as a liability. The unwinding of the discount and any change in the liability so recognised is recorded as a cost of charitable activities in the Statement of Financial Activities.

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

2. Accounting policies (continued)

Operating lease payments

Rentals payable under operating leases are charged to Statement of Financial Activities on a straight-line basis over the non-cancellable lease term. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the non-cancellable lease term.

Value added tax

Value added tax is not recoverable by the Charity, and as such is included in the relevant costs in the Statement of Financial Activities.

Taxation

No provision has been made for corporation tax or deferred tax as the entity is a registered charity and is therefore exempt from corporation tax on its charitable activities.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank, including cash held by the Trust's investment managers.

Property plant and equipment

Previously freehold functional properties were stated at open market value on an existing use basis and depreciation was provided at 1% per annum. On transition to FRS 102 on 1 April 2014, the Charity decided not to continue its previous policy of revaluation and instead elected to use the previous valuation as at the transition date as the deemed cost.

Other fixed assets are stated at cost less depreciation and impairments.

Depreciation is charged on a straight-line basis over the expected economic lives of the assets at the following annual rates:

Freehold buildings	1% per annum
Furniture and equipment	25% per annum
Motor vehicles	25% per annum
Leasehold improvements	over the duration of the lease
Freehold land is not depreciated	

At each balance sheet date, property, plant and equipment is assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication, the recoverable amount of the asset is compared to the carrying amount of the asset. The recoverable amount is the higher of

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

2. Accounting policies (continued)

the value in use or the fair value of the property. If the carrying value is greater than the value in use, an impairment provision equal to the excess is recognised as an expense in the Statement of Financial Activities.

When an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in expenditure in the Statement of Financial Activities.

Investments

- **Listed investments**

Investments in listed securities are stated at their fair value, which is derived from quoted market prices. Gains or losses arising on revaluation are credited or charged to the fund to which the investments belong.

- **Investment properties**

Investment properties are stated at their fair value taking account of existing tenancies.

This year, the Charity has engaged Hometrack (part of the Zoopla Group) to provide valuation data for residential properties, the values being based on valuation ranges using an automated valuation model incorporating detailed analysis of market data. The final value within the range has been determined by a qualified surveyor employed by the Charity, taking account of knowledge of each specific property.

For commercial properties, external valuations of a sample of properties has been undertaken in accordance with the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual; inputs to the valuations include rental yields where the properties are tenanted and by reference to comparable market transactions. The balance of the commercial properties has been valued internally.

No depreciation is provided on these properties.

Works to properties are capitalised when the work is expected to increase the value of the property. The cost of other work is treated as a repair cost and is expensed in the Statement of Financial Activity.

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

2. Accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Charity becomes a party to the contractual provisions of the instrument. The Charity has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets or financial liabilities.

Trade and other similar debtors and creditors, including rent arrears and rent paid in advance, are classified as basic financial instruments and measured at initial recognition at transaction price. Such debtors and creditors are subsequently measured at amortised cost using the effective interest rate method, save that amounts expected to be settled within 12 months are not discounted. An impairment provision is established when there is objective evidence that the Charity will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and are initially recognised at their transaction price and subsequently at amortised cost.

Interest bearing bank and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the counter-party, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

Investments in equity instruments are classified as basic and are stated at their fair value.

3. Key sources of estimation uncertainty and judgements

The preparation of accounts in conformity with generally accepted accounting practice requires management to make judgements and estimates that affect the reported amounts of assets and liabilities, as well as the disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenues and expenses during the reporting period.

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

3. Key sources of estimation uncertainty and judgements (continued)

- **Investment property valuations**

Investment properties are recognised at their fair value, which is estimated based on a combination of expected future net income from the properties and market yield rates, and by reference to recent comparable market transactions.

- **Useful lives**

Depreciation of assets is calculated based on the cost and the estimated useful lives of the assets.

4. Fund Accounting

Permanent Endowment

The Charity was established by a Charity Commission Scheme incorporating the terms of the bequest from Thomas Pocklington, who died in 1935. He left the majority of his estate to provide for the care, welfare and instruction of people who are blind or partially sighted, and directed that the bequest should be used as permanent capital to support these activities. As stipulated in Thomas Pocklington's will, the assets comprising the bequest were transferred to the Charity in 1958 and formed the basis of its permanent endowment. The assets are invested in investment property, securities or, with Charity Commission consent, in properties occupied by the Charity's service users.

As from 31 March 2016 the charity has adopted the Total Return approach to the Endowment, in recognition of the fact that investment return from the Endowment is largely in the form of capital growth. The Trustees have determined that an element of this growth should be applied to charitable activities, to ensure a balance between funds made available for current and future beneficiaries.

Restricted Funds

The Trustees have established amenities funds at the centres which it operates to which are credited any gifts or legacies given for the benefit of the residents and tenants. Each amenity fund is accounted for separately. The restricted funds are all held in the form of money on deposit or in current accounts.

Other income which is restricted as to its use is allocated to a separate fund and only expenditure within the restriction is charged to the fund.

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

4. Fund Accounting (continued)

General Funds

The remainder of the Charity's funds are unrestricted funds, which provides the Charity free reserves and monies available for general purposes and charitable activities.

5. Donations and other activities

	2018 £'000	2017 £'000
Unrestricted Funds		
Donations	-	12
Other income	-	100
Total	-	112

6. Income from charitable activities

	2018 £'000	2017 £'000
Unrestricted Funds		
Supported housing	475	1,131
Service level agreements	89	216
Other income	26	25
	590	1,372
Restricted Funds		
Service level contracts	-	2
Grants receivable	-	1
	-	3
Total	590	1,375

Income from charitable activities arises from the *Meeting Needs* charitable activity.

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

7. Investment income

	2018 £'000	2017 £'000
Permanent Endowment Funds		
Gross rents receivable - UK Properties	4,815	4,386
Bank interests, and dividends and interest on listed investments	215	207
	<u>5,030</u>	<u>4,593</u>
Unrestricted Funds		
Bank interests, and dividends and interest on listed investments	35	72
	<u>35</u>	<u>72</u>
Total	<u>5,065</u>	<u>4,665</u>

8. Analysis of income by source

	2018 £'000	2017 £'000
Provision of services	590	1,374
Rentals	4,815	4,386
Dividends and interest	250	279
Grants	-	1
Other	-	112
Total	<u>5,655</u>	<u>6,152</u>

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

9. Leases

The charity has a number of commercial and residential properties which are let under non-cancellable operating leases. The charity will receive the following future rents from the leases:

	2018	2017
	£'000	£'000
Rent due within one year	915	1,811
Rent due between one and five years	2,923	2,895
Rent due after five years	1,625	1,823
Total	5,463	6,529

Commercial properties are let under leases with a typical duration of ten years. The rents are subject to rent reviews every five years, when they are increased to current market rent. In most cases the tenancies are subject to the provisions of the Landlord and Tenants Acts, which give the tenants renewal rights or the right to receive compensation if the tenancy is not renewed. The residential tenancies are generally assured shorthold tenancies of a fixed rent and duration (typically one year). The tenants have no rights once the tenancies have expired. No tenant has the right to acquire the leased property.

10. Raising Funds

	2018	2017
	£'000	£'000
Permanent endowment fund		
Investment property costs	1,205	1,066
Staff costs (including recruitment and training)	91	97
Office costs	73	154
Investment support costs	50	50
Investment management costs	73	74
	1,492	1,441
Unrestricted funds		
Investment management costs	15	7
	15	7
Total	1,507	1,448

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

11. Charitable activities

	Direct costs £'000	Grants £'000	Support costs £'000	Total £'000
Year ended 31 March 2018				
Understanding needs	650	204	146	1,000
Meeting needs	3,041	1,618	791	5,450
Total	3,691	1,822	937	6,450
Year ended 31 March 2017				
Understanding needs	409	304	181	894
Meeting needs	2,870	1,507	1,075	5,452
Total	3,279	1,811	1,256	6,346

Of the 2018 expenditure no amounts (2017: £nil) relate to the permanent endowment and £39k (2017: £nil) related to restricted funds.

12. Investment property disposals

	2018 £'000	2017 £'000
Sale price after fees	5,128	-
Less: Book value at sale	(5,152)	-
Loss on disposal	(24)	-

There were 3 (2017: nil) property disposals in the year.

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

13. Grants

	2018 £'000	2017 £'000
Understanding needs:		
Research Grants	204	304
Meeting needs:		
Visionary	475	488
Vision UK	132	-
RP Fighting Blindness	113	-
InfoSound	16	11
Tristan Parker	10	10
Other national organisations	6	44
East London Vision	169	204
South East London Vision	216	286
Metropolitan Sport and Social for Vision impaired	130	61
Birmingham Vision	258	261
Gateshead & South Tyneside Sight Service	19	-
Merton Vision	22	-
Newcastle Vision Support	11	-
Wiltshire Sight	25	10
Other regional / local organisations	16	132
Total	1,822	1,811

The grants under Understanding Needs relate to research into how to prevent avoidable sight loss and how to provide the most effective support to alleviate sight loss. At the period end, the research commitments liability in the Statement of Financial Position amounted to £142k (2017: £173k) and are due to be paid within 12 months. The grants under Meeting Needs are to support local, regional and national service provisions for vision impaired individuals and includes the value of donated services.

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

14. Support costs

	2018 £'000	2017 £'000
Finance	292	361
Human resources	155	265
Office services	414	252
Strategy and communications	53	348
Governance costs (note 15)	73	80
Total	987	1,306
Allocated to:		
Charitable activities	937	1,256
Investment support costs	50	50
Total	987	1,306

Support costs are allocated to investment costs and charitable activities based on a combination of the cost in each area (excluding direct investment costs) and estimates of the time spent by support staff members on specific charitable activities. Payments made under operating leases included above were £210k (2017 - £164k).

15. Governance costs

	2018 £'000	2017 £'000
Unrestricted funds		
External auditor's fees	42	38
Other service provided by external auditors	9	-
Other professional and legal fees	9	15
Trustees' expenses (note 16)	3	2
	63	55
Endowment funds		
Property valuation fees	10	25
Total	73	80

16. Expenses paid to Trustees

	2018 £'000	2017 £'000
Travel and accommodation expenses paid to four (2017: two) Trustees	3	2

No trustee received any remuneration (2017: £nil).

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

17. Senior Staff

The number of employees receiving emoluments above £60,000 were:

	2018 Number	2017 Number
£60,000 - £70,000	5	6
£70,001 - £80,000	1	-
£80,001 - £90,000	4	4
£110,001 - £120,000	1	1
Total	11	11

The key management personnel of the charity comprise the Trustees and the Chief Executive. The total employee benefits of the key management personnel of the Charity were £113k (2017: £110k).

18. Officers and employees

	Headcount	Headcount
Average number of persons employed by the Charity was:	<u>102</u>	<u>102</u>
	2018 £'000	2017 £'000
The costs incurred in respect of employees were as follows:		
Salaries	3,433	3,224
Redundancy and ex-gratia payments	129	229
National insurance	364	332
Pension contributions		
- Recurring defined contribution expenses	138	214
- Decrease/(increase) in past service cost provision re defined benefit scheme (note 28)	(22)	43
Total	4,042	4,042

The redundancy and ex-gratia costs were paid from the Charity's accumulated reserves and related to enhanced statutory redundancy costs. No amounts were outstanding at the year end.

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

19. Property, plant and equipment

	Freehold land & buildings £'000	Furniture, equipment & leasehold improvements £'000	Total £'000
Cost			
At 1 April 2017	11,872	407	12,279
Additions	8	-	8
Disposals	-	(9)	(9)
At 31 March 2018	<u>11,880</u>	<u>398</u>	<u>12,278</u>
Depreciation			
At 1 April 2017	173	74	247
Charge	58	66	124
Disposals	-	(9)	(9)
At 31 March 2018	<u>231</u>	<u>131</u>	<u>362</u>
Net book value at 31 March 2018	<u>11,649</u>	<u>267</u>	<u>11,916</u>
Net book value at 31 March 2017	<u>11,699</u>	<u>333</u>	<u>12,032</u>
Historic cost at 31 March 2018	<u>6,493</u>	<u>354</u>	<u>6,847</u>
Historic cost at 31 March 2017	<u>6,485</u>	<u>363</u>	<u>6,848</u>

Previously freehold functional properties were stated at open market value on an existing use basis and depreciation was provided at 1% per annum. On transition to FRS 102 on 1 April 2014, the Charity decided not to continue its previous policy of revaluation and instead elected to use the previous valuation as at the transition date as the deemed cost.

Subsequent depreciation is based on the deemed cost of each property at the transition date and its remaining useful life.

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

20. Fixed asset investments

	UK investment properties £'000	Listed investments £'000	Cash £'000	Total funds £'000
At 1 April 2017	150,953	10,351	5,248	166,552
Additions	401	4,839	-	5,240
Disposals	(5,152)	(5,081)	(846)	(11,079)
Gain/(loss) on revaluation	(4,392)	129	-	(4,263)
Market value at 31 March 2018	141,810	10,238	4,402	156,450
Historic cost at 31 March 2018	7,706	9,010	4,402	21,118
Historic cost at 31 March 2017	12,457	8,102	5,248	25,807

All residential properties were revalued by a qualified surveyor employed by the Charity with reference to the data provided from the Hometrack valuation model.

A sample of 5 (2017: 8) commercial properties were externally revalued out of a total of 27 (2017: 25) properties. These properties were valued by independent valuers, all of whom are members of the Royal Institute of Chartered Surveyors and have appropriate and recent experience of undertaking such valuations. The total closing value of properties so valued was £3,275k (2017: £4,357k). The balance of commercial properties was valued by the Charity's surveyor, resulting in a total balance of £18,569k (2017: £19,015k).

The listed investments are valued by reference to quoted prices.

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

21. Debtors

	2018 £'000	2017 £'000
Trade debtors	372	420
Accrued income	36	56
Other debtors	29	274
Prepayments	180	182
Total	617	932

22. Creditors: amounts falling due within one year

	2018 £'000	2017 £'000
Bank loan	150	155
Trade creditors	238	185
Deferred income	296	277
Other taxes and social security	107	119
Other creditors	138	198
Research commitments	142	173
Accruals	182	211
Pension liability (note 28)	264	256
Total	1,517	1,574

The bank loan is secured against two properties.

23. Creditors: amounts falling due after more than one year

	2018 £'000	2017 £'000
Bank loan	2,662	2,809
Pension liability (note 28)	1,334	1,599
Sinking funds	-	46
Total	3,996	4,454

The bank loan, which is secured against two properties and bears interest at a rate of 1% above the bank base rate, is repayable by monthly instalments as follows:

	2018 £'000	2017 £'000
Within 1 year	150	155
Within 1 to 2 years	152	157
Within 2 to 5 years	471	483
After more than 5 years	2,039	2,169
Total	2,812	2,964

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

24. Financial instruments

	2018 £'000	2017 £'000
Financial assets		
Cash at bank and in hand	4,447	1,035
Financial assets measured at fair value through profit and loss	14,640	15,599
Financial instruments that are debt instruments measured at amortised cost	437	750
Total	<u><u>19,524</u></u>	<u><u>17,384</u></u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u><u>5,127</u></u>	<u><u>5,649</u></u>

Financial assets measured at fair value through profit and loss comprise listed investments and cash investments.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

25. Analysis of funds

At 31 March 2018	Permanent endow- ment £'000	Restricted funds £'000	Un- restricted funds £'000	Total funds £'000
Property, plant and equipment	11,639	-	277	11,916
Investments	153,107	-	3,343	156,450
Debtors	-	-	617	617
Cash at bank and in hand	-	6	4,441	4,447
Creditors due within one year	(150)	-	(1,367)	(1,517)
Creditors due after more than one year	(2,662)	-	(1,334)	(3,996)
	161,934	6	5,977	167,917
At 31 March 2017				
Property, plant and equipment	11,689	-	343	12,032
Investments	160,716	-	5,836	166,552
Debtors	-	-	932	932
Cash at bank and in hand	-	45	990	1,035
Creditors due within one year	(155)	-	(1,419)	(1,574)
Creditors due after more than one year	(2,809)	-	(1,645)	(4,454)
	169,441	45	5,037	174,523

Reserves arising from revaluations included in the above figures are as follows:

	2018 £'000	2017 £'000
As at 1 April 2017	146,891	137,979
Revaluations in the year	(4,263)	8,552
Transfers to realised funds	(24)	360
As at 31 March 2018	142,604	146,891

The transfer to realised funds relates to gains arising on disposals of revalued amounts.

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

26. Permanent endowment

On 31 March 2016, by way of a resolution and made in accordance with the Charities (Total Return) Regulations 2013, the Trustees adopted the total return approach to investments. At this date, the total fund was analysed between the trust for investment, being the estimated value of the original gift to the Charity, and the unapplied total return, being the balance of the fund as shown below.

Subsequently, the investment income is allocated to the permanent endowment and the unapplied total return applied to income in the year is applied in accordance with the Trustee's policy. This is as explained in more detail in the Trustees' Annual Report and is permitted in accordance with the regulations.

	Trust for Investment £'000	Unapplied Total Return £'000	Total Endowment £'000
At 1 April 2017			
Gift Component of the permanent endowment	17,888	-	17,888
Unapplied total return	-	151,553	151,553
Total	17,888	151,553	169,441
Movements on 31 March 2018			
Investment return: rentals, dividends and interest	-	5,030	5,030
Investment return: realised and unrealised gains	-	(4,302)	(4,302)
Less: Other expenditure	-	(1,531)	(1,531)
	-	(803)	(803)
Unapplied total return allocated to income in the year	-	(6,704)	(6,704)
Net movements in the year	-	(7,507)	(7,507)
At 31 March 2018			
Gift component of the permanent endowment	17,888	-	17,888
Unapplied total return	-	144,046	144,046
Total	17,888	144,046	161,934

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

27. Other reserves

The permanent endowment fund represents the current value of the original gift of Thomas Pocklington, less amounts transferred to the unrestricted fund as explained in note 26.

The restricted funds represent the unexpended balance of the funds which have been received for specific purposes.

The unrestricted fund represents the accumulated surpluses and gains of the charity not otherwise reported in other funds.

28. Pension Scheme

Social Housing Pension Scheme

Thomas Pocklington Trust participates in the scheme, a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2014. This actuarial valuation was certified on 23 November 2015 and showed assets of £3,123m, liabilities of £4,446m and a deficit of £1,323m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

28. Pension Scheme (continued)

Deficit Contributions

Tier 1	£40.6m per annum
From 1 April 2016 to 30 September 2020:	(payable monthly and increasing by 4.7% each year on 1 st April)

Tier 2	£28.6m per annum
From 1 April 2016 to 30 September 2023:	(payable monthly and increasing by 4.7% each year on 1 st April)

Tier 3	£32.7m per annum
From 1 April 2016 to 30 September 2026:	(payable monthly and increasing by 3.0% each year on 1 st April)

Tier 4	£31.7m per annum
From 1 April 2016 to 30 September 2026:	(payable monthly and increasing by 3.0% each year on 1 st April)

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2011; this valuation was certified on 17 December 2012 and showed assets of £2,062m, liabilities of £3,097m and a deficit of £1,035m. To eliminate this funding shortfall, payments consisted of the Tier 1, 2 & 3 deficit contributions.

As a result of the deficit, under the rule of the scheme, the employer is obliged to contribute additional deficit contributions to the scheme over the next 10 (2017 – 11) years. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provision

	31 March 2018 £'000	31 March 2017 £'000	31 March 2016 £'000
Present value of provision	1,598	1,855	2,014

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

28. Pension Scheme (continued)

Reconciliation of opening and closing provisions

	Period Ending 31 March 2018 £'000	Period Ending 31 March 2017 £'000
Provision at start of period	1,855	2,014
Unwinding of the discount factor (interest expense)	24	39
Deficit contribution paid	(259)	(249)
Remeasurements - impact of any change in assumptions	(22)	51
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	1,598	1,855

Income and expenditure impact

	Period Ending 31 March 2018 £'000	Period Ending 31 March 2017 £'000
Interest expense	24	39
Remeasurements – impact of any change in assumptions	(22)	51
Remeasurements – amendments to the contribution schedule	-	-

Assumptions

	31 March 2018 % per annum	31 March 2017 % per annum	31 March 2016 % per annum
Rate of discount	1.72	1.33	2.06

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

29. Capital Commitments

There were no capital commitments at the year end (2017 – none).

Thomas Pocklington Trust

Notes to the Accounts for the year ended 31 March 2018 (continued)

30. Operating Lease Commitments

At the balance sheet date the company has future minimum lease payments under non-cancellable leases as follows:

	2018 Land & buildings £'000	2017 Land & buildings £'000
Within one year	215	215
Within two to five years	453	658
	<u>668</u>	<u>873</u>

31. Related Parties

Peter Corbett, the Chief Executive of the Charity, is also a trustee of East London Vision and South East London Vision, both of which are registered charities involved in supporting those with sight loss. As disclosed in note 13, the Charity provided grants and support to these charities. At the year end, the following balances are included within other creditors £30,124 (2017: £36,146) payable to East London Vision and within other debtors £276 (2017: within other creditors £6,250) due from South East London Vision.

Sharon Billingham, the Chief Operating Officer of the Charity, is also a trustee of Birmingham Vision, which is a registered charity involved in supporting those with sight loss. As disclosed in note 13, the Charity provided grants and support to Birmingham Vision. At the year end, the balance of £1,131 (2017: £1,300 and within other creditors £320) is included within other debtors.

Graham Findlay and Philip Longworth, both Trustees of Thomas Pocklington Trust are also trustees of Visionary, which is a registered charity that seeks to support and link local sight-loss organisations. As disclosed in note 13, the Charity provided support to Visionary during the year. Included in other debtors is a balance of £1,043 (2017: £nil) due to Thomas Pocklington Trust.

Jenny Pearce, John Thompson and Graham Findlay, Trustees of Thomas Pocklington Trust and Peter Corbett, the Chief Executive of the Trust, are trustees of Vision UK. As disclosed in note 13, the Charity provided support to Vision UK during the year.