

# R L Glasspool Charity Trust

# Annual Report and

# Accounts 2018



Helping people who cannot be  
adequately helped by others

 **Glasspool**  
Charity Trust

Charity Reg. No. 214648

# OUR YEAR IN NUMBERS

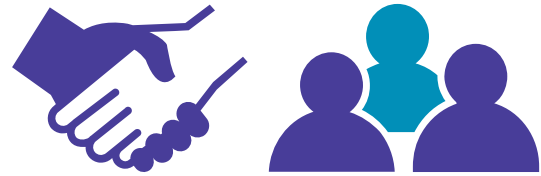
## PEOPLE



**6,241** number of households supported

**11,750** individuals supported (estimated)

## PARTNERS



**1,690** partner support agencies

**3,891** support workers

## PERFORMANCE



**£1.69m** value of grants approved

**8,080** applications received

**6,241** grants awarded

**7,029** number of items awarded

## FINANCIAL



**£314k** total amount of grant-making costs of the Trust

**£41.4m** total value of assets of the Trust

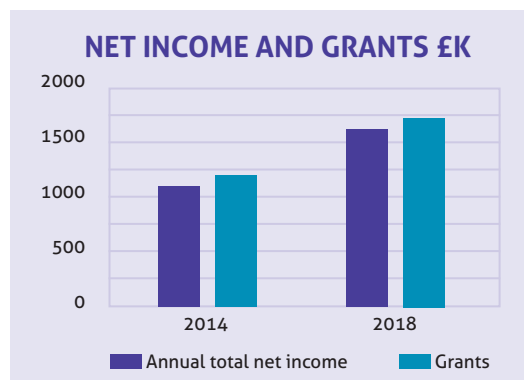
**£1.94m** total income

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# 1 CHAIR'S STATEMENT

Our five-year strategic plan has now come to an end. We have performed well and ended 2018 having exceeded our strategic goal to grow the annual grants budget from £1.1m to £1.5m. We actually achieved £1.7m, an increase of 18% above our target.



This was achieved in part by a major strategic asset reallocation initiated in 2014 and concluded in 2018, delivering a significant increase in annual investment income to £1.84m. It is pleasing to note that the average Total Annual Return over the 23-year period from 1995-2018 was approximately 13.6%, a considerable achievement. With the increases in the values of the Trust's funds and the grants spend being 8.7% p.a. and 9.0% p.a. respectively, the Trust has met the commitment to more than sustain the real value of its funds, while increasing the annual grants budget above the rate of inflation (which has been 2.8% p.a. over the last 23 years).

Improving the impact of our grants remains an important focus for R L Glasspool Charity Trust (the Trust). Working alongside our agency support partners we seek to continually adapt and improve our service offering to beneficiaries. Good progress has been made on building strong relationships with our partners, enabling us to further develop how we support beneficiaries.

We remain focused on our commitment to improve the efficiency of the organisation and our expense ratios remain within target. In 2017, we published our first *Impact Report*. This is a first step towards improving our communications, focusing on the impact of our grants delivery and developing closer, more effective links with our stakeholder groups. In 2018 there was a major change in the governance of the Trust. Work was completed to transfer the management of the Trust to R L Glasspool Trustee Limited, which was incorporated on 12th January 2018.

No one can predict the challenges people will face in the future. This makes it imperative that charities such as ours develop more flexible and responsive ways to support beneficiaries. In 2018, we developed a new five-year strategy for the next phase of the Trust's evolution. Central to this is the need for greater flexibility and responsiveness to disruptive socio-economic change. In order to do this, we anticipate a need for greater collaboration with our partners.

Operationally, the past year has been particularly challenging. Successful delivery relied on considerable dedication from the Trust's hardworking staff team. On behalf of the Board, I would like to thank staff for all their efforts throughout the year. Special thanks are due to our CEO Julie Gilson for leading the delivery of the Trust's challenging objectives under some quite difficult and complex circumstances.

The Trust relies fundamentally on a group of dedicated voluntary trustees, without whom we could not function. I would like to thank my fellow trustees Jacinta Belai, Robert Birmingham, Charles Mesquita, Keith Nunn, Kerri Phillips, Mary Stimson and Denise Tur for their dedication, hard work and support. Keith Nunn stepped down as Chair of the Trust, a post he held for 17 years, although he will continue as a director until March 2019, providing his wise counsel and expertise.

I would also like to thank our accountant Peter Barton, our auditor Cathy Cooper, our property managing agent Tim Henson, our financial adviser Steve Ivory and our solicitors Bob Bentley, Reema Mathur and Philip Askew, for their services and help through the year. Our thanks are also due to Strettons for their advice and support during the sale of the Trust's remaining freehold properties.

*M. N. Luheshi*

**Matt Luheshi**

Chair of the Board of R L Glasspool Trustee Ltd

30th November 2018

## 2 CEO'S STATEMENT

It has been a dynamic year for us. We sought to address a steady increase in requests for grants support, evaluated our current strategic progress and developed our thinking for the next five years and beyond.

According to research undertaken by the Centre for Responsible Credit, by September 2017, 26 local authorities in England had closed their Local Welfare schemes, a further 30 had cut back spending by over 60% and 11 by over 80% were on the brink of collapse.

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“Local welfare schemes are in meltdown. Government continues its assault on local government funding whilst trying to avoid responsibility for the consequences. Our research reveals a depressingly bleak picture as a result. More pain and misery for those individuals who fall on hard times and greater demand on housing, health, and social care services. An urgent review of this policy is needed.”

**Damon Gibbons**, Director, Centre for Responsible Credit, 2017

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The effect on us was an increase in demand for support grants for individuals. While we prioritised our grants offer and extended our response times, it did not limit the increase in demand. We therefore reluctantly took the unprecedented step of closing the fund to new applications for the last three weeks in March 2018. Despite the closure, with an increase in the annual grants budget we were still able to increase our grants offer, approving 6,241 grants totalling £1,688,651, an increase of 4% over the previous year.

We wouldn't be able to support so many applicants and contribute to packages of support without the strong working relationships we have with 3,891 support workers from 1,690 agencies. They provide front line support for their service users and keep us informed of the issues people are facing on a daily basis.

During December 2017 and February 2018, Glasspool sold the last of its residential freeholds. The proceeds of these sales have been invested, yielding an increase in income and enabling us to increase our grants budget.

The staff team worked hard to ensure we were ready for the GDPR regulations which came into force 25th May 2018. They also worked closely with trustees and external agencies to develop our next five-year strategy. We look forward to the contribution we will be able to make towards realising our vision of a society where people in need receive sufficient support to overcome hardship.

*Julie Gilson*

**Julie Gilson**  
Chief Executive Officer

30th November 2018

### 3 HOW WE HELP

It is difficult for people to stabilise their lives and move forward if their everyday needs are not met. We contribute towards these needs by awarding grants for essential household items such as white goods, beds and bedding, adult and children's clothing and school uniforms. In exceptional circumstances we also award grants for vocational training where someone has an offer of employment and the only thing holding them back from taking up their job offer is a specified qualification.

### 4 WHO WE HELP

We are one of the few national charities making grants to individuals with no restrictions on the type of beneficiary we award to, as long as they are legally resident in the UK. This means we are able to help single people, couples, parents and other family groups, including people like Graham.

Graham had recently experienced mental health issues and other problems. With the help of the Tenancy Sustainment Officer from his housing association, an application was made to Glasspool for several items. We awarded Graham a much-needed bed and bedding. One day Graham wrote to us sharing how he now feels more human again, thanks to Glasspool's support.



“The bed base and mattress were delivered on Tuesday by Dreams, who were very professional and polite throughout, and kept me informed of when delivery would happen. The quality of all the items is better than I'd hoped for, the fabrics feel good, and it is all very comfortable to use. I had been sleeping on a concrete floor for nearly three months. To now have a bed and bedding, and it being such good stuff, goes a long way to making me feel more human again. It will help to improve my physical and mental health too. It has made my life a good bit easier.”

Graham

## 5 WHO WE WORK WITH

### 5.1 Partner support agencies

We provide support to over 11,750 people each year with the help of our partner agencies. They submit applications to us on behalf of their clients and many continue to provide on-going support after the receipt of our grant. This enables individuals to receive greater support than we could offer from our grants alone.

During 2017/18 we worked with 1,690 partner agencies across the UK. These included housing associations, citizens advice bureaus and probation services. We also worked with a variety of third sector organisations that support sections of the population e.g. disabled people, those who have experienced domestic abuse or those with mental health issues. More than one support worker per agency can be registered with us. Over the year the number of support workers registered grew to 3,891.

Riverside is one of the many agencies we worked with last year. It is one of the leading registered providers of social housing and support in the UK; providing support and affordable housing to people of all ages and circumstances throughout England and South West Scotland. They are also one of the top three largest providers of homelessness services in the country providing a range of accommodation-based, floating support and outreach services. Since 2016 their staff have successfully applied to the Trust for over 270 grants, with a total value of just over £29,000 to support beneficiaries most in need.

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“One of the best things about Glasspool is the speed and flexibility in delivering grants. This is vital when we are supporting customers in crisis. We are able to apply for funding and purchase items directly through their suppliers, or access cash grants our staff can spend, together with a customer, on any agreed items. We have over 60 staff across the country registered to apply for grants. I have received nothing but positive feedback about the difference it is making to our customers.”

**Mark McKean**, Business Development Officer, Riverside

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### 5.2 Livery companies

We value the financial support we receive from The Mercers', Drapers' and Goldsmiths' livery companies. During 2017/18 we received:

- **£50,000** on behalf of The Mercers' Company which is Trustee of the Charity of Sir Richard Whittington
- **£30,000** from The Goldsmiths' Company
- **£25,000** from The Drapers' Company

The Mercers' Company supports our national work, The Goldsmiths' Company support those in need within London and The Drapers' Company support individuals in need across North East London. Their combined support over the last year enabled us to award grants to meet the essential needs of 387 households and over 500 people.



One of the individuals we were able to help with a Drapers' Company grant was a 52-year-old man living in the borough of Barking and Dagenham. The client was suffering from paranoid schizophrenia. He had been helped to resettle in a new area, set up home and budget his bills. His local welfare scheme would only provide food parcels and/or emergency funds for heating. Given his mental health status he has no work history which would make him eligible for occupational grant support. He is a single male so was unable to receive support from family based or women focused charities. We awarded a grant for a fridge-freezer. The client is now able to eat nutritious food and save money on takeaways. He is able to store items, keeping food longer which is helping him to budget. Overall the grant helped to improve his quality of life and contributed towards creating a stable home away from a drug taking environment.



“We have been working in partnership with R L Glasspool Charity Trust for the last two years and are delighted with the impact that the partnership has achieved. The expertise of the Glasspool team has enabled us to target our block grant, as part of a package of support, helping those people in real need in Greater London.”

**Andy Mellows**, Head of Charities, The Drapers' Company



## 5.3 Our suppliers

Wherever possible we provide household items through our trusted suppliers, Dreams (for beds and bedding) and Co-op Electrical (for white goods). Not only do they provide us with competitive prices enabling our funds to go further, they understand the needs of the individuals we support and take extra care delivering, installing and removing unwanted items. Where an individual needs an item not provided by our suppliers, we issue cheques via their support agency. The support worker will then work with the individual to obtain the item approved by our grant award.

### CASE STUDY – CO-OP ELECTRICAL

“We have developed an excellent relationship based on trust.”



Electrical

Co-op Electrical supplies essential appliances such as washing machines, cookers and fridge freezers. They have a team dedicated to charity clients, including Glasspool and the people we support. After we place an order a member of their charity team works closely with the beneficiary and, where necessary, the individual's support worker to arrange delivery, installation and collection. Co-op Electrical are aware that many of the people we work with have unsettled lives which means items cannot always be delivered or installed first time. To ensure a successful outcome they go the extra mile working with support workers and the individuals themselves where additional arrangements need to be made.

“The Co-op has worked closely with Glasspool in support of its work for over five years now. During that time we have developed an excellent relationship based on trust and a mutual desire to ensure we deliver an excellent service to their beneficiaries. Communication between our teams has been and will always remain key to meeting this objective. It is a real pleasure to support the charity in completing its important work.”

**Steve Jacob**, B2B Account Manager, Co-op Electrical

## 5.4 Wider networks

The Trust remains an active member of the Association of Charitable Organisations (ACO). Our CEO is a Trustee of this umbrella body and Trust staff and trustees attend ACO events and conferences. We work with ACO to influence national policy that affects grant-makers and benevolent funds, and raise the profile of the benevolent sector and their work supporting individuals.

## 6 STRATEGIC OBJECTIVES 2013-2018

Our strategic aims for 2013-18 were:

- Increase annual grants to £1.5m
- Double our impact
- Increase operational efficiency
- Improve governance
- Improve communications, becoming more open and proactive.

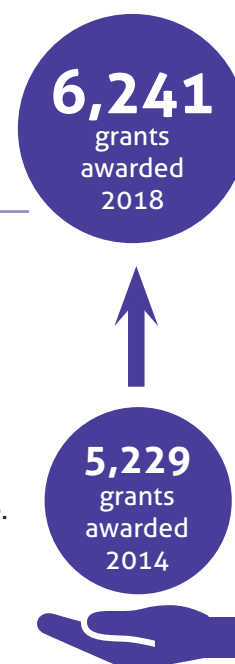
### 6.1 Grants



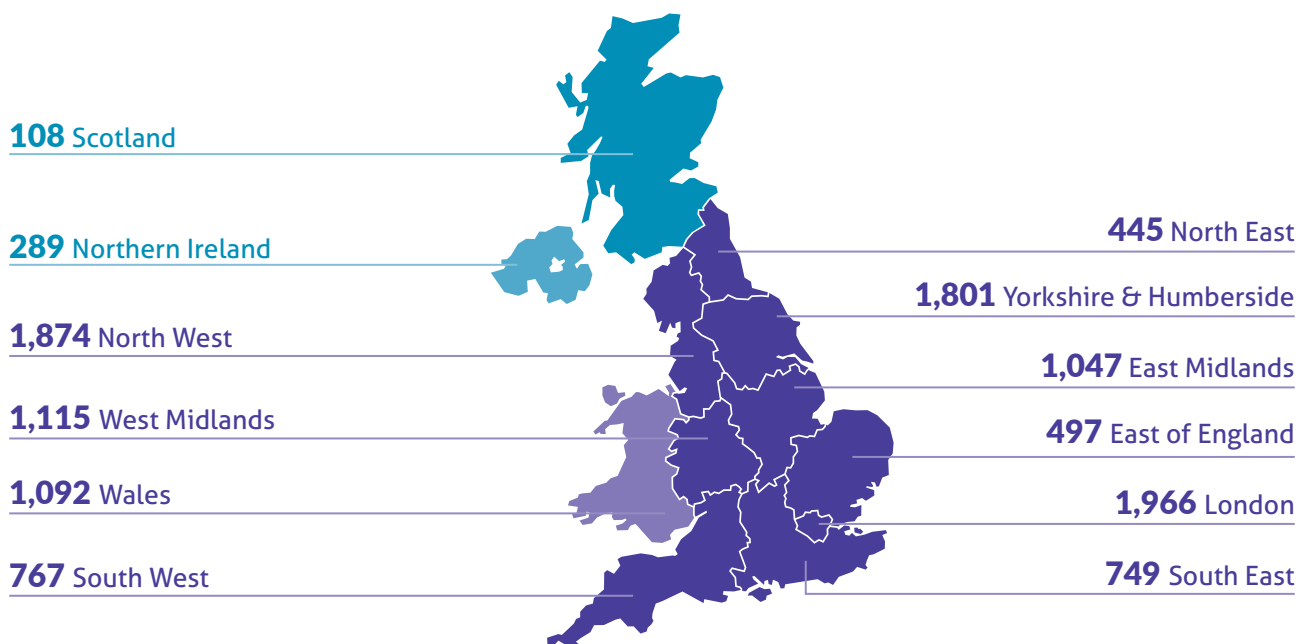
Our target to grow the annual grants budget from £1m to £1.5m by March 2018 was exceeded. By 2017/18 the grants budget had grown to £1.7m p.a.

During the year we approved 6,241 grants totalling £1,688,651, an increase of 4% on the previous year.

Grants to any one individual or family rarely exceeds £300 and the average grant is around £289. A grant may be as low as £50. Normally not more than one grant may be made to the same beneficiary in any three-year period, although in practice repeat grant applications are rare. The trustees believe that making large numbers of small grants complies with the intentions of the Trust's founder and with the stated aims of the Trust.



### Regional distribution of beneficiaries (2017/8)



## 6.2 Impact

We increased our impact in a number of ways.

We grew our grants budget by 55% over the 2013-18 period, enabling us to award more grants and benefit more individuals, couples and families. We committed our staff resources to signposting support workers to alternative and supplementary statutory and third sector funders to increase support for individuals. We developed pilot projects with organisations that shared our values and ambition to achieve greater impact for our beneficiaries.



### Vicars Relief Fund pilot – aligning grant funding



The Vicar's Relief Fund (VRF) is a funding programme of St Martins-in-the-Fields Charity. It is a last resort fund providing crisis grants to assist people to secure a stable tenancy. Due to the high demand on their funds, they were increasingly unable to help people obtain the essential household items necessary to secure a new tenancy after a period of homelessness, exactly the support Glasspool is able to provide.

During October 2017, we launched a small partnership pilot project with VRF to increase the support an applicant could receive. The pilot also aimed to reduce the time taken by support workers applying to multiple funders, thereby reducing the time people had to wait to have their needs met. This project provided an opportunity to trial a new approach to partnership working.

We trained staff at the VRF to assess applications using our criteria for awarding household items. They applied our criteria in addition to their own for awarding grants for deposits and rent arrears. We allocated £10,000 of our funding to this pilot.

### The results

In total 98 applications were assessed and a success rate of 53% was achieved (the point at which the budget was fully used). For every £1 that Glasspool contributed to this pilot, the VRF contributed £1.52.

There was a quick turnaround as grants were usually made within a day. Support workers told us their workload had reduced as they were now making fewer separate applications. Applicants received the items they needed more quickly and had two needs met, thus doubling the impact of the support for applicants.

One of our grants was used to purchase a microwave, fridge-freezer and bed. This was matched by a rent deposit grant provided by VRF.



## St Giles Trust pilot – pooling grant funds and providing added value through additional support



### St Giles Trust

For a number of years we have been providing vocational grants to enable people to take up offers of employment where the only barrier has been the requirement to have a specific vocational qualification. In 2017/18 we started a pilot to identify the short and medium-term outcomes for people in receipt of one of our vocational grants. Glasspool and St Giles Trust (SGT) each committed £10,000 grant funding for this pilot.

SGT is a charity that helps people who face severe disadvantage, to find jobs, homes and the right support they need, helping them to become positive contributors to local communities and wider society. We were particularly impressed by the holistic support this organisation provides through its peer-led services.

The pilot aimed to bring together financial contributions from ourselves and SGT to create a ring-fenced fund that supported SGT clients who were ex-offenders to take up vocational training and enter into sustainable employment. The target applicant group combined offenders leaving prison and those who were already in the community, enabling SGT to reach out to their community-based employability services.

#### Pilot results

- 27 people were supported (seven more than our target).
- Six people completed their training with a further eight still in training or due to take it up.
- Nine gained employment (10% more than the 90% target)

The pilot is still on-going and SGT is currently tracking the long-term outcomes of these clients, including the numbers still in paid employment after six months.



“Without this qualification and now being employed, I would have gone back to prison, this really has changed my life, thank you so much.”

Recipient of the SGT RLSE/  
Glasspool Fund January 2018



## 6.3 Efficiency

We continued to deliver on our commitment to improve the efficiency of our organisation. During 2017/18 we sought to refine our grants management system GrantsPlus, to achieve efficiencies in administration. This will remain a priority for us in the years ahead.

We also sold our remaining interest in residential freeholds, enabling us to grow our investment income and focus staff resources on grants assessment and support.

### Efficiency measures

We were able to meet two out of three efficiency measures during the year.

- We implemented decisions on grants within three months of receipt in 99% of cases (9% over our target of 90%).
- We kept grant making costs at 16.2% (3.8% below our target of 20% net income).
- We were not able to achieve our target of 90% of all applications assessed within 10 working days. During this timeframe we assessed 68.2% of applications within the target, with the rest completed within 20 working days.



## 6.4 Governance

During 2017/18 we transferred the administration of the Trust to a limited liability company. From 1st April 2018, the Trust will be managed by one corporate trustee, R L Glasspool Trustee Limited, which will be managed by eight directors. These will be the same individuals who formerly managed the Trust. The Trust's Scheme has been amended in line with the new governance arrangements.

A number of sub committees advise the Board of Trustees on issues relevant to the aims, objectives and good governance of the Trust. A Finance Sub-Committee (FSC), Grants Sub-Committee (GSC) and a Human Resources Sub-Committee (HRSC) meet regularly to discuss issues and make recommendations. These sub-committees, supported by the CEO as Company Secretary, each have a Chair, Deputy Chair and at least two other trustees. The Chair, Deputy and the members of the sub-committees are elected annually. The Board, FSC and GSC formally meet quarterly and the HRSC twice a year. Meetings are supplemented by web-meetings and project working groups on specific work areas, such as grant development and communications. The Board and staff also hold an annual Strategy Away Day. From 1st April 2018, the current trustees will become directors of R L Glasspool Trustee Limited.



### Trustees

In addition to Dr Keith Nunn stepping down as Chair of the Trust, we welcomed our newest trustee Jacinta Belai. The Trust has a long association with Jacinta, who developed our *Impact Assessment Report* in 2012 and our *Needs Assessment Report* in 2017.

As part of our trustee succession planning, we undertook a comprehensive trustee and senior staff skills audit to identify any gaps and plan for future recruitment. Using insights from the audit, in 2019 we will implement a company director recruitment process, whereby directors will serve as an observer for an agreed period, after which they either become a full director or step down from the board, mirroring our current approach.

## Staff

The key management personnel are the CEO and Deputy CEO. Reporting to the Chair of Trustees and working closely with trustees in an advisory capacity on strategic development and governance, the CEO is responsible for operational and staff management. The role has a considerable external focus, working with strategic and funding partners.

Alongside deputising for the CEO, the Deputy CEO is responsible for operational and compliance management across a broad range of areas including investments, finance, IT, data protection, health and safety and facilities management. The role is largely internally focused with the exception of operational investment and supplier relations. The CEO and Deputy CEO work closely with the trustees servicing governance structures. Staff salaries are reviewed annually by the trustees using a formal Remuneration Policy.

## Trustee and staff development

Trustees are provided with a comprehensive induction to Glasspool, and subsequent development and training through external seminars and training. Trustees attended seminars and conferences on governance, investment, grant-making and data protection in 2018.

Staff discuss their training needs during annual appraisals and regular meetings with the CEO. Developing and supporting our staff was a key focus for 2018 and during the year they attended a range of courses and seminars covering, welfare benefits, finance and investment, data protection and communication skills.

## Delegated authority

Trustees have delegated grant-making authority to staff within a clear framework specifying the criteria for assessing applications. The GSC receives detailed reports on grant-making. Appropriate checks and balances are in place, both on decision making and expenditure. The full board considers a sample of anonymised grant applications at their board meetings in February, May and December, to help maintain trustees knowledge of the impact of grant making policy.

## Risk Assessment

As part of Glasspool's risk management process, risks are reviewed quarterly at sub-committee and board meetings, with risks classified as Low, Medium or High. The risks are summarised on a 'Risk x Likelihood' versus 'Impact' matrix and RAG rated following the application of risk mitigations. Each risk is owned by one of the three sub-committees, who manage and minimise its impact.

The two highest risks we continue to face are losses on investments and reductions in income at a time of increased demand from beneficiaries, and our reliance on grants software. However, we are an agile funder and can quickly adapt our grant making to any changes in income. Furthermore we have established back-up measures to offset any IT risk.

Other than potential staff redundancy payments and the outstanding lease on the Trust's offices, our only other significant exposure relates to staff pension liabilities. The potential 'Debt on Withdrawal' the Trust would have to pay should it leave TPT Retirement Solutions' (formerly The Pensions Trust) multi-employer CARE defined benefit pension scheme is a significant financial risk. This risk has become more significant over the last two years and at £541,788 (as of 30th September 2017) is now an individual risk issue and by far our biggest liability. The Designated Pension Reserve is now £765,359 and adequately covers this contingent liability, although we have no intention of withdrawing from the closed scheme. The CARE scheme was closed on 1st April 2016 and our staff transferred to the Flexible Retirement Plan a Defined Contribution (DC) scheme also administered by TPT Retirement Solutions. The discounted Net Present Value (NPV) of our deficit recovery payments over the remaining period of the year recovery plan is £91,686 and this figure has been allowed for in the annual accounts.

## 6.5 Communications

We started the process of developing and improving our communications by launching our first website in 2013.

Since then we have continued to modernise our publications to make them more accessible. We have updated our Annual Reports and produced our first *Impact Report*, to positive reviews from stakeholders. The *Impact Report* provides a concise overview of our activities, with a much greater focus on outcomes – the difference we make to the lives of those who receive our grant.

During the year we commissioned Self Communications to undertake a comprehensive communications audit of the Trust. This included surveying support workers in our partner agencies, representatives of our livery company funders, peer funding organisations and trustees and staff.



### What we learnt



This feedback did not come as a surprise, but provided evidence to our anecdotal assessment of our communications. We were pleased by the many support workers who said they would be happy to help us demonstrate the impact of our grants on their clients and service users. We intend to work much more closely with support workers on showing the impact of our grants when we implement our next strategy from 2019.

## 7 PUBLIC BENEFIT

The trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit on the prevention and relief of poverty, when reviewing the Trust's aims and objectives and in planning its future activities.

There are no restrictions on who may benefit from the Trust's funds, other than a requirement to demonstrate financial need. In our experience, applicants to our charity who are "sick, convalescent, disabled or infirm" [1(b) of our objectives] are also "in need, hardship or distress" [1(a)]. Any individual legally resident in the UK who is in need and on a low income is eligible as a potential beneficiary for the Trust. As we cannot help every applicant who falls within this category, we prioritise by looking at their degree of vulnerability and how essential the need is. No individual or organisation receives any private benefits from our charity. Our aims, strategies and achievements are described in section six of this report.

All those who received a grant from the Trust were in financial need and had income of less than £50 a week after main items of expenditure such as rent, food, heat, clothing and travel had been accounted for. Many were in debt as their expenditure exceeded their income.

The trustees strongly believe people cannot move on with their lives until their basic needs have been met. The benefits of our charitable work are clear and directly related to our aims. Our grants relieved material deprivation through the provision of basic household equipment such as cookers, washing machines and fridge/freezers (66% of all grants awarded); bedding and beds (8%); basic clothing including essential school uniforms (5%). The remaining 21% enabled beneficiaries to obtain baby items, take up vocational training leading to employment and contribute to the costs of aids and adaptations. We made one-off grants, but did not help with weekly income, debts or arrears as these are outside our grant-making criteria.

There is no detriment or harm against which to balance the benefit other than the risk of replacing statutory funds. Meeting needs for which a statutory agency is responsible for results in both an under-estimation of statutory need and a reduction in charitable funds. In such cases we may refuse help, or we may meet the need and raise the issue with the relevant statutory agencies locally and/or nationally, either ourselves or via the ACO. Unlike charities that take on contracts to provide public services, there is no question of any cost recovery for our funds.



## 8 OUR PLANS FOR THE FUTURE

Over the last 18 months we have undertaken a considerable amount of work to develop our new strategy. Central to achieving our strategic goals will be the need for flexibility and responsiveness, to enable us to respond quickly and effectively to changing needs.

We will review our strategic and operational outcomes to provide clarity on the difference we want to make for the people we support.

We aim to increase our grant spending each successive year, reaching £2m p.a. by 2023.

We will continue to make large numbers of small one-off grants to individuals to help meet basic needs.

Closer relationships with our partner agencies will become an even greater imperative for us. Increasingly we will aim to share decision making on grants with partner agencies.

We will assess and increase the impact and effectiveness of our grant giving by working with support agencies on our current grants programme and piloting new grant-making approaches.

We will continue to take a robust approach to risk management across strategic and operational areas, including resources (grants and personnel) policies and systems.

We will continue to help to create change in broader ways through policy work with ACO and responding to Charity Commission, other regulatory bodies and government consultations.

We will review our strategy annually to ensure we are on track to deliver our ambitious growth and development plans.

Our ambitious plans will not be possible without sound financial management.

- We will retain our two main objectives which are to grow both the grants and funds value in real terms over the foreseeable future.
- We will continue to apply a three-year Rolling Average (RA) to our financial and investment targets to smooth out the effects of shorter term volatility.
- We will continue to spend more than 100% of the net income after all fees and grant-making costs, if necessary, using reserves to increase our grant spending in line with our strategic aims.
- We will seek to retain and expand our working relationships with funders such as livery companies and others to grow our grant-making.
- Having re-invested the proceeds of the sale of our residential freeholds into higher yielding equity, infrastructure and commercial property funds, we are not envisaging further major changes to the overall portfolio in the short to medium term unless there are significant increases in either interest rates (bond yields) or inflation.

## 9 FINANCIAL REVIEW

### 9.1 Introduction

The Trust was endowed in 1939 with properties and smaller investments then valued at around £139,000. The total value of the Trust's funds as at 31st March 2018 was £41,449,037. The value of the endowed funds currently stands at £39,966,458, with the remaining £1,482,579 held in reserves which can be used in achieving the charity's objectives (together with the income earned from the endowed funds).

Under the current Trust Deed there is no finite period for the charity's existence. The Trust does not currently fundraise. All income comes from the dividends and interest from the investments and deposits, apart from the grants listed in Section 5.2. The current intent of the trustees is to spend more than 100% of our Net Income (after all fees and grant-making costs). We will utilise the growth in reserves or, where necessary, the non-designated reserves themselves to ensure that we continue to increase our grant spending in real terms. In 2018 we spent 103.6% of our Net Income with the £58,473 deficit reducing our General Reserves.

### 9.2 Investment responsibility and strategy

Responsibility for the Trust's funds lies solely with the trustees. Investment performance and ongoing strategy are discussed at the first meeting of the FSC (held in May) and approved at the following Board of Trustees' meeting.

Investment performance is reviewed on a quarterly basis and all investment and divestment recommendations are agreed by the trustees. Investment advice is provided by an IFA on a fee basis to both check the trustees' strategy against their objectives and the investment performance against targets. It also includes advice on investment opportunities and changes in regulatory constraints and economic conditions.

The Trust's investment strategy targets a steadily rising income, while maintaining the fund value in real terms. The majority of the Trust's investment funds are held in a well-diversified range of high yielding investment funds across a broad range of asset classes. These investments are listed in Table 3 (page 22). Short-term deposit funds are held in the COIF Deposit Fund and various CAF current accounts. Sufficient funds (around £300,000) are maintained in instant access accounts to ensure efficient cash flow to facilitate grant giving and payment of grant-making costs.

### 9.3 Investment objectives, targets and performance

The main objectives of the Trust are to increase both the total value of the grants paid annually and the Trust's total funds value year on year. In both cases the target is to match or better the RPI increase using three year Rolling Averages (RAs) to smooth out shorter-term fluctuations. In this way the trustees aim to treat both present and future beneficiaries equitably.

Trustees track performance against these objectives annually, and from 1995 (when the first full evaluation of the Trust's assets was carried out) up to 2008 they were met each year. Following the financial crash in 2007/08 it was difficult to meet the fund value objective, although we continued to meet the grant-giving objective. This year the three-year RA annual increases in Grants and Total Funds were 7.8% and 2.0% p.a. respectively compared to the average increase in RPI of 2.7% p.a. over the last three years.

The growth in annual grants and total fund value since 1995 can be seen in table 1 and 2 (page 19). During this 23-year period, annual grants have increased from £230,500 to £1,688,651 and total funds from £6,035,000 to £41,449,037 with the compound average increases being 9.0% p.a. and 8.7% p.a. respectively, compared to the equivalent figure of 2.8% p.a. for RPI (which increased from 147.5 to 278.3 over the same period). Including the income received, the average total return over the 23-year period was 18.5%.

TABLE 1: TOTAL GRANTS AWARDED (£) FROM 1995 – 2018

YEARS ENDING 31 MARCH

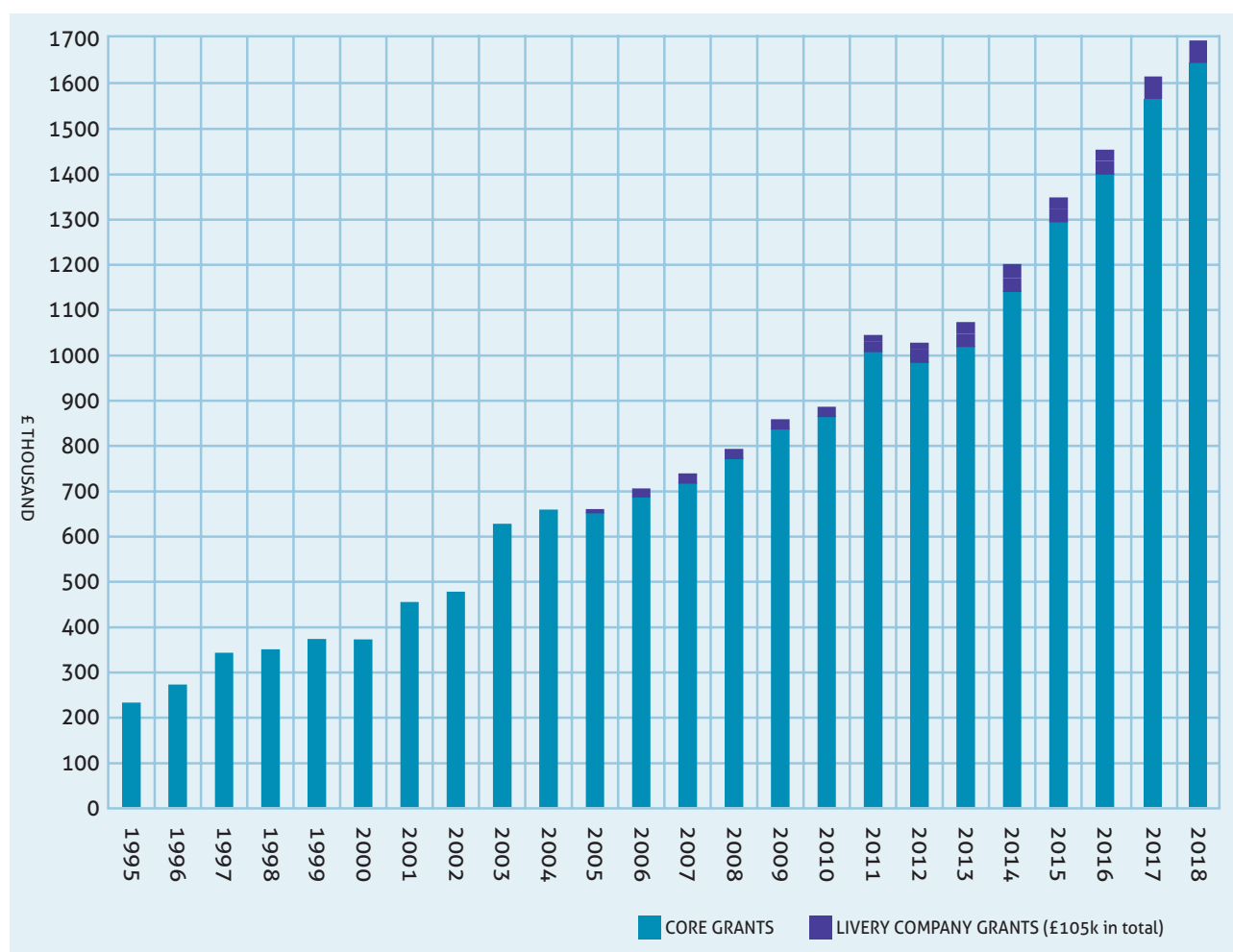
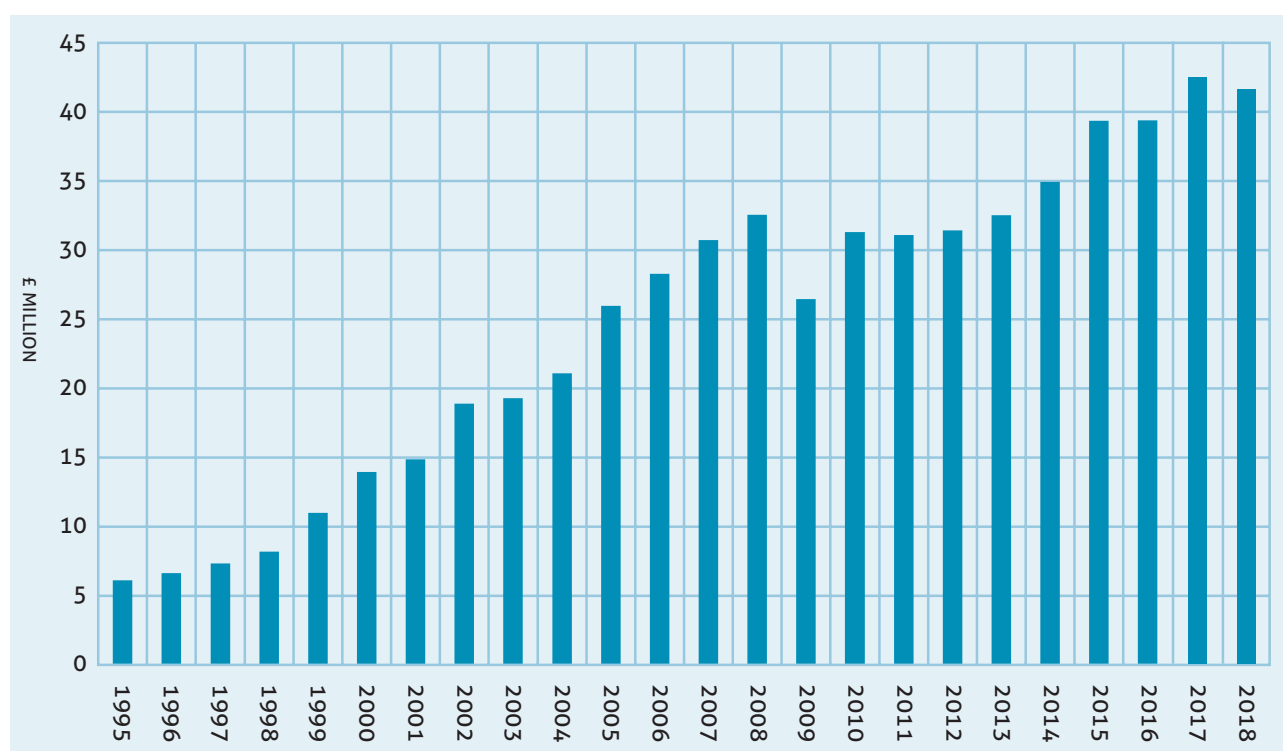


TABLE 2: TOTAL FUND VALUE (ASSETS) FROM 1995 – 2018

YEARS ENDING 31 MARCH



In addition to the two main objective targets, the trustees also track four other measures:

***Metric 1, the Net Total Income Return (NTIR).***

The total net (investment) income 2017/18 after fees obtained from investments and deposits was £1,839,010, equivalent to an income return of 4.5% on the value of the total funds at the beginning of the year (£42,526,561). The three-year RA figure was 4.5%, 0.5% above the 4% target.

***Metric 2, the Total Return (TR).***

This is the sum of the capital growth of the Funds (adjusted by the surplus/ deficit incurred in the year) and the Net Total Income Return (NTIR). The target is the increase in RPI + 4%, again smoothed on a three-year RA basis. For the year the TR was 4.5%, with the three-year RA figure being 6.4% p.a. 0.2% below the 2.7% + 4% = 6.7% target.

***Metric 3 is a cost-effectiveness measure of the running of the Trust***

It is the ratio of the grant-making costs (office, staff, trustee and adviser/ consultant costs) to the Net Total Income received by the Trust. Again, this is averaged over a three-year period. The target is to keep this below 20%. In the year the administration costs decreased from £383,531 to £314,082 and were 16.2% of the £1,944,260 Net Total Income. The three-year RA figure was 17.3% (2.7% within the 20% target).

***Metric 4 is the ratio of Grants to Net Available Income (NAI)***

After deduction of all fees and the grant-making costs, with the aim for this to exceed 100% (again on a three-year RA basis). In 2018 grants at £1,688,651 were 103.6% of the Net Available Income of £1,630,178 with the three-year RA figure being 103.0% (3.0% above the target).

## **9.4 Investment portfolio and risk profile**

The detailed portfolio shown below in Table 3 (page 22) shows the annual growth and current (historic) yields of all the assets held by the Trust as at 31st March 2018. Following the sale of the last of the Trust's residential freeholds in February 2018, the Trust's investment portfolio is now comprised of a single multi-asset fund (2%), equities (53%), commercial property (21%) and listed infrastructure (24%) with a very small (<0.1%) amount in two fixed income funds. While the asset allocation is somewhat unconventional and might be considered 'medium to high' risk, the trustees are confident the portfolio will continue to deliver the objectives it seeks and, moreover, as long term investors with limited liabilities, confident that they can cope with the levels of possible volatility.

The 2.5% fall in the total value of the Trust's assets from £42,526,561 to £41,449,037 in 2018 was largely as a result of the fall in equity markets in the final quarter of the year (when the FTSE100 fell over 8% to end 3.6% down on the year) and the fall in two of the listed infrastructure funds that both fell more than 15% on political concerns. The weighted current (historic) yield of the investments at the end of the year was 4.7% for the investments and 4.6% for the total portfolio. The latter figure is slightly higher than the actual yield achieved over the year which, as stated in section 9.3, was 4.5%.

Trustees monitor the 'performance', 'risk' and 'cost' issues related to yield and expected medium to long term capital growth both at the quarterly FSC meetings and in regular discussions with the Trust's IFA. In particular, the current yield and relative three to five-year market outlook for the main asset classes (UK and overseas equities, UK gilts and corporate bonds, commercial property, infrastructure and cash) are considered prior to making decisions regarding the total portfolio and any sales and re-investments. Our IFA also attends one FSC meeting for the annual review of the portfolio together with one of our investment managers (M&G in May 2017).



## 9.5 Responsible investment

The trustees wish to be responsible investors. Fund managers with whom we invest are expected to consider environmental, social and governance (ESG) issues in their investment analysis and decision-making processes, and report upon their engagement with company management. We also expect our managers to adhere to the guidelines set out in the (United Nations) Principles for Responsible Investment and the UK Stewardship Code. The Trust does not have any specific exclusionary investment policy based upon ethical considerations, but would do so if it considered an investment was in conflict with its aims.

## 9.6 Endowed funds

Over the 79 years since the Trust was established, the value of the Trust's endowment has increased from £139,000 to £39,966,458, a compound increase of over 7.4% p.a. As stated above, the current value of the Trust's Endowed Funds represents over 96% of the Total Fund, with the remaining 3.4% being held as 'Unrestricted Reserves' or Income Funds.

## 9.7 Reserves

The Income Funds referred to above have been built up from past years' surpluses and investment growth: the target of spending all the net income was introduced in 2001 and since 2003 it has been met every year except in 2012. These Income Funds/Reserves currently stand at under 4% of the Total Funds Value, having decreased from £1,586,130 to £1,482,579 over the year as a result of a small investment capital loss of the reserves (£10,437), the £58,473 deficit resulting from the significant planned increase in grant spend and the worsening pension liabilities provision (£34,641).

Of the £1,482,579 in reserves, some £765,359 is currently held as Designated Reserves to cover the 'Debt on Withdrawal' (DOW) should the Trust decide to withdraw from The Pensions Trust's (closed) CARE Defined Benefit Pension Scheme. The DOW currently stands at £541,800.

The remaining Income Funds are held as General Reserves and these currently stand at £717,220. The current level of the General Reserves represents just under 2.3 years' worth of the current costs of running the Trust.

The current level of the Total Reserves (£1,482,579) is 2.3 times the total maximum estimated liabilities (staff redundancy, pension and office lease) should the Trust have to be wound up in the near future. Trustees will continue to monitor the level of Designated and General Reserves against the expected rise of these potential liabilities (particularly the pension deficit).

With the target of growing the grants spend in real terms (the increase in RPI is expected to average 3% over the next few years) and the probable reduction in return on the investments, the Trust expects to continue to spend down the reserves. Over the last ten years the total reserves have reduced by nearly 2% p.a. The current strategy is to keep the Designated Reserves (Pension) > the DOW and to keep the General Reserves > 1 year's administration costs. Should the reserves fall below these levels, the trustees will reduce the increase in the annual grants spend and, if necessary, reduce the actual annual grants spend until the income from investments increases.

## 9.8 Investment performance

TABLE 3: FUND PORTFOLIO AND INVESTMENT PERFORMANCE AS AT 31 MARCH 2018

	Capital Growth % p.a.	Current Yield %	Value £
CCLA COIF Investment Fund	1.8	3.6	830,430
M&G Charifund	-2.0	4.9	9,456,139
CCLA COIF Global Equity Fund	-0.3	4.0	4,324,819
Unicorn UK Income Fund	-0.4	4.1	2,553,306
Artemis Global Income Fund	-4.7	3.4	5,053,602
M&G Charibond	-4.8	2.3	19,526
CCLA COIF Fixed Income Fund	-1.2	3.3	8,791
CCLA COIF Property Fund	3.5	5.5	932,009
Savills Charities Property Fund	6.6	4.5	5,308,164
Mayfair Property Income Trust for Charities	5.5	5.4	2,257,686
The Renewables Infrastructure Group	-0.8	6.0	2,134,886
3i Infrastructure Investment Trust	13.0	4.7	943,100
HICL Infrastructure Investment Trust	-19.6	5.8	3,054,896
J Laing Infrastructure Investment Trust	-15.8	6.2	3,417,565
<b>TOTAL INVESTMENT FUNDS</b>		<b>4.7</b>	<b>40,294,919</b>
Cash		0.0	6
COIF Deposit Fund		0.4	765
CAF Cash Accounts		0.1	388,209
CAF Gold Accounts		0.2	19,774
<b>TOTAL CASH &amp; DEPOSITS</b>		<b>0.1</b>	<b>408,754</b>
<b>Tangible Fixed Assets</b>			<b>15,795</b>
<b>Debtors (**)</b>			<b>1,084,624</b>
<b>Creditors (Accruals)</b>			<b>-263,369</b>
<b>Pensions Provision</b>			<b>-91,686</b>
<b>TOTAL FUNDS</b>		<b>4.6</b>	<b>41,449,037</b>

\*\* The 'Debtors' figure of £1,084,624 includes a 'Special Dividend' (capital return) due from the 3i Infrastructure Fund of £231,055 and the final net proceeds of £840,980 due from the sale of the last of the Trust's residential freeholds: both these were due by 31st March 2018 but not received until after the end of the financial year.

## 10

## TRUSTEES' REMARKS ON THE ANNUAL FINANCIAL STATEMENTS

Total income for the year at £1,944,260 was 2.8% lower than in 2016/17. The income after deducting the administration costs was £1,630,178. Spending on grants was up 4.2% from last year to £1,688,651, producing a deficit for the year of £58,473. This is in line with the Trust's investment policy to reduce reserves, and the strategic objective to increase grants expenditure.

Total Endowed Funds decreased from £40,940,431 to £39,966,458 and the Total Unrestricted (Income) Funds decreased from £1,586,130 to £1,482,579, with the Total Fund value decreasing 2.5% from £42,526,561 to £41,449,037.

The trustees note that TPT Retirement Solutions, the Trust's pension provider, has estimated that there is currently (as of 30th September 2017) a £541,788 'Debt on Withdrawal' (DOW) should the Trust withdraw from the CARE final salary pension scheme. It should be noted that this scheme was closed (on 1st April 2016) by TPT Retirement Solutions and staff are now auto-enrolled into TPT Retirement Solutions' Flexible Retirement Plan (FRP) a DC arrangement into which we are currently contributing 11.5% of staff salaries.

We are in addition paying £9,343 deficit repair contributions (escalating 3% p.a. over the remainder of the recovery period) for the closed CARE scheme and the NPV of these deficit payments is estimated at £91,686, with this figure being included in the accounts. The CARE Scheme 'DOW' remains our largest liability although this remains a contingent liability which is only triggered if we withdraw from the scheme which we currently have no intention of doing.

## 11 TRUSTEES' RESPONSIBILITIES

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

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether the policies adopted are in accordance with the Charities Statement of Recommended Practice (SORP), the Regulations made under section 44 of the Charities Act and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Charity will continue to operate.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which enables them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

This report was approved by the trustees on 30th November 2018.

*M. N. Lukeshi*

Chair of R L Glasspool Trustees Ltd, Corporate Trustee of R L Glasspool Charity Trust

# DETAILS OF THE TRUST, ITS DIRECTORS, STAFF AND ADVISERS

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R L Glasspool Charity Trust  
2nd Floor, Saxon House, 182 Hoe Street, Walthamstow, London E17 4QH  
Charity Reg. No. 214648

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## DIRECTORS

Dr M Luheshi (Chair, from 1st December 2017)  
Ms M Stimson (Deputy Chair)  
Ms J Belai  
Mr R Birmingham  
Mr C Mesquita  
Dr K Nunn (Resigned as Chair 1st December 2017)  
Mrs K Phillips  
Ms D Tur

## CHIEF EXECUTIVE OFFICER

Ms J Gilson

## DEPUTY CEO

Mr S Woltkamp-Moon

## GRANT OFFICERS

Mrs H Butler  
Ms L Hart  
Miss N Woodward

## INDEPENDENT AUDITORS

Wilkins Kennedy, Audit Services  
& Statutory Auditors, Bridge House,  
London Bridge, London SE1 9QR

## INDEPENDENT FINANCIAL ADVISERS

Fideliuss Ltd 4th Floor, Greenwood House, 91-99 New  
London Road, Chelmsford. Essex CM2 0PP

## PROPERTY MANAGING AGENTS

Clarke Hillyer Chartered Surveyors, Auctioneers &  
Estate Agents, Head Office, 502 Larkshall Road,  
London E4 9HH

## SOLICITORS

Bentleys Solicitors, Saxon House,  
182 Hoe Street, Walthamstow, London E17 4QH  
Stone King  
Boundary House, 91 Charterhouse St, Clerkenwell,  
London EC1M 6HR

## BANKER

CAF BANK Limited, 25 Kings Hill Ave, Kings Hill,  
West Malling, Kent ME19 4JQ



# GLOSSARY

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<b>ACO</b>	Association of Charitable Organisations
<b>CAF</b>	Charities Aid Foundation
<b>CARE</b>	Career Average Revalued Earnings
<b>CCLA</b>	Church, Charity & Local Authority (Fund Managers)
<b>CEO</b>	Chief Executive Officer
<b>CIF</b>	Common Investment Fund
<b>COIF</b>	Charities Official Investment Fund
<b>DB</b>	Defined Benefit (Pension Scheme)
<b>DC</b>	Defined Contribution (Pension Scheme)
<b>DOW</b>	Debt on Withdrawal
<b>FSC</b>	Finance Sub-committee
<b>GSC</b>	Grants Sub-committee
<b>HRSC</b>	Human Resources Sub-committee
<b>IFA</b>	Independent Financial Adviser
<b>IT</b>	Investment Trust
<b>NAI</b>	Net Available Income (available for grants)
<b>NPV</b>	Net Present Value
<b>NTIR</b>	Net Total Income Return
<b>OEIC</b>	Open Ended Investment Company
<b>PRI</b>	Principles for Responsible Investment
<b>RA</b>	Rolling Average
<b>RAG</b>	Red, Amber, Green
<b>RPI</b>	Retail Price Index
<b>TR</b>	Total Return (Capital Growth and Yield)

# **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF**

## **R L GLASSPOOL CHARITY TRUST**

**Independent auditor's report to the Trustees of R L Glasspool Charity Trust.**

### **Opinion**

We have audited the financial statements of R L Glasspool Charity Trust (the 'charity') for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet and statement of cash flows and notes to the financial statements, 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 Financial Reporting Standard 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 charity's affairs as at 31 March 2018 and of its incoming resources and application of resources, 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 Charities Act 2011.

### **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 charity 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:

- 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

# **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF**

## **R L GLASSPOOL CHARITY TRUST (CONTINUED)**

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.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF**

### **R L GLASSPOOL CHARITY TRUST (CONTINUED)**

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Wilkins Kennedy Audit Services  
Statutory Auditor  
Greytown House  
221-227 High Street  
Orpington  
Kent  
BR6 0NZ

Date .....

Wilkins Kennedy Audit Services is eligible for appointment as auditor by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# **R L GLASSPOOL CHARITY TRUST**

## **STATEMENT OF FINANCIAL ACTIVITIES** **FOR THE YEAR ENDED 31 MARCH 2018**

	General Fund £	Designated Funds £	Endowment Fund £	Total 2018 £	Total 2017 £
<b>Income from:</b>					
Donations	250	-	-	250	50
Investments (Note 2)	1,839,010	-	-	1,839,010	1,919,912
Charitable activities (Note 3)	105,000	-	-	105,000	80,000
<b>Total income</b>	<b>1,944,260</b>	<b>-</b>	<b>-</b>	<b>1,944,260</b>	<b>1,999,962</b>
<b>Charitable activities (Note 4)</b>					
Grants	1,688,651	-	-	1,688,651	1,620,630
Costs of grant making	314,082	-	-	314,082	383,531
<b>Total expenditure</b>	<b>2,002,733</b>	<b>-</b>	<b>-</b>	<b>2,002,733</b>	<b>2,004,161</b>
<b>Net expenditure before gains and losses on investments</b>	<b>(58,473)</b>	<b>-</b>	<b>-</b>	<b>(58,473)</b>	<b>(4,199)</b>
Gains/(losses) on investment assets (Notes 8 and 10)	(10,437)	-	(973,973)	(984,410)	3,310,606
Gains/(losses) on pension scheme (Note 16)	-	(34,641)	-	(34,641)	4,238
<b>Net Income</b>	<b>(68,910)</b>	<b>(34,641)</b>	<b>(973,973)</b>	<b>(1,077,524)</b>	<b>3,310,645</b>
<b>Transfers between funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>	<b>(68,910)</b>	<b>(34,641)</b>	<b>(973,973)</b>	<b>(1,077,524)</b>	<b>3,310,645</b>
<b>Reconciliation of funds:</b>					
Total funds at 1 April 2017	786,130	800,000	40,940,431	42,526,561	39,215,916
Total funds at 31 March 2018 (Note 13)	<b>£717,220</b>	<b>£765,359</b>	<b>£39,966,458</b>	<b>£41,449,037</b>	<b>£42,526,561</b>

The notes on pages 33 to 43 form part of these financial statements.  
There were no recognised gains and losses other than those shown in the above statement.  
No activities were acquired or discontinued during the year under review.



**R L GLASSPOOL CHARITY TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2018**

Comparative year information Year Ended 31 March 2017	General Fund £	Designated Funds £	Endowment Fund £	Total 2017 £
<b>Income from:</b>				
Donations	50	-	-	50
Investments (Note 2)	1,919,912	-	-	1,919,912
Charitable activities (Note 3)	80,000	-	-	80,000
<b>Total income</b>	<b>1,999,962</b>	<b>-</b>	<b>-</b>	<b>1,999,962</b>
<b>Charitable activities</b> (Note 4)				
Grants	1,620,630	-	-	1,620,630
Costs of grant making	383,531	-	-	383,531
<b>Total expenditure</b>	<b>2,004,161</b>	<b>-</b>	<b>-</b>	<b>2,004,161</b>
<b>Net expenditure before gains and losses on investments</b>	<b>(4,199)</b>	<b>-</b>	<b>-</b>	<b>(4,199)</b>
Gains/(losses) on investment assets (Notes 8 and 10)	135,832	-	3,174,774	3,310,606
Gains/(losses) on pension scheme (Note 16)	-	4,238	-	4,238
<b>Net Income</b>	<b>131,633</b>	<b>4,238</b>	<b>3,174,774</b>	<b>3,310,645</b>
<b>Transfers between funds</b>	<b>(295,762)</b>	<b>295,762</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>	<b>(164,129)</b>	<b>300,000</b>	<b>3,174,774</b>	<b>3,310,645</b>
<b>Reconciliation of funds:</b>				
Total funds at 1 April 2016	950,259	500,000	37,765,657	39,215,916
Total funds at 31 March 2017 (Note 13)	<b>£786,130</b>	<b>£800,000</b>	<b>£40,940,431</b>	<b>£42,526,561</b>

The notes on pages 33 to 43 form part of these financial statements.  
There were no recognised gains and losses other than those shown in the above statement.  
No activities were acquired or discontinued during the year under review.

# R L GLASSPOOL CHARITY TRUST

## BALANCE SHEET

AT 31 MARCH 2018

		2018		2017	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible	7		15,795		25,764
Investments - freehold land and buildings	8	-		1,077,125	
- other	8	38,805,929		39,863,306	
			38,805,929		40,940,431
			38,821,724		40,966,195
<b>CURRENT ASSETS</b>					
Debtors	9	1,084,624		45,723	
Investments	10	1,508,386		1,529,011	
Short term deposits		-		1,645	
Cash at bank and in hand		389,358		330,020	
		2,982,368		1,906,399	
<b>CREDITORS:</b> Amounts falling due within one year	11	(263,369)		(288,988)	
<b>NET CURRENT ASSETS</b>			2,718,999		1,617,411
Provision for liabilities and charges	16		(91,686)		(57,045)
<b>NET ASSETS</b>			<b>£41,449,037</b>		<b>£42,526,561</b>
<b>CAPITAL FUND</b>					
Endowments	12		39,966,458		40,940,431
<b>INCOME FUNDS</b>					
Unrestricted funds:					
Designated fund	14	765,359		800,000	
Other charitable funds		717,220		786,130	
			1,482,579		1,586,130
			<b>£41,449,037</b>		<b>£42,526,561</b>

Approved by the Board of Directors on

and signed on its behalf by:

*M. N. Lukeshi* Chair of the Board

The notes on pages 33 to 43 form part of these financial statements.

# **R L GLASSPOOL CHARITY TRUST**

## **STATEMENT OF CASH FLOWS**

**YEAR ENDED 31 MARCH 2018**

	<b>Notes</b>	<b>2018 £</b>	<b>2017 £</b>
<b>Cash flow from operating activities</b>	17	(2,946,197)	(1,836,172)
<b>Cash flow from investing activities</b>			
Payments to acquire fixed asset investments		(8,340,000)	(3,658,151)
Receipts from sales of fixed asset investments		9,510,717	3,658,151
Dividends and interest received		1,817,771	1,848,020
Rents received from investment properties		21,239	71,892
Purchase of tangible fixed assets		(5,837)	-
<b>Net cash flow from investing activities</b>		<b>3,003,890</b>	<b>1,919,912</b>
<b>Net increase in cash and cash equivalents</b>		<b>57,693</b>	<b>83,740</b>
<b>Cash and cash equivalents at 1 April 2017</b>		<b>331,665</b>	<b>247,925</b>
<b>Cash and cash equivalents at 31 March 2018</b>		<b>£389,358</b>	<b>£331,665</b>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		389,358	330,020
Short term deposits		-	1,645
<b>Cash and cash equivalents at 31 March 2018</b>		<b>£389,358</b>	<b>£331,665</b>

The notes on pages 33 to 43 form part of these financial statements.

# **R L GLASSPOOL CHARITY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

### **1. ACCOUNTING POLICIES**

#### **a) *Basis of preparation of financial statements***

R L Glasspool Charity Trust is a registered charity in the United Kingdom. The address of the registered office is given in the charity information on page 24 of these financial statements. The nature of the charity's operations and principal activities are the relief of persons who are in need, hardship or distress; or sick, convalescent, disabled or infirm.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### **b) *Incoming Resources***

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Grants are recognised in full in the year in which they are receivable.

# **R L GLASSPOOL CHARITY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

(Continued)

### **1. ACCOUNTING POLICIES (cont'd)**

#### **c) *Resources expended***

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Cost of generating funds includes investment management fees and direct property costs.
- Direct charitable expenditure consists of direct and indirect costs associated with the main activities of the Trust.
- Governance costs include external audit, legal advice on governance matters and Trustees' expenses.

Grants are accounted for in the year they are approved, irrespective of the period covered by the grants.

#### **d) *Support costs allocation***

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

All support costs are allocated against charitable activities.

#### **e) *Office furniture and equipment***

Office furniture and equipment are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Purchases of assets of value £1,000 and over are capitalised. Depreciation is provided on all capitalised assets at rates estimated to write off the cost less estimated residual value, of each asset over its expected useful life as follows:

Office furniture and equipment	- 3 years straight line
--------------------------------	-------------------------

#### **f) *Capitalisation of refurbishment costs***

Costs of refurbishing properties where a regulated tenancy becomes an assured short-hold tenancy are capitalised as incurred.

Costs of other refurbishments (to assured and assured short-hold tenancies) are capitalised only for works which represent improvements.



# **R L GLASSPOOL CHARITY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

(Continued)

### **1. ACCOUNTING POLICIES (cont'd)**

#### **g) *Investment assets***

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in "net gains/(losses) on investments" in the SOFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

#### **h) *Debtors and creditors receivable / payable within one year***

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### **i) *Funds***

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

The permanent endowment fund is a capital fund where there is no power to convert the capital into income, it must generally be held indefinitely.

The Trustees have designated certain funds for specific purposes. These are set out in Note 14.

#### **j) *Pensions***

The charity operates a defined contribution plan making payments to individual pension schemes in accordance with their contract of employment.

A number of employees belong to the Pension's Trust Career Average Revalued Earnings ("CARE") Pension Scheme, which is a defined benefit scheme. As it is not possible to identify the charity's share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis, contributions are charged to the income and expenditure account as they are paid. The charity also makes contributions to the scheme in relation to a deficit on a past employees' defined benefit scheme and in accordance with FRS 102 the charity recognises the present value of contributions payable.

#### **k) *Operating Leases***

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

#### **l) *Taxation***

The charity is a registered charity and is therefore entitled to the exemptions from corporation tax afforded by section 505 of the Income and Corporation Taxes Act 1988. Accordingly, there is no corporation tax charge in these financial statements.

#### **m) *Going Concern***

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

# **R L GLASSPOOL CHARITY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

(Continued)

### **1. ACCOUNTING POLICIES (cont'd)**

#### **n) Judgements and key sources of estimation uncertainty**

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

#### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 7 for the carrying amount of the tangible fixed assets, and note 1e for the useful economic lives for each class of assets.

#### *Pensions*

The present value of the pension provisions depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. Any changes in the rate of discount, which is disclosed in note 16, will impact the carrying amount of the pension scheme

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### **2. INCOME FROM INVESTMENTS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Income from properties	21,239	71,892
Other investment income	1,817,771	1,848,020
	<b><u>£1,839,010</u></b>	<b><u>£1,919,912</u></b>

### **3. INCOME FROM CHARITABLE ACTIVITIES**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Grants	105,000	80,000
	<b><u>£105,000</u></b>	<b><u>£ 80,000</u></b>

**R L GLASSPOOL CHARITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**  
(Continued)

4. CHARITABLE ACTIVITIES	2018	2017
	£	£
Staff costs:		
Wages and salaries	154,230	161,952
Social security costs	15,820	15,902
Other pension costs	23,661	23,563
	<hr/>	<hr/>
	193,711	201,417
Office costs:		
Premises	20,202	22,604
Office repairs and maintenance	16,609	23,887
Professional fees	6,024	27,636
Miscellaneous	26,271	46,061
Depreciation – owned assets	15,806	20,529
	<hr/>	<hr/>
	84,912	140,717
Courses, conferences, literature and subscriptions	9,946	17,428
Fees paid to auditors for accountancy and payroll services	13,020	12,720
Governance (Note 7)	12,493	11,249
	<hr/>	<hr/>
	314,082	383,531
Grants	1,688,651	1,620,630
	<hr/>	<hr/>
	<b>£2,002,733</b>	<b>£2,004,161</b>
	<hr/> <hr/>	<hr/> <hr/>
Average number of employees	<b>6</b>	<b>6</b>
Number accruing retirement benefits under defined benefit pension schemes.	<b>5</b>	<b>5</b>
	<hr/> <hr/>	<hr/> <hr/>

No employee received remuneration in excess of £60,000 (2017: none). No trustee received remuneration in the year (2017: none).

All grants to organisations are administered for the benefit of named individuals.

# **R L GLASSPOOL CHARITY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

(Continued)

### **5. TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES**

The trustees did not receive any remuneration during the year (2017: £Nil).

The total amount of employee benefits received by key management personnel is £85,229 (2017 - £76,761). The Trust considers its key management personnel to comprise its Chief Executive Officer and Deputy Chief Executive Officer.

All trustees had expenses reimbursed during the year totalling £764 (2017: £1,280) for travelling, and subsistence.

### **6. GOVERNANCE COSTS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Audit fees	5,760	5,460
Trustees meetings and expenses	1,749	2,007
Trustees training	1,464	887
Trustees indemnity insurance	1,120	1,095
Independent financial advice	2,400	1,800
	<b>£12,493</b>	<b>£11,249</b>

### **7. TANGIBLE FIXED ASSETS**

	<b>Office Furniture &amp; Equipment £</b>
<b>COST</b>	
At 1 April 2017	104,068
Additions in year	5,837
	<hr/>
At 31 March 2018	109,905
	<hr/>
<b>DEPRECIATION</b>	
At 1 April 2017	78,304
Charge for year	15,806
	<hr/>
At 31 March 2018	94,110
	<hr/>
<b>NET BOOK VALUE</b>	
<b>31 March 2018</b>	<b>£15,795</b>
	<hr/>
31 March 2017	£25,764
	<hr/>

# **R L GLASSPOOL CHARITY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31 MARCH 2018**

(Continued)

8. FIXED ASSET INVESTMENTS	2018 £	2017 £
<b>a) Freehold land and buildings</b>		
Market value 1 April 2017	1,077,125	866,250
Additions in year	-	-
Disposals in year	(1,190,024)	(5,510)
Revaluation in the year	112,899	216,385
	<hr/> £ -	<hr/> £1,077,125
Market value 31 March 2018		
	<hr/> £ -	<hr/> £ 53,687
Historical cost 31 March 2018		
	<hr/> £ -	<hr/> £ 53,687

Freehold land and buildings were revalued as at 31 March 2015 by Clarke Hillyer, Chartered Surveyors, on an open market value basis in accordance with the Guidelines issued by the Royal Institute of Chartered Surveyors. The valuation was reappraised and updated by the trustees at 31 March 2017 in conjunction with Clarke Hillyer.

### **b) Other**

	Market value 1 April 2017 £	Acquired in year £	Disposed In year £	Increase/ (decrease) in market value £	Market value 31 March 2018 £
COIF Property Fund	3,862,630	-	3,000,000	69,379	932,009
COIF Investment Fund	267,778	-	-	4,780	272,558
COIF Global Equity	9,193,317	-	5,000,000	131,502	4,324,819
COIF Fixed Interest Fund	73,998	-	63,000	(2,207)	8,791
Charities Property Fund	4,980,038	-	-	328,126	5,308,164
M&G Charifund Investment Fund	8,683,681	-	-	(178,056)	8,505,625
M&G Charibond	37,239	-	16,000	(1,713)	19,526
3i Infrastructure Investment Trust	1,056,869	-	231,504	117,735	943,100
John Laing Infrastructure	3,474,314	500,000	-	(556,749)	3,417,565
Infrastructure – HICL	3,559,142	200,000	-	(704,246)	3,054,896
Artemis - Global Equity Income Fund	1,833,725	3,500,000	-	(280,123)	5,053,602
Unicorn UK Income Fund	2,563,982	-	-	(10,676)	2,553,306
The Renewables Infrastructure Group	257,197	1,890,000	-	(12,311)	2,134,886
Property Income Trust for Charities	-	2,250,000	-	7,686	2,257,686
Short term deposits	765	-	-	-	765
Cash at bank	18,631	-	-	-	18,631
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	£39,863,306	£8,340,000	£8,310,504	£(1,086,873)	£38,805,929
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Historical cost	£34,491,260				£35,814,983
	<hr/>				<hr/>



# **R L GLASSPOOL CHARITY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

(Continued)

### **8. FIXED ASSET INVESTMENTS (cont'd)**

All investments are carried at their fair value. Investments in equities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

### **9. DEBTORS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Prepayments and accrued interest	5,000	43,476
Other debtors	1,079,624	2,247
	<b>£ 1,084,624</b>	<b>£45,723</b>

Included in other debtors is £231,505 of 3i Infrastructure special dividends and £847,217 due in respect of sale of properties. Both amounts were received after the year end.

### **10. CURRENT ASSET INVESTMENTS**

	<b>Market value 1 April 2017</b>	<b>Acquired in year</b>	<b>Disposed in year</b>	<b>Increase/ (decrease) in market value</b>	<b>Market value 31 March 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
COIF Investment Fund	548,092	-	-	9,780	557,872
COIF Fixed Interest Fund	10,507		10,188	(319)	-
M&G Charifund Investment Fund	970,412	-	-	(19,898)	950,514
Total	<b>£1,529,011</b>	<b>£</b>	<b>£ 10,188</b>	<b>£ (10,437)</b>	<b>£ 1,508,386</b>
Historical cost	<b>£1,012,724</b>				<b>£1,002,426</b>

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

### **11. CREDITORS: Amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Accruals	<b>£263,369</b>	<b>£288,988</b>

# **R L GLASSPOOL CHARITY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

(Continued)

### **12. ENDOWMENTS**

Permanent endowments

The funds were established under a Deed of Trust dated 24 July 1939 and a Supplemental Deed of Trust dated 29 July 1947 by the late Mr R L Glasspool. The Deeds of Trust were replaced by a Scheme dated 17 November 1998 under the Charities Act 1993. The aims of the Trust are stated on page 6 of the Annual Report. All incoming resources from permanent endowments are unrestricted.

### **13. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total Funds 2018 £</b>	<b>Total Funds 2017 £</b>
Fixed assets	15,795	38,805,929	38,821,724	40,966,195
Net current assets	1,558,470	1,160,529	2,718,999	1,617,411
	<u>1,574,265</u>	<u>39,966,458</u>	<u>41,540,723</u>	<u>42,583,606</u>
Pension liability	(91,686)	-	(91,686)	(57,045)
	<u><b>£1,482,579</b></u>	<u><b>£39,966,458</b></u>	<u><b>£41,449,037</b></u>	<u><b>£42,526,561</b></u>

### **14. DESIGNATED FUND**

	<b>Balance 1 April 2017 £</b>	<b>Movement in year £</b>	<b>Transfers £</b>	<b>Balance 31 March 2018 £</b>
Pension reserve	<u>800,000</u>	<u>(34,641)</u>	<u>-</u>	<u>765,359</u>

This fund is the estimated amount of employer debt payable in addition to the pension liability on withdrawal from the Pension Trust (see Note 16).

### **15. FINANCIAL COMMITMENTS**

At 31 March 2018, the Trust had annual commitments under operating leases, total future minimum finance lease payments are as follows:

	<b>Land and Buildings 2018 £</b>	<b>2017 £</b>	<b>Other 2018 £</b>	<b>2017 £</b>
Not later than one year	<u>15,600</u>	<u>15,600</u>	<u>-</u>	<u>834</u>

# **R L GLASSPOOL CHARITY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2018**

(Continued)

#### **16. PENSION**

A number of the charity's current and past employees are members of The Pensions Trust (TPT)'s Career Average Revalued Earnings ("CARE") Pension Scheme which is a closed Multi-Employer Defined Benefits scheme with the assets being held in a Trustee administered fund. The scheme was closed by the scheme's trustee (Verity Trustee Limited) in April 2016.

The latest full actuarial valuation of the scheme was carried out on 30 September 2016. This valuation showed assets of £60.5 million, liabilities (on a technical provision basis) of £85.3 million and a deficit of £24.9 million. This deficit is being recovered from employers with annual 'deficit contributions' paid annually on 1st April escalating at 3% pa over the recovery period (to 01 April 2028) that has been agreed with The Pensions Regulator. In the coming year the charity's deficit contributions are £9,343. The charity has recognised a liability measured as the present value of the contributions payable that arise from the deficit recovery.

#### **Present value of provision**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Present value of deficit provision	91,686	57,045

#### **Reconciliation of opening and closing provisions**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Provision at start of period	57,045	61,283
Unwinding of the discount factor	2,056	1,407
Deficit contribution paid	(5,960)	(5,786)
Remeasurements – impact of any changes in assumptions	-	141
Remeasurements – amendments to the contribution schedule	38,545	-
Provision at end of period	91,686	57,045

#### **Assumptions**

	<b>31 March 2018</b>	<b>31 March 2017</b>	<b>31 March 2016</b>
	<b>% per annum</b>	<b>% per annum</b>	<b>% per annum</b>
Rate of discount	3.80	3.80	2.24

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.

#### **Current Staff Pension Scheme**

With the closing of the CARE scheme the charity moved all the existing staff into TPT's Flexible Retirement Plan a DC scheme and agreed to continue paying 11.5% of the employees' pensionable salary as the employer contribution (together with an insurance premium that would cover six times the employee's pensionable salary should they die in service).

#### **Total Pension Costs**

The contributions of the charity amounted to £23,661 (2017: £23,563). No amounts were due at the year end.

# **R L GLASSPOOL CHARITY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

(Continued)

**17. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Net income before gains/(losses) on investments and pensions	(58,473)	(4,199)
Dividends and interest received	(1,817,771)	(1,848,020)
Rents received from investment properties	(21,239)	(71,892)
Depreciation and impairment of tangible fixed assets	15,806	20,529
(Increase)/decrease in debtors	(1,038,901)	(6,496)
Increase/(decrease) in creditors	(25,619)	73,906
Net cash flow from operating activities	<b><u>£(2,946,197)</u></b>	<b><u>£(1,836,172)</u></b>

**18. RELATED PARTY TRANSACTIONS**

During the year there were no related party transactions (2017: none), other than the reimbursement of trustees travelling expenses (Note 5).

