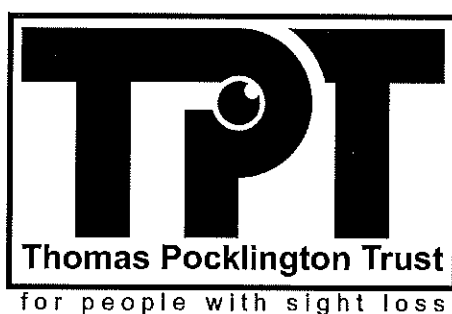


Thomas Pocklington Trust Limited



Report and Accounts

for the year

Ended

31 March 2016

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

Thomas Pocklington Trust Limited

Contents

	Page
Trustees, Patrons, Senior Management and Advisers	1
Trustees' Annual Report incorporating the Strategic Report	4
Independent Auditor's Report	21
Statement of Financial Activities	23
Statement of Financial Position	24
Statement of Cash Flows	25
Notes to the Accounts	26

Thomas Pocklington Trust Limited
Trustees, Patrons, Senior Management and Advisers

Board of Trustees

Rodney Powell	Chairman
Janet Lewis	Deputy Chair (resigned 1 July 2015)
Jenny Pearce BEM	Deputy Chair (appointed July 2015)
Alastair Chapman	
Chris Mairs CBE	(resigned July 2016)
Mary Heathcote OBE	
Mervyn Williamson	
John Thompson	(appointed November 2016)
Fadeia Hossian	(appointed November 2016)
Phil Longworth	(appointed November 2016)

Patrons

Pat Powell
Hon. Jessica White

Key Management Personnel

Peter Corbett Chief Executive

Senior Leadership Team

Keith Valentine	Deputy Chief Executive
Phil Ambler	Policy and Research
Sharon Billingham	Charity and People Development
Marsha DeCordova	Engagement and Advocacy
Susan Huggins, OBE	Strategy and Communications
Cathy Low	London Projects
Sylvia Newcombe	Resources
Alison Oliver	CEO of Visionary

Registered Office

Entrance D
Tavistock House South
Tavistock Square
London WC1H 9LG

Registered numbers

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

Thomas Pocklington Trust Limited
Trustees, Patrons, Senior Management and Advisers

Working name

Thomas Pocklington Trust

Website

www.pocklington-trust.org.uk

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.

Thomas Pocklington Trust Limited
Trustees, Patrons, Senior Management and Advisers

Names and Addresses of Principal Professional Advisers

Bankers	The Co-operative Bank Plc 9 Prescott Street, London E1 8BE
Accountants and Registered Auditor	Nexia Smith & Williamson 25 Moorgate, London EC2R 6AY
Solicitors	Maclay Murray & Spens 10 Foster Lane, London EC2V 6HR Russell-Cooke 2 Putney Hill, London SW15 6AB
Investment Managers	Schroders Cazenove 12 Moorgate, London EC2R 6DA
Property Managers and Advisers	Farebrother 27 Bream's Buildings, London EC4A 1DZ
Insurance Brokers	Arthur J. Gallagher The Walbrook Building 25 Walbrook London EC4N 8AW

Thomas Pocklington Trust Limited Trustees' Annual Report incorporating the Strategic Report for the year ended 31 March 2016

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 2016. 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.

Structure, Governance and Management

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

The Charity's constitution is its memorandum and its articles of association, which were last amended in 2007. The objects of the Charity, as set out in its memorandum are:

- (1) to provide services for the care, welfare and instruction of people of the age of 16 years or over who are visually impaired and in need, either in buildings or institutions owned or managed by the company, or elsewhere; and
- (2) to undertake research into the advancement of knowledge of the prevention, alleviation and cure of visual impairment and other related problems

Thomas Pocklington Trust Limited 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 Limited receives the income generated by the Permanent Endowment (held by The Gift) to carry out the charitable activities in line with the objectives set out in its Memorandum and Articles of Association.

The Board may comprise up to nine Trustees (who are also the Directors of Thomas Pocklington Trust Limited for the purposes of company law) who have legal responsibility for the effective use of resources in accordance with the objectives of Thomas Pocklington Trust, and for providing effective leadership and direction.

Thomas Pocklington Trust Limited Trustees' Annual Report incorporating the Strategic Report for the year ended 31 March 2016 (continued)

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 arises.

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 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.

Trustee indemnity insurance is provided by Markel (UK) Ltd.

Statement of Trustees' Responsibilities

The Charity's Trustees are responsible for preparing the Annual Report and Accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and its financial activities for that period. In preparing those accounts, the Trustees are required to:

Thomas Pocklington Trust Limited
Trustees' Annual Report incorporating the Strategic Report for the year
ended 31 March 2016 (continued)

- a) select suitable accounting policies and apply them consistently;
- b) make judgments and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts; and
- d) prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

The Trustees confirm that, so far as they are aware, there is no relevant audit information of which the Charity's auditors are unaware. Trustees have taken all necessary steps to ensure they are aware of any relevant audit information and that information has been made available to the Charity's auditors.

Controls and risk management

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

- a strategic plan and an annual budget set by the Trustees
- regular consideration by the Trustees of financial results, variance from budgets and non-financial performance indicators
- delegation of authority and segregation of duties
- identification and management of risks
- a rolling two year cashflow forecast

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 Trustees are very aware of the situation of the people helped by the Charity and have taken considerable care over mitigating any potential adverse effects as a result of the changes to the organisation's strategic focus.

Thomas Pocklington Trust Limited
Trustees' Annual Report incorporating the Strategic Report for the year
ended 31 March 2016 (continued)

The risk profile of the charity has reduced significantly following recent changes. Although external factors relating to issues around local authority funding, contracts and housing benefits are still relevant, the potential impact of these factors has reduced considerably. Other key areas of current concern include the risks associated with pension scheme liabilities.

These risks are all actively monitored at Trustee level and by the Senior Leadership Team. The Trustees are also focused on ensuring that any changes in the strategy and related programmes help to address these risks and deliver the best outcomes for our beneficiaries.

The risk management process sets out the mitigating controls and processes that have been put in place and the key roles and responsibilities for the management of those processes. The Trustees are therefore satisfied that the major risks have been identified and processes for addressing them have been implemented, recognising that any controls and processes cannot provide absolute assurance that risks will be fully mitigated.

Management

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 £50k, property disposals and approving strategy, budgets and accounts.

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.

Employee Involvement and Employment of Disabled People

Management is committed to the greatest practical degree of transparency in its work, and to including employees appropriately in decisions.

Communication with employees is ensured through:

- Conventional line management
- Team meetings
- The Staff Forum
- Planning Group meetings
- Staff conferences
- Newsletters and publications
- The Charity's website
- Director visits

There is direct and formal consultation with employees on issues of concern to them. The Charity has a formal performance appraisal system which was updated during the last financial year and has now fully rolled out across the Charity.

We are accredited as a "Positive about Disability" organisation and particularly welcome applications from people with sight loss and those with other disabilities; we do not however operate a positive discrimination policy.

The Charity uses the Investors in People Standard to measure its effectiveness in managing and developing its people.

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.

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.

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 people with sight loss regardless of their economic status, gender, ethnicity, race or religion.

Our vision is *a world in which people with sight loss can participate fully* and we work towards this by applying our core values:

- Making a Difference – the lives of people with visual impairments are better because of what we do;
- Teamwork – we work collaboratively with all stakeholders;
- Respect – we treat people the way we would like to be treated;
- Quality – we set clear goals and high standards and work efficiently and effectively to achieve them;
- Participation – we place the participation of blind and partially sighted people at the heart of everything we do.

The charity measures success through a scorecard setting out key performance indicators against relevant benchmarks. This includes the increased level of participation by beneficiaries and improved staff morale.

We aim to manage the charity in a way that ensures our vision and values are at the heart of everything we do. We aim to structure ourselves in a way that enables people with sight loss to have a greater say in the future direction of the charity and scrutiny of its activities. This is also applied to our body of staff which is now more reflective of our remit.

Thomas Pocklington Trust Limited
Trustees' Annual Report incorporating the Strategic Report for the year
ended 31 March 2016 (continued)

Over the year, the Charity has built on previous strategic aims and has seen the organisation transition from being considered a supported housing provider to becoming an enabler and facilitator drawing services together across the sector, increasing our reach and working in line with our purpose. In doing so, we are acknowledging our moral duty as the only significant endowed charity in the sight loss sector to do things that others cannot and we are applying our resources to much greater effect.

We have reflected the development of the organisation and our response to the dual challenges of an increase in the number of people living with sight loss and the expected changes to the social care economy in our objectives set out below under our three strategic aims.

Understanding needs

We will build through evidence a deep understanding of the needs of those living with sight loss and those at risk of losing their sight and of the most effective interventions to meet those needs.

Meeting needs

We will use our acquired knowledge to drive action by the appropriate players in the eye health and sight loss sector and seek to ensure these needs are met through direct activity and partnerships.

Managing resources

We will seek to maximise our impact across the sight loss sector through the focused management of our resources.

Understanding needs - We will build through evidence a deep understanding of the needs of those living with sight loss and those at risk of losing their sight and of effective interventions to meet those needs.

- We will maintain close relationships with eye health and sight loss groups and those undertaking both clinical and public health/social research to develop a consensus of evidenced priority needs across the sector and ensure that this is communicated and disseminated widely.
- We will commission further research and undertake pilot interventions where there is a need to develop a deeper understanding of priority needs and evidence of the most effective interventions.

We will use our knowledge and expertise to influence change in the eye health and sight loss sector e.g. by providing the evidence to ensure that those making purchasing decisions are spending their money on the right things.

Thomas Pocklington Trust Limited
Trustees' Annual Report incorporating the Strategic Report for the year
ended 31 March 2016 (continued)

Meeting needs – we will use our acquired knowledge to drive action by the appropriate players in the eye health and sight loss sector and seek to ensure these needs are met through direct activity and partnerships.

- We will provide support for organisations and groups developing services that meet evidenced needs along the eye health and sight loss pathway.
- We will further develop our strategic relationships with organisations such as: VISION 2020 (UK) Ltd, Visionary, RNIB Group and Guide Dogs for the benefit of those living with a visual impairment.
- We will support the set-up and further development of local service delivery organisations to assist them in achieving self-sustainability e.g ELVIs, SELVIs, London Vision and Birmingham Vision and similar new or existing bodies.
- We will develop sustainable, long term plans for the users of our traditional and pilot services including: Court, Lodge, Balham, volunteering and our pilot activities.
- We will build on and maintain relationships through our involvement with those having the influence to drive change in the eye health and sight loss sector e.g. Clinical Council, College of Optometrists, Royal College of Ophthalmologists.
- We will further develop our strategic influence on national, regional and local governmental and health economy structures and planning processes through vehicles such as England Vision Strategy and Visionary.

Managing resources – we will seek to maximise our impact across the sight loss sector through the focused management of our resources

- We will conduct a review of our leadership and governance structures, including our articles and objects clauses, to ensure that the charity has the capability and capacity to deliver on its ambitious plans.
- We will further develop our planning and scorecard reporting to enable us to most effectively measure what we are spending money on and the impact on our activities.
- We will engage, value and support our people and celebrate this through the Investors in People framework.

Thomas Pocklington Trust Limited
Trustees' Annual Report incorporating the Strategic Report for the year
ended 31 March 2016 (continued)

- We have adopted the total return approach to our investments to optimise our use of funds.
- We will leverage additional income from new and existing sources and support the development of fundraising vehicles which are used to enhance the availability of local services delivered by our partners.
- We will develop and introduce an approach to grant giving and partner contractual relationships to ensure maximum return for beneficiaries.

Activities and Performance for the Year Ended 31 March 2016 (Strategic Report)

Financial Performance

Before gains and losses on investments, at an operating level, we generated a deficit of £1.4m, including £788k of exceptional costs.

We generated a surplus of £479k after gains and losses on investments in the year. Unrealised gains were mainly driven by an upward revaluation of the investment property portfolio as a result of the strengthening of the property market in London.

Our total funds are made up of our permanent endowment, restricted funds and unrestricted funds. The permanent endowment is held in functional and investment property assets as well as other investment assets and cannot be used directly to fund operating activities. However, the income generated by these investments is available for use as unrestricted funds and these are used to fund our operating activities. At the end of March 2016, we adopted the Total Return approach on investment which allows us to access some of the capital growth on the permanent endowment for use in funding future charitable activities.

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:

Thomas Pocklington Trust Limited
Trustees' Annual Report incorporating the Strategic Report for the year
ended 31 March 2016 (continued)

	£
September 1958	517,305
December 1965	400,000
Total	917,305

The trustees have adopted a policy of applying 3.5% of the opening value of the permanent endowment to income; in accordance with the policy, £2 million was transferred from the total unapplied return to income, this representing the 3.5% less the net investment yield earned and included in income prior to the adoption of the total return approach. The Trustees took advice from the Charity's lawyers (Russell Cooke, Solicitors), accountants (Smith & Williamson LLP, Chartered Accountants) and investment advisors (Schroders Cazenove)

The majority of the assets are held in property gifted by Thomas Pocklington.

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 2016, we held £4.2m in unrestricted funds, £42k in restricted funds and £163.1m in the permanent endowment with total funds of £167.34m.

Activity Highlights

Understanding needs

Research is central to Pocklington's work and we spent a total of £958k (2015 - £1.33m) in the year. 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.

In 2015/16, we grant funded, and in other ways supported, 30 research or development projects, including a small number funded by other organisations in which we were major named collaborators. The total funding committed in the year was £271k (2015 - £454k), Working with other organisations to deliver good research and development projects is important to us in making best use of skills and resources, and we continued to collaborate closely with the College of Occupational Therapists, the College of Optometrists, Fight for

Thomas Pocklington Trust Limited
Trustees' Annual Report incorporating the Strategic Report for the year
ended 31 March 2016 (continued)

Sight, Rica, RNIB, Sense, the Stroke Association, and the many local charities, university and consultancy teams whose work we 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 Pocklington 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 about vision rehabilitation services, good design of home appliances, a Minimum Income Standard for people with sight loss, and the experiences of younger people with sight loss as they move to independent living and / or (with shared funding with RNIB and Sense) applied for PIP (Personal Independence Payments), have been widely applied in the work of other organisations. In turn, we applied our knowledge of sight loss in care homes in collaborations with local sight loss societies and others to enable them to better inform care staff of the effects of sight loss.

Our Policy team has led on developing and implementing 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 England Vision Strategy.

The England Vision Strategy works to the aims of the UK Vision Strategy and the Seeing It My Way outcomes nationally and locally for adults and children. The England Vision Strategy works closely with VISION 2020 UK, the umbrella organisation which leads collaboration and cooperation between organisations with an interest in eye health and sight loss.

The work for 2015/16 has focused on developing effective national and regional structures to ensure successful long term delivery of the six priorities of the England Vision Strategy with over 400 partners engaged with during this period. The national and regional building blocks are now largely in place and we move into 2016/17 focused on delivery against the six priorities.

Regional structures for the England Vision Strategy have been established across 12 England regions with line of sight to every local authority and clinical commissioning group area in England. This regional approach is key to

Thomas Pocklington Trust Limited
Trustees' Annual Report incorporating the Strategic Report for the year
ended 31 March 2016 (continued)

achieving the priorities of the England Vision Strategy and the scale of the task in establishing these structures should not be underestimated. This was a significant undertaking requiring a dedicated team to develop relationships with key partners to gain buy-in to the priorities of the England Vision Strategy across each region.

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 twelve months we responded to 12 consultations focusing on issues around health, equality and independent living. We have become part of the Customer Representative Group for the Centre for Health and Disability Assessments operated by Maximus. This has led to the development of a sub-group specifically championing the needs of people with sensory loss who are being assessed for Employment Support Allowance.

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 and Visionary and have continued to provide leadership and funding for the London Visual Impairment Forum (www.lvif.co.uk).

The financial year to 31 March 2016 has been one of considerable change for Visionary with a focus on creating a sustainable platform in the membership, the larger staff team and relationships with partners to extend the reach and impact of the charity's work in the future. In conjunction with the financial support of Action for Blind People and Pocklington (that enabled Visionary to offer free membership for one year to all full and associate members) membership numbers have grown over the course of the year. Membership numbers increased from 48 at the end of March 2015 to 97 at the end of March 2016, exceeding the target of 90.

The Visionary Board signed off a new business plan in December 2015 which is aligned with the shared priorities of Visionary and Pocklington to make quality sight loss services accessible and available to visually impaired people in their local community across the UK by:

- Identifying the unmet needs of blind and partially sighted people;
 - Developing the roles of local sight loss charities in meeting these needs;
- and

Thomas Pocklington Trust Limited
Trustees' Annual Report incorporating the Strategic Report for the year
ended 31 March 2016 (continued)

- 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 also supports full member charities to enable them to achieve their objectives in providing services for visually impaired people and to collectively address the priorities noted above. Part of this commitment is to play a lead role in national networks such as VISION 2020 UK (including the new UK Charities Forum Steering Group), the UK Vision Strategy Leadership Group and the England Vision Strategy Executive Group.

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 Sports (www.metroblindsport.org);
Visionary (www.visionary.org.uk);
Middlesex Association for Blind
Hull and East Riding Institute for Blind
Ilford Blind Welfare Association

Our support of the above organisations was provided through £236k of direct financial support and £915k of donated services in the form of staff secondments and other professional services support.

To support the external promotion of the Charity, the website was redeveloped and an entirely new website was launched in April 2016. The website has been developed with the people we serve in mind as well as our stakeholders.

Meeting needs – direct service delivery

In November 2015, we completed the transfer of the Stourbridge Resource Centre to Beacon Centre for the Blind, a local charity best placed to deliver the service. In May 2015 we transferred Pocklington Rise to a major housing association, Housing and Care 21.

Thomas Pocklington Trust Limited
Trustees' Annual Report incorporating the Strategic Report for the year
ended 31 March 2016 (continued)

In January/February 2016 following an extensive review of services at Pocklington Court, we announced that we would no longer offer supported housing. This decision followed a comprehensive assessment of the needs of tenants, which found the majority either did not require the specialist assisted living services provided at Pocklington Court, or whose needs go beyond what is currently delivered. We have a duty to meet the long-term needs of the individuals we support and we remain committed to working with tenants to find them alternative accommodation suitable for their individual needs. No long term decisions about the building will be made until all tenants have found appropriate accommodation.

In London, in addition to Pocklington Court, we continued to provide housing and support services at Pocklington Lodge as well as providing an Independent Housing Service to assist people with a visual impairment to access general needs housing. Pocklington Lodge is sustainable for the long term but some changes will be needed in the delivery model to bring it into line with prevailing practice.

We have also continued to provide a resource centre and social and educational activities from our centre in Balham in South West London.

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. Due regard is also taken of local authority housing benefit levels when setting rents and service charges so as to ensure that those on low incomes, who are entitled to housing benefit, are able to obtain the full amount to cover these charges.

Plans for the Future and Achieving our Priorities

Over the coming period we will ensure that our strategic aims and our values are embedded in a plan which remains aligned to the UK 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 of visually impaired people.

Thomas Pocklington Trust Limited
Trustees' Annual Report incorporating the Strategic Report for the year
ended 31 March 2016 (continued)

We will be establishing London Vision and helping VISION 2020 UK to develop a new strategy for the eye health and sight loss sector and working to support the UK Vision Strategy evaluation project.

We have set ourselves an ambitious goal of helping more people living with sight loss than we have historically and to direct activities to where they have the greatest impact. To help monitor the effectiveness and impact of our work we have developed a new balanced scorecard to reflect both qualitative and quantitative measures of performance.

- (a) We will focus our leadership on influencing change in the sight loss sector and in building our partnership base.
- (b) We will take time to develop strong relationships with current and new partners and their volunteers so as to ensure our collective aims and objectives are met.
- (c) We will listen to the needs of those we seek to serve, reflect on what they tell us and incorporate learning, as best as we are able, into future plans.

We will maintain our commitment to existing service users to do our best to ensure they continue to receive the support they need – in some areas this will involve the establishment of new entities better equipped to provide services locally to those living with sight loss.

To further support the delivery of our strategic aims and objectives we plan to raise the Charity's profile externally. 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 review our structure to ensure that we have the appropriate teams 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 current and recent research and development projects and details of our work please refer to our website www.pocklington-trust.org.uk.

Thomas Pocklington Trust Limited
Trustees' Annual Report incorporating the Strategic Report for the year
ended 31 March 2016 (continued)

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 or Deputy Chief Executive and Trustees, where required, within the limits set by the Trustees as part of the budgeting process.

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 achieved in 2015/16.

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 reserves are maintained to provide funds to offset any unexpected events which may arise and to provide for major planned events including new developments, major repairs and maintenance and research. The free

Thomas Pocklington Trust Limited
Trustees' Annual Report incorporating the Strategic Report for the year
ended 31 March 2016 (continued)

reserves were set to cover six months expenditure and working capital requirements.

Approved by the Directors on November 7th 2016

Signed on behalf of the Directors by:

A handwritten signature in black ink, appearing to read 'R S Powell', written over a horizontal line.

R S POWELL, Chairman
Registered Office:

Entrance D
Tavistock House South
Tavistock Square
London
WC1H 9LG

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

We have audited the accounts of Thomas Pocklington Trust Limited for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the related notes 1 to 31. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on pages 5-6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the accounts

A description of the scope of an audit of accounts is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information provided in the Trustees' Annual Report (incorporating the Strategic Report) for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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.

Jonathan Pryor

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

25 Moorgate
London
EC2R 6AY

12 December 2016

Thomas Pocklington Trust Limited
Statement of Financial Activities for the year ended 31 March 2016
(including the income and expenditure account)

	Notes	Unrestricted funds 2016 £'000	Restricted funds 2016 £'000	Permanent endowment 2016 £'000	Total funds 2016 £'000	Total funds 2015 £'000
Incoming and endowments from:						
Donations and legacies	5	6	15	-	21	76
Charitable activities	6	1,604	50	-	1,654	3,951
Investments	7	4,602	1	-	4,603	4,417
Other	25	2,005	-	(2,005)	-	-
Total income		8,217	66	(2,005)	6,278	8,444
Expenditure on:						
Raising funds	10	1,205	-	71	1,276	1,465
Charitable activities						
Understanding needs		958	-	-	958	1,330
Meeting Needs		4,906	369	58	5,333	6,075
Total	11	5,864	369	58	6,291	7,405
Other		37	-	45	82	108
Total expenditure		7,106	369	174	7,649	8,978
Net gain/(losses) on investments		(155)	-	2,005	1,850	10,341
Net income / (expenditure)		956	(303)	(174)	479	9,807
Reconciliation of funds:						
Total funds brought forward		3,237	345	163,276	166,858	157,051
Total funds carried forward		4,193	42	163,102	167,337	166,858

Thomas Pocklington Trust Limited
Statement of Financial Position as at 31 March 2016

	Notes	Total funds 2016 £'000	Total funds 2015 £'000
Fixed assets:			
Property, plant and equipment	19	11,419	14,866
Investments	20	161,913	158,180
		<u>173,332</u>	<u>173,046</u>
Current assets:			
Debtors	21	706	747
Cash at bank and in hand		773	836
		<u>1,479</u>	<u>1,583</u>
Creditors – amounts falling due within one year	22	(2,672)	(2,350)
Net current (liabilities) / assets		(1,193)	(767)
Total assets less current assets		172,139	172,279
Creditors - amounts falling due after more than one year	23	(4,802)	(5,421)
Net assets		<u>167,337</u>	<u>166,858</u>
Represented by:			
Unrestricted funds	24	4,193	3,237
Restricted funds	24	42	345
Permanent endowment funds	24	163,102	163,276
Total funds		<u>167,337</u>	<u>166,858</u>
Total funds are analysed as:			
Revaluation reserve		137,979	135,276
Realised reserves		29,358	31,582
Total funds		<u>167,337</u>	<u>166,858</u>

These accounts were approved by the Trustees on November 7th 2016 and were signed on their behalf by:

R S Powell
 Director



Company registered number: 05359336

Thomas Pocklington Trust Limited

Statement of Cash Flows For The Year Ended 31 March 2016

	2016	2015
	£'000	£'000
Reconciliation of net income / (expenditure) to net cash used in operating activities		
Net income, including dividends and interest (see note 7)	479	9,807
Adjustments for:		
Depreciation	82	107
Gain / loss on disposal of property, plant and equipment	(69)	6
Net gain / loss on investments	(1,850)	(10,341)
Movement in debtors	41	(212)
Movement in creditors due within less than one year	44	144
Movement in creditors falling due after more than one year	(469)	(197)
Net cash used in operating activities	(1,742)	(686)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(146)	(37)
Disposals of property, plant and equipment	3,580	-
Acquisition of investment properties	(1,062)	(1,180)
Disposals of investment properties	5,575	1,158
Acquisition of equity investments	(1,783)	-
Disposals of equity investments	230	283
Net cash provided by investing activities	6,394	224
Cash flows from financing activities		
Repayment of loan	(148)	(144)
	4,504	(606)
Cash and cash equivalents		
At 1 April 2015	6,954	7,560
At 31 March 2016	<u>11,458</u>	<u>6,954</u>
Cash and cash equivalents		
Cash at bank, held by investment managers	11,178	6,335
Other cash at bank and in hand	773	836
Bank overdraft	(493)	(217)
	<u>11,458</u>	<u>6,954</u>

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016

1. Status

Thomas Pocklington Trust Limited (“the Trust”) is a private company limited by guarantee and is incorporated in England; the registered office address is Entrance D, Tavistock House, 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 2016 was 2 (2015 – 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 Trust is a public benefit entity as defined by FRS 102.

These accounts are the charity’s first accounts which comply with FRS 102. The date of transition to FRS 102 was 1 April 2014 and, in accordance with FRS 102, the Trust has:

- provided comparative information;
- applied the same accounting policies throughout all periods presented;
- retrospectively applied FRS 102 as required; and
- applied certain optional exemptions and mandatory exemptions as applicable for first time adopters of FRS 102.

An explanation of how the transition to FRS102 has affected the reported financial position and performance is given in note 31.

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

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

2. Accounting policies (continued)

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 Charities 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 Trust has adequate resources to continue in operational existence for the foreseeable future.

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 over the period of the relevant lease.

- **Grants receivable**

Grants are accounted for using the performance model.

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

2. Accounting policies (continued)

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 that expenditure incurred in managing, maintaining and repairing investment properties along with investment management fees.

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

Grants

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 Trust provides a range of benefits to employees, including paid holiday arrangements and defined benefit and defined contribution pension plans.

- **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 Trust operates a defined contribution plan, whereby the Trust pays fixed contributions into a separate entity. Once the contributions have been paid the Trust 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 Trust in independently administered funds.

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

2. Accounting policies (continued)

Employee benefits

Thomas Pocklington Trust participates in the Social Housing Pension Scheme (SHPS), a multi-employer defined benefit pension plan. The Scheme is funded and is contracted out of the state scheme. The Trust 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 Trust 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.

Operating lease payments

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight line basis over the 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.

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

2. Accounting policies (continued)

Property plant and equipment

Other fixed assets are stated at cost (or deemed 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

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 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 expenses 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.

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

2. Accounting policies (continued)

Investments (continued)

- **Investment properties**

Investment properties are stated at their fair value. It is the Trustees' practice to have approximately one third of the properties, on a rolling basis, externally revalued each year with the remainder being subject to an internal valuation. External valuations are 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 sales values of comparable properties.

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.

Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Trust becomes a party to the contractual provisions of the instrument. The Trust 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 Trust 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.

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

2. Accounting policies (continued)

Financial instruments (continued)

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.

Critical judgements

There were no judgements required to be made in preparing the accounts which had, or could have had, a material impact on the accounts.

Critical estimates

- 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 market values of like properties.

- Useful lives

Depreciation of assets is calculated based on the cost and the estimated useful lives of the assets. The expected useful lives for housing property components is estimated based on the expected replacement frequency used for asset management purposes.

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

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 our 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 equipment and 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.

General Funds

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

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

5. Donations and legacies

	2016 £'000	2015 £'000
Unrestricted Funds		
Donations	5	40
Other income	1	17
	<u>6</u>	<u>57</u>
Restricted Funds		
Amenity income	-	2
Donations	6	13
Other income	9	4
	<u>15</u>	<u>19</u>
Total	<u>21</u>	<u>76</u>

6. Income from Charitable Activities

	£'000	£'000
Unrestricted Funds		
Supported Housing	1,256	2,607
Care	-	603
Service level agreements	304	511
Catering income	-	105
Other income	44	62
	<u>1,604</u>	<u>3,888</u>
Restricted Funds		
Service level contracts	7	6
Grants receivable	2	5
Lottery grant	41	52
	<u>50</u>	<u>63</u>
	<u>1,654</u>	<u>3,951</u>

Income from charitable activities arises from the *Meeting Needs* charitable activity. The change in income from 2015 is due to the transfer of housing and support services in the Midlands and Plymouth to other local providers.

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

7. Investment Income

	2016 £'000	2015 £'000
Permanent Endowment		
Gross rents receivable - UK Properties	4,378	4,228
Bank interests, and dividends and interest on listed investments	224	187
	<u>4,602</u>	<u>4,415</u>
Restricted Funds		
Bank interests, and dividends and interest on listed investments	1	2
	<u>1</u>	<u>2</u>
Total	<u>4,603</u>	<u>4,417</u>

8. Analysis of income by source

	£'000	£'000
Provision of services	1,612	3,894
Rentals	4,378	4,228
Dividends and interest	224	189
Grants	43	57
Other	21	76
	<u>6,278</u>	<u>8,444</u>

9. Leases

The charity has a number of properties which are let under non-cancellable operating leases.

The charity will receive the following future rents from the leases:

	£'000	£'000
Rent due within one year	1,792	1,705
Rent due between one and five years	2,747	2,713
Rent due after five years	2,223	2,240
	<u>6,762</u>	<u>6,658</u>

Thomas Pocklington Trust has commercial and residential properties. 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 lease property.

Thomas Pocklington Trust Limited
Notes to the Accounts for the year ended 31 March 2016 (continued)

10. Raising Funds

	2016	2015
	£'000	£'000
Unrestricted funds		
Investment property costs	1,002	1,097
Staff costs (including recruitment and training)	97	109
Office costs	58	3
Support costs	48	212
	<u><u>1,205</u></u>	<u><u>1,421</u></u>
Permanent endowment fund		
Investment management costs	71	44
	<u><u>71</u></u>	<u><u>44</u></u>
	<u><u>1,276</u></u>	<u><u>1,465</u></u>

11. Charitable activities

	Direct costs	Grants	Support costs	Total
	£'000	£'000	£'000	£'000
Year ended 31 March 2016				
Understanding Needs	504	271	183	958
Meeting Needs	3,200	1,125	1,008	5,333
	<u><u>3,704</u></u>	<u><u>1,396</u></u>	<u><u>1,191</u></u>	<u><u>6,291</u></u>
Year ended 31 March 2015				
Understanding Needs	682	454	194	1,330
Meeting Needs	4,777	306	992	6,075
	<u><u>5,459</u></u>	<u><u>760</u></u>	<u><u>1,186</u></u>	<u><u>7,405</u></u>

Of the 2015 expenditure, £110,000 relates to the permanent endowment and £124,000 to restricted funds.

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

12. Exceptional Costs - meeting needs

Direct costs on meeting needs includes the following costs:

	2016 £'000	2015 £'000
Reorganisation costs	137	371
Increase in past service pension liability	651	-
	788	371

The Social Housing Pension Scheme (SHPS) is the main pension offered by Thomas Pocklington Trust. 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 resulted in an increase in the past service pension liability.

Historically, the Pensions Trust's Growth Plan was the main pension scheme and, in more recent years, it was offered as an option for Additional Voluntary Contributions. With effect from 31st October 2015, Thomas Pocklington Trust's last member of the Plan ceased contributions and accordingly, with effect from this date, Thomas Pocklington Trust ceased active Plan membership and triggered the Section 75 debt. Thomas Pocklington Trust has entered a period of grace with regards to payment of the deficit but the provision in the accounts is adequate to cover the estimated debt as at 31 October 2015 of £583k less subsequent pension contributions.

13. Grants

	2016 £'000	2015 £'000
Understanding needs:		
Research Grants	271	454
Meeting Needs:		
Visionary	223	6
East London Vision	226	46
South East London Vision	189	47
Metropolitan Sport and Social for Vision impaired	61	16
Middlesex Association for Blind	57	45
Birmingham Vision	348	7
Other	21	
	1,396	760

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. The grants under meeting needs are to support local, regional and national service provision for vision impaired individuals and includes the value of donated services.

Thomas Pocklington Trust Limited
Notes to the Accounts for the year ended 31 March 2016 (continued)

14. Support Costs

	2016	2015
	£'000	£'000
Finance	331	474
Human resources	245	226
Office services	300	371
Strategy and communications	286	252
Governance costs (note 10)	77	75
	<u>1,239</u>	<u>1,398</u>
Allocated to:		
Charitable activities	1,191	1,186
Investment costs	48	212
	<u>1,239</u>	<u>1,398</u>

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 £50,757 (2015 - £56,693).

15. Governance Costs

	2016	2015
	£'000	£'000
Unrestricted Funds		
External auditors' fees	38	35
Other service provided by external auditors	9	11
Trustees' expenses (note 10)	3	2
Meeting expenses	-	3
	<u>50</u>	<u>51</u>
Endowment funds		
Property valuation fees	<u>23</u>	<u>22</u>
	<u>73</u>	<u>73</u>

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

16. Expenses paid to trustees

	2016 £'000	2015 £'000
Travel expenses paid to one (2015: four) Trustee	<u>3</u>	<u>2</u>

No trustee received any remuneration (2015: £nil).

17. Senior Staff

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

	2016 Number	2015 Number
£60,000 - £70,000	3	3
£70,001 - £80,000	3	-
£100,001 - £110,000	1	1
£120,001 - £130,000	-	1
	<u>7</u>	<u>5</u>

The 2015 salary bandings include the effect of a redundancy payment to a former staff member.

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 Trust were £109,000 (2015: £107,000).

18. Officers and employees

	Headcount	Headcount
Average number of persons employed by the Charity was:	<u>94</u>	<u>148</u>
	£'000	£'000
The costs incurred in respect of employees were as follows:		
Salaries	2,794	2,992
Redundancy and ex-gratia payments	62	242
National insurance	259	286
Pension contributions		
- Recurring defined contribution expenses	133	150
- Increase in past service cost provision re defined benefit scheme (note 12)	651	-
	<u>3,899</u>	<u>3,670</u>

The redundancy / ex-gratia costs were paid from the charity's accumulated reserves and related to enhanced statutory redundancy costs.

Thomas Pocklington Trust Limited
Notes to the Accounts for the year ended 31 March 2016 (continued)

19. Property, plant and equipment

	Freehold land and buildings £'000	Furniture, equipment & motor vehicles £'000	Total £'000
Cost			
At 1 April 2015	14,889	253	15,142
Additions	131	15	146
Disposals	(3,520)	(180)	(3,700)
At 31 March 2016	11,500	88	11,588
Depreciation			
At 1 April 2015	88	188	276
Charge	57	25	82
Disposals	(30)	(159)	(189)
At 31 March 2016	115	54	169
Net book value at 31 March 2016	11,385	34	11,419
Net book value at 31 March 2015	14,801	65	14,866
Historic cost at 31 March 2016	6,113	44	6,157
Historic cost at 31 March 2015	15,143	44	15,187

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, the charity has decided not to continue its previous policy of revaluation and instead has elected to use the previous valuation as at the transition date as the deemed cost.

Subsequent depreciation is based on the deemed costs and the remaining useful life of the properties at the transition date and that its cost was equal to its deemed cost.

Thomas Pocklington Trust Limited
Notes to the Accounts for the year ended 31 March 2016 (continued)

20. Fixed Asset Investments

	UK investment properties £'000	Listed investments £'000	Cash £'000	Total funds £'000
At 1 April 2015	145,680	6,165	6,335	158,180
Additions	1,062	1,783	4,843	7,688
Disposals	(5,643)	(230)	-	(5,873)
Gain and losses on revaluation	2,140	(222)	-	1,918
Market value at 31 March 2016	143,239	7,496	11,178	161,913
Historic cost at 31 March 2016	11,740	6,288	11,178	24,508
Historic cost at 31 March 2015	11,622	4,605	6,335	22,562

In accordance with the Trustees' policy of valuing externally the investment properties on a rolling basis over three years, 24 (2015: 42) properties, many combining both commercial and residential usage and comprising more than one letting unit, were revalued out of a total of 93 (2015: 96) 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 closing value of the properties so valued was £53,502,000 (2015 - £51,995,000). Residential properties were valued by reference to recent comparable market transactions and commercial properties on a rent yield basis.

The balance of the properties were valued by a qualified surveyor employed by the Trust. Valuation gains and losses were based on Government data relating to property price changes over the period, specific to the areas in which the properties are located and by having due regard to the results of the external valuations.

The listed investments are valued by reference to quoted prices.

Thomas Pocklington Trust Limited
Notes to the Accounts for the year ended 31 March 2016 (continued)

21. Debtors

	2016	2015
	£'000	£'000
Trade debtors	353	423
Accrued income	53	75
Other debtors	222	137
Prepayments	78	112
	<u>706</u>	<u>747</u>

22. Creditors: Amounts falling due within one year

	£'000	£'000
Bank loan	150	148
Bank overdraft	493	217
Trade creditors	110	322
Deferred income	411	344
Other taxes and social security	72	84
Other creditors	188	311
Research commitments	283	388
Accruals	160	289
Pension liability (note 22)	805	247
	<u>2,672</u>	<u>2,350</u>

The bank loan is secured against one property.

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

	£'000	£'000
Bank loan	2,969	3,119
Pension liability (note 7)	1,776	1,900
Sinking funds	57	402
	<u>4,802</u>	<u>5,421</u>

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

	£'000	£'000
Within 1 year	150	148
Within 1 to 2 years	152	150
Within 2 to 5 years	471	464
After more than 5 years	2,346	2,505
	<u>3,119</u>	<u>3,267</u>

Thomas Pocklington Trust Limited
Notes to the Accounts for the year ended 31 March 2016 (continued)

24. Analysis of funds

At 31 March 2016	Permanent endow- ment £'000	Restricted funds £'000	Un- restricted funds £'000	Total funds £'000
Property, plant and equipment	11,375	-	44	11,419
Investments	154,527	-	7,386	161,913
Debtors	-	-	706	706
Cash and cash equivalents	361	42	370	773
Creditors due within one year	(192)	-	(2,480)	(2,672)
Creditors due after more than one year	(2,969)	-	(1,833)	(4,802)
	163,102	42	4,193	167,337
At 31 March 2015				
Property, plant and equipment	14,791	-	75	14,866
Investments	152,060	215	5,905	158,180
Debtors	3	-	744	747
Cash and cash equivalents	-	139	697	836
Creditors due within one year	(459)	(9)	(1,882)	(2,350)
Creditors due after more than one year	(3,119)	-	(2,302)	(5,421)
	163,276	345	3,237	166,858

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

	2016 £'000	2015 £'000
As at 1 April 2015	135,276	125,815
Revaluations in the year	1,918	9,969
Transfers to realised funds	785	(508)
As at 31 March 2016	137,979	135,276

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

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

25. Permanent endowment

The permanent endowment fund was established by the will of Thomas Pocklington. It is invested to generate income to enable the Trust to carry out its purposes; the investment income so generated is unrestricted.

By way of a resolution, made in accordance with the Charities (Total Return) Regulations 2013, the Trustees adopted the total return approach to investments on 31 March 2016.

The movements in the fund in the period up to that resolution were as follows:

	2016 £'000	2015 £'000
At 31 March 2015	163,276	153,428
Gains on investments	2,005	10,263
Expenditure	(174)	(415)
At 31 March 2016, prior to the adoption of the total return approach	<u>165,107</u>	<u>163,276</u>

On adoption of the total return approach, total fund was analysed between the trust for investment, being the estimated value of the original gift to the Trust, and the unapplied total return, being the balance of the fund as shown below:

	Trust for Investment £'000	Unapplied Total Return £'000	Total Endowment £'000
At 31 March 2016, on adoption of the Total Return approach			
Gift Component of the permanent endowment	17,888	-	17,888
Unapplied total return	-	147,219	147,219
Total	<u>17,888</u>	<u>147,219</u>	<u>165,107</u>
Movements on 31 March 2016			
Unapplied total return allocated to income in the year	-	(2,005)	(2,005)
Net movements in the year	<u>-</u>	<u>(2,005)</u>	<u>(2,005)</u>
At 31 March 2016			
Gift component of the permanent endowment	17,888	-	17,888
Unapplied total return	-	145,214	145,214
Total	<u>17,888</u>	<u>145,214</u>	<u>163,102</u>

The unapplied total return applied to income in the year was applied in accordance with the Trustees' policy, as explained in more detail in the Trustees' Annual Report, and is permitted in accordance with the regulations.

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

26. Other reserves

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

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.

27. 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 Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

27. 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 11 (2015 – 12) years.

Growth Plan

Historically, the Pensions Trust's Growth Plan (the Scheme) was the main pension scheme offered by Thomas Pocklington Trust. The Scheme is a multi-employer scheme which provides benefits to some 1,300 non-associated participating 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.

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

27. Pension Scheme (continued)

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2013 to 31 March 2023:	£13.9m per annum (payable monthly and increasing by 3% each on 1st April)
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A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities. The employer's deficit contributions to the scheme for the year were £64,000 (2015 - £62,000); there were no normal contributions. No amounts were outstanding at 31 March 2016 (2015 - £nil). The amount recognised in the income and expenditure account was £nil (2015 - £nil) relating to increasing the provision for the deficit funding.

With effect from 31st October 2015, TPT's last member of the Plan ceased contributions and accordingly, with effect from this date, TPT ceased active Plan membership. The cessation of active membership results in the payment of a Section 75 debt. The latest available estimate of this debt was £582,522 as at 30th September 2015. Thomas Pocklington Trust has taken the decision to pay off this debt. Once paid, all involvement in the Plan would cease with Thomas Pocklington Trust having met all of its financial responsibilities with no more risk of being required to pay deficit contributions in the future.

A provision has been included in the accounts for the s75 debt. An updated actuarial valuation of the debt as at valuation may result in the agreed contributions being amended and the impact of any such amendment will be reflected in the 2017 accounts.

28. Capital Commitments

There were no capital commitments as the year-end (2015 – none).

Thomas Pocklington Trust Limited

Notes to the Accounts for the year ended 31 March 2016 (continued)

29. Operating Lease Commitments

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

	2016 Land & buildings £'000	2015 Land & buildings £'000
Within one year	24	58
Within two to five years	-	11
After five years	-	-
	24	69

30. Related Parties

Peter Corbett, the Chief Executive of the Trust, is also a trustee of East London Vision, Birmingham Vision and South East London Vision, all of which are registered charities involved in supporting those with sight loss. As disclosed in note 8, the Trust provided grants and support to these charities. At the year end, a balance of £11,904 (2015: £9,988) is included in other creditors payable to East London Vision. Also included in other debtors are balances due to Thomas Pocklington Trust of from £3,552 from South East London Vision and £1,111 from Birmingham Vision for expenditure paid on their behalf by Thomas Pocklington Trust.

Jenny Pearce, Trustee of the Trust and Peter Corbett, the Chief Executive of the Trust are both trustees of VISION 2020UK. During the year VISION 2020UK was paid £5,762 for membership subscription and conference delegate attendance.

31. First time adoption FRS 102

These accounts are the charity's first accounts which comply with FRS 102. The date of transition to FRS 102 was 1 April 2014. The transition to FRS 102 has resulted in a small number of changes in accounting policies compared to those used previously, as follows:

Fixed Assets

- Previously freehold functional properties were stated at open market value on an existing use basis. On transition, as permitted by FRS 102, the charity has decided not to continue its previous policy of revaluation and has instead used the previous valuations as at 31 March 2014 as deemed cost. Subsequent depreciation is based on that deemed cost.
- The 2014 accounts included an additional revaluation uplift of £350,000 above the formal valuations obtained. This difference was eliminated on transition. This results in subsequent adjustments to depreciation charges and the previously reported loss on disposal.
- Previously impairments were assessed by reference to the estimated present value of future net income streams from operating the properties on an existing use basis. Under FRS 102, the fair value of the properties is also considered in the impairment assessment. As a consequence, no impairment arises under FRS 102.

Thomas Pocklington Trust Limited
Notes to the Accounts for the year ended 31 March 2016 (continued)

31. First time adoption FRS102 (continued)

Employee benefits (continued)

• The Trust previously recognised agreed past service payments to multi-employer defined benefit plans which are treated as defined contribution plans for accounting purposes. Under the previous accounting policy, these payments were discounted at an estimated market rate of interest. Under FRS 102, the payments are discounted at market yields on corporate bonds with a maturity consistent with the period of future payments. This discount rate is lower than that previously used, leading to a higher liability. In addition, an adjustment of £73,000 was recognised in 2015 relating an increase in the liability from re-measurements

Reconciliation of fund balances for the year ended 31 March 2015

	Funds at 1 April 2014 £'000	Net income / (expenditure) £'000	Funds at 31 March 2015 £'000
Funds as previously stated	157,558	9,303	166,861
Transitional adjustments			
Adoption of deemed cost, adjustments to depreciation and impairment	(406)	550	144
Change in discount rate relating to past service contributions and 2015 adjustment to liability	(101)	(46)	(147)
Fund balance as restated	<u>157,051</u>	<u>9,807</u>	<u>168,858</u>

