

Company Registration No. 08621335 (Wales)

**POBL TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**



# POBL TRUST

## COMPANY INFORMATION

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### Board

#### Chair

Lucie Thomas	Appointed 29 June 2020
Catherine Weller	Resigned 23 June 2020

#### Trustees

Tom Cadwallader	
Natasha Cody	Resigned 26 June 2021
Lucie Thomas	Appointed 23 June 2020
Vic Eynon	Appointed 23 June 2020
Donna Dunn	Appointed 14 July 2020
Alison Thomas	Appointed 14 July 2020
Gareth Williams	Appointed 22 March 2021
Catherine Weller	Resigned 23 June 2020
Matt Agland	Appointed 23 June 2020, resigned 22 March 2021

#### Secretary

Lisa Pinney

### Pobl Group Executive Team

Amanda Davies	Group Chief Executive
Lisa Pinney	Company Secretary and Executive Director Resources
Gaynor Morris	Executive Director People
Andrew Vye	Executive Director Operations
Neil Barber	Executive Director Commercial
Rhian Stone	Managing Director Care and Support, resigned 29 January 2021

# POBL TRUST

## COMPANY INFORMATION

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<b>Registered Office</b>	Exchange House, High Street Newport NP20 1AA
<b>Auditor</b>	KPMG LLP 3 Assembly Square Britannia Quay Cardiff CF10 4AX
<b>Principal Bankers</b>	Lloyds Bank Plc 42 Commercial Street Newport NP20 1WX
<b>Principal Solicitors</b>	Hugh James 2 Central Square Cardiff CF10 1FS
Welsh Government Registration	J114
Registered Charity Number	1161479

# POBL TRUST

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# POBL TRUST

## ***DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021***

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The Trustees are pleased to present their annual report and financial statements for the year ended 31 March 2021. This report also serves as the Directors report.

### **Legal and administrative details**

The Trust is registered as a Housing Association (No. J114) and with the Charity Commission as a registered Charity (No.1161479) and is incorporated under the Companies Act 2006 (08621335).

Details of the Trustees currently holding office, the Secretary, registered office, auditor and principal bankers are shown on pages 1 and 2. The Trustees' report has been prepared in accordance with the Statement of Recommended Practice for Registered Social Housing Providers (Housing SORP 2018) the financial reporting standard applicable in the UK and Republic of Ireland (FRS102) requirements.

### **Structure, governance and management**

#### *Governance*

The Trust is managed by the Trustees for the purposes of meeting the aims and objectives of the Charity which are set out below. The Trust has seven (2020 - seven) Trustees who meet at regular intervals throughout the year. In March 2020, it was agreed that the external trustees would be replaced with internal trustees who are current employees of Pobl Group Limited, appointed via a nomination process. These changes were implemented between March and June 2020 and allow the Trust to stay true to its strategic aim of creating a self-funded charity. The new Trustees are noted on page 1.

#### *Appointment and Training*

The Board of Trustees consists of eight members and the statutory power of appointing new Trustees is vested in Pobl Group (the Group). Trustees are appointed for a maximum of three years. The Trustees who held office during the financial year are as shown on page 1. Trustee training is made available to all new members on appointment and at regular intervals.

#### *Organisation*

The Trust is controlled by its Board of Trustees. The Trust is a member of Pobl Group of companies.

#### *Related parties*

Pobl Group provides company secretarial and accounting services to the Trust. The parent Association does not make a surplus on these transactions with the Trust. There are no transactions, balances or relationships that require disclosure.

#### *Risk Management*

A key element in the care and diligence expected of the Pobl Trust, and therefore one of the main responsibilities of the Trustees, is to assess the risks affecting the Trust as carefully and comprehensively as possible. This obligation includes careful consideration and assessment of risks affecting the Trust's assets, its financial position, and its results. The Trustees have in place a risk management system to identify significant risks in order to ensure that they are taken into account in the context of all relevant decisions affecting the Trust's activities.

# POBL TRUST

## ***DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021***

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### *Investments*

Funds are invested within the Group in accordance with the Group Treasury Management Policy and Strategy.

### *Reserves*

Reserves held are expended for charitable purposes; the Trust welcomes applications from worthwhile causes which can also benefit from the funding which is available. As at the year end the free reserves within the Trust amounted to £233,360 (2020 : £167,733) compared to total reserves of £237,210 (2020: £171,583), due to the inclusion of restricted reserves balances.

The reserve policy is reviewed annually, and the restricted reserves balances are reported at the quarterly Committee meetings to discuss how the funds can be utilised. It is envisaged that these balances will be spent over the next year on specific projects which meet the funding themes.

### **Objectives and activities for the public benefit**

Pobl Trust is the Pobl Group's registered charity. It raises funds and allocates grants to individuals, community groups and organisations to improve the quality of life and create opportunities for people and communities.

### **Achievements and performance**

At the date of signing the financial statements the Group has been dealing with the effects of the Coronavirus pandemic and trying to mitigate any financial effects. As all spend within Pobl Trust is discretionary, there is limited impact to its operating activities although a £20,000 donation has been made to the COVID-19 relief fund set up for Care and Support during the year.

In October 2020 Pobl Trust received £4,897 in respect of the conclusion of the Cyrenians liquidation. The remaining £45,103 - being the outstanding amount of the original £50,000 loan made to the Cyrenians by Pobl Trust, has been offset by the release of the bad debt provision.

During 2020-21 the Trustees have considered plans for re-shaping the Trust. The focus has been on agreeing funding themes for the next three rounds of charitable funding allocations. The funding themes for 2021-22 are:

- Isolation and loneliness
- Hunger and food poverty
- Children and young people

The first funding round commenced in April 2021 with applications being invited from individuals, community groups and organisations which address the annual funding themes. Funding of £10k has been made available for each round.

The Trust raises funds through activities such as the Pobl staff lottery, which donates 50% of its proceeds to Pobl Trust equating to £26,000 in 2020-21. Suppliers and contractors of Pobl Group are also encouraged to contribute to Pobl Trust through our procurement levy, which during 2020-21 raised £10,000 in donations.

### **Going concern**

The Trust has generated a surplus of £65,627 (2020: deficit of £1,261,590) for the year and at the balance sheet date has total net assets of £237,210 (2020: £171,583), including cash of £36,601 (2020: £1,444) and investments of £199,661 (2020: £170,781). The Trustees also note that the Trust has no external borrowings, and all expenditure is discretionary. Therefore, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the

# POBL TRUST

## ***DIRECTORS' REPORT (CONTINUED)*** ***FOR THE YEAR ENDED 31 MARCH 2021***

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foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### **Statement of Trustees' responsibilities**

The Board is responsible for preparing the Board's Report and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law requires the Board to prepare financial statements for each financial year. Under those regulations the Board have elected to prepare the financial statements in accordance with UK Accounting Standards, FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the association and of its income and expenditure for that period.

In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless it either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

The Board is responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the association and enable them to ensure that its financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015. It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the association's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# POBL TRUST

## ***DIRECTORS' REPORT (CONTINUED)*** ***FOR THE YEAR ENDED 31 MARCH 2021***

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### **Statement of disclosure to auditor**

So far as each person who was a trustee at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish the company's auditor is aware of that information.

### **Statement on internal controls**

The Welsh Government requires Registered Social Landlords to report on internal controls in accordance with the Housing Association Circular 02/10 – 'Internal Controls and Reporting'.

Certain central functions including finance and accounting, together with company secretarial services are provided to the Trust by its Parent Association (Pobl Group). The Parent Association includes statements in its own Annual Report relating to its procedures in relation to Housing Association Governance and internal control. The last Annual Report of Pobl Group confirmed that it had adopted CHC's Code of Governance and had complied with the Code's principal recommendations.

Pobl Group's Annual Report stated that mechanisms introduced by Pobl Group, which are designed to provide effective internal controls over Pobl Group's operation, include:

- (a) clearly defined management and reporting structures;
- (b) careful recruitment and an effective financial training programme;
- (c) regulations and procedure manuals for staff; and
- (d) monitoring of the control system by the Board of Management of Pobl Group, internal audit and management review.

The Board acknowledges its responsibility for the system of internal control, and has taken measures which will provide reasonable, but not absolute, assurance against material misstatement or loss. The Board employs experienced and suitably qualified staff to administer the systems and controls and take responsibility for important business functions.

In reviewing the effectiveness of the Association's internal financial control procedure for the period from 1 April 2018 to the date of this report, the Board of Management has carried out the following:

- (a) review of management information with quarterly reporting of financial results and other performance indicators compared with forecasts; and
- (b) review of the Association's strategic business plan

The Board of Management has reviewed the effectiveness of the system of internal control in existence in the Association for the year ended 31 March 2021. No weaknesses were found in internal controls which resulted in material losses, contingencies, or uncertainties which require disclosure in the financial statements.

The Strategic Report was approved by the Board on 9 July 2021 and signed on its behalf by:



Lucie Thomas  
Chair



# POBL TRUST

## **INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2021**

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### **Opinion**

We have audited the financial statements of Pobl Trust ("the association") for the year ended 31 March 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cashflows, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, of the state of affairs of the association as at 31 March 2021 and of its income and expenditure for the year then ended;
- comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- have been prepared in accordance with the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the association in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The association's Board has prepared the financial statements on the going concern basis as they do not intend to liquidate the association or to cease its operations, and as they have concluded that the association's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Board's conclusions, we considered the inherent risks to the association's business model and analysed how those risks might affect the association's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Board's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the association's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the association will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Trustees and management as to the associations high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

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- Reading Board meeting minutes.
- Considering remuneration incentive schemes and performance targets.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the association-wide fraud risk management controls

We also performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management and those posted and approved by the same user.

### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with Trustees and other management (as required by auditing standards), and discussed with management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the association is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), charities legislation, housing association legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the association is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

# POBL TRUST

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

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### **Other information**

The association's Board is responsible for the other information, which comprises the Directors' Report, including the Statement on Internal Controls. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

In our opinion the Statement on Internal Controls on pages 6-7:

- provides the disclosures required by the Housing Association Circular 02/10 *Internal Controls and Reporting*; and
- is not materially inconsistent with the information which we have been made aware of from our audit work on the financial statements.

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

Under the Co-operative and Community Benefit Societies Act 2014 we are required to report to you if, in our opinion:

- the association has not kept proper books of account; or
- the association has not maintained a satisfactory system of control over its transactions; or
- the financial statements are not in agreement with the association's books of account; or
- we have not received all the information and explanations we need for our audit.

We have nothing to report in these respects.

### **Board's responsibilities**

As explained more fully in their statement set out on page 6, the association's Board is responsible for: the preparation of financial statements which give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the association'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 it either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

# POBL TRUST

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

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### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the association in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the association those matters we are required to state to it 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 association as a body, for our audit work, for this report, or for the opinions we have formed.



**Jonathan Brown**

**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

3 Assembly Square

Britannia Quay

Cardiff

CF10 4AX

10 September 2021

# POBL TRUST

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Turnover	3	70,268	60,580
Operating costs	3	(8,347)	(1,338,719)
Operating Surplus / (Deficit)		<b>61,921</b>	<b>(1,278,139)</b>
Interest receivable and similar income	7	3,706	16,549
<b>Total comprehensive income for the year</b>		<b>65,627</b>	<b>(1,261,590)</b>

There were no recognised gains or losses in the current or prior years except those reported in the Statement of Comprehensive Income.

The Income Statement has been prepared on the basis that all operations are continuing operations.

The notes on pages 16 to 22 form part of these financial statements.



Lucie Thomas  
Chair and Trustee



Tom Cadwallader  
Trustee



Alison Thomas  
Trustee

# POBL TRUST

## STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2021

Registered Number: 08621335					
	Note	2021 £	2021 £	2020 £	2020 £
<b>Current assets</b>					
Debtors	9	2,965		3,000	
Investments	8	199,661		170,781	
Cash at bank		36,601		1,444	
		<u>239,227</u>		<u>175,225</u>	
Creditors: amounts falling due within one year	10	<u>(2,017)</u>		<u>(3,642)</u>	
<b>Net current assets</b>			<b>237,210</b>		<b>171,583</b>
<b>Net assets</b>			<b><u>237,210</u></b>		<b><u>171,583</u></b>
<b>Capital and reserves</b>					
Unrestricted funds			233,360		167,733
Restricted funds	11		3,850		3,850
			<b><u>237,210</u></b>		<b><u>171,583</u></b>

### Unrestricted funds


Unrestricted funds, comprising general funds and designated funds, are those which are expendable at the discretion of the Trustees in furtherance of the objectives of the Trust. This represents cumulative surpluses and deficits of the company.


### Restricted funds

Restricted funds are those which are only expendable in line with the wishes of the funder. These include funds raised in response to specific appeal.

The financial statements were approved by the board of directors on 9 July 2021 and are signed on its behalf by:

  
Lucie Thomas  
Chair and Trustee

  
Tom Cadwallader  
Trustee

  
Alison Thomas  
Trustee

# POBL TRUST

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Unrestricted income funds £	Restricted income funds £	Total £
<b>Balance at 31 March 2019</b>	1,413,346	19,827	<b>1,433,173</b>
<b>Year ended 31 March 2020</b>			
Total comprehensive income for the year	(1,261,590)	-	<b>(1,261,590)</b>
Reserve transfer	15,977	(15,977)	-
<b>Balance at 31 March 2020</b>	<b>167,733</b>	<b>3,850</b>	<b>171,583</b>
<b>Year ended 31 March 2021</b>			
Total comprehensive income for the year	65,627	-	<b>65,627</b>
Reserve transfer	-	-	-
<b>Balance at 31 March 2021</b>	<b>233,360</b>	<b>3,850</b>	<b>237,210</b>

# POBL TRUST

## STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 MARCH 2021

		2021	2021	2020	2020
	Note	£	£	£	£
Surplus/deficit for the year			65,627		(1,261,590)
Decrease/(Increase) in debtors	9	35		(3,000)	
Decrease in creditors	10	(1,625)		(36,672)	
Interest received	7	(3,706)		(16,549)	
			(5,296)		(56,221)
<b>Net cash flow from operating activities</b>			<b>60,331</b>		<b>(1,317,811)</b>
<b>Investing activities</b>					
Interest received	7	3,706		16,549	
(Increase)/Decrease in investments	8	(28,880)		1,299,064	
<b>Net cash generated from financing activities</b>			<b>(25,174)</b>		<b>1,315,613</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>			<b>35,157</b>		<b>(2,198)</b>
Cash and cash equivalents at beginning of year			1,444		3,642
<b>Cash and cash equivalents at end of year</b>			<b>36,601</b>		<b>1,444</b>

### Free cashflow disclosure

Cash flow from operating activities	£	£
Operating cash flow	60,331	(1,317,811)
Interest received	3,706	16,549
<b>Free cash consumed</b>	<b>64,037</b>	<b>(1,301,262)</b>



# POBL TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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### 1. Accounting policies

The principal accounting policies of the Trust are set out in the following paragraphs:

#### 1.1. Introduction and accounting basis

These financial statements are prepared in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS102'). The financial statements comply with the Statement of Recommended Practice for social housing providers effective from 1 January 2019 (the "Housing SORP 2018") and The Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015. In addition to being registered as a Housing Association, the Trust is also a registered charity. The accounting policies have been consistently applied.

The Trust meets the definition of a Public Benefit Entity under FRS102 and applies the relevant paragraphs prefixed 'PBE' in FRS 102. Pobl Trust was formed and is registered in the UK. Assets and Liabilities are originally recognised at historical cost or transactional value unless otherwise stated.

FRS 102 allows a qualifying entity certain disclosure exemptions subject to certain conditions which have been complied with, including notification of and no objection to the use of exemptions by the Company's trustees. The Company is included in the consolidated financial statements of its parent undertaking, Pobl Group Limited. Note 14 provides details of where those consolidated financial statements may be obtained.

In preparing the financial statements the Company has taken advantage of the following exemption:

- from disclosing key management personnel compensation, as required by paragraph 7 of Section 33 Related Party Disclosures

On the basis that equivalent disclosures are given in the consolidated accounts of the parent company; the Company has also taken advantage of the exemption not to provide certain disclosures as required by Section 11 Basic Financial Instruments and Section 12 Other Financial Instrument Issues.

#### 1.2. Going concern

The Trust has generated a surplus of £63,960 (2020: deficit of £1,261,590) for the year and at the balance sheet date has total net assets of £235,543 (2020: £171,583), including cash of £36,601 (2020: £1,444) and investments of £199,661 (2020: £170,781). The Trustees also note that the Trust has no external borrowing and all expenditure is discretionary. Therefore the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### 1.3. Turnover

The fundraising income is recognised after each draw and represents 50% of the total receipts from players which are split between Pobl Trust and the draw winners.

#### 1.4. Operating costs

Expenditure is accounted for on an accruals basis. Operating costs comprise of:

**Costs of Generating fund raising income** - These include costs incurred as part of fundraising activities.

**Governance costs** - Governance costs comprise of all costs incurred in the governance of the Trust, including costs relating to statutory audit, professional fees and management charges payable to the parent.

**Charitable Activities** - Costs of charitable activities flow from the Trust's vision and purpose. These costs include donations and expenditure in line with grant funding.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### 1.5. Unrestricted funds

Unrestricted funds comprising general funds and designated funds are those which are expendable at the discretion of the Trustees in furtherance of the objectives of the Trust.

### 1.6. Restricted funds

Restricted funds are those which are only expendable with the wishes of the funders. These include funds raised in response to specific appeal.

### 1.7. Financial instruments

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

#### *Financial assets carried at amortised cost*

Financial assets carried at amortised cost comprise trade and other receivables and cash and cash equivalents. Financial assets are initially recognized at transaction value plus directly attributable transaction costs. After initial recognition, they are measured at amortised costs using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced accordingly.

A financial asset is derecognized when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and rewards are transferred.

If the arrangement constitutes a financial transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

#### *Financial liabilities carried at amortised cost*

These financial liabilities include trade and other payables. A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

## 2. Critical accounting judgements and estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year.

The Group based its estimates and assumptions on parameters available at the time the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market circumstances, legislation or other circumstances beyond the Group's control. Such changes are reflected in the assumptions and estimates when they occur.

During the year there were no judgements or estimates which had a significant effect on amounts recognised in the financial statements.

# POBL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 3. Particulars of turnover, operating costs and operating surplus/deficit

#### 3.1 Charitable activities

	Turnover	Operating costs	Operating Surplus	2021 Surplus before taxation
	£	£	£	£
Fund-raising	26,330	(185)	26,145	26,145
Donations and gifts	26,607	(20,000)	6,607	6,607
Other	17,331	11,838	29,169	29,169
<b>Total</b>	<b>70,268</b>	<b>(8,347)</b>	<b>61,921</b>	<b>61,921</b>
Interest receivable and similar income				3,706
<b>TOTAL SURPLUS</b>				<b>65,627</b>
	Turnover	Operating costs	Operating Deficit	2020 Deficit before taxation
	£	£	£	£
Fund raising	53,653	(11,662)	41,991	41,991
Donations and gifts	6,927	(1,281,480)	(1,274,553)	(1,274,553)
Other	-	(45,577)	(45,577)	(45,577)
<b>Total</b>	<b>60,580</b>	<b>(1,338,719)</b>	<b>(1,278,139)</b>	<b>(1,278,139)</b>
Interest receivable and similar income				16,549
<b>TOTAL DEFICIT</b>				<b>(1,261,590)</b>

Other Operating Costs are a net credit in 2021 due to credit amounts processed in respect of prior year costs. Operating costs in 2020 included a £1.25m donation into Pobl Group.

# POBL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

(Continued)		
3.2 Operating Costs	2021 Total £	2020 Total £
<u>Operating costs</u>		
Donations	20,000	1,281,480
Cost of fund-raising activities	185	11,662
Governance	2,670	2,097
Other	(14,508)	43,480
Operating costs	<b>8,347</b>	<b>1,338,719</b>
<b>Governance costs comprise:</b>		
Legal and professional costs	217	63
Audit and accountancy	2,453	2,034
	<b>2,670</b>	<b>2,097</b>

Audit fees of £2,044 (2020: £2,034) are invoiced to Pobl Group and then recharged between the Group and Trust. The audit fee inclusive of VAT in 2021 was £2,453.

### 4. Employee information

There were no employees of the Trust during the year.

### 5. Trustees' remuneration

The Trustees are employees of Pobl Group Limited and have not received any remuneration for their role as Trustees during the year. Directors for the Group are also employed by Pobl Group Limited.

The emoluments of the Directors have been disclosed within the Pobl Group Limited's financial statements. Of those costs, an amount of £287 (2020: £1,861) may be considered a reasonable apportionment in respect of time allocated to the Trust.

### 6. Taxation

Pobl Trust is registered with charitable status with HMRC and benefits from Corporation Tax exemptions available to charitable bodies. On the basis that its activities fall within its charitable purposes and its funds are applied only for these purposes, no provision for Corporation Tax is made.

# POBL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 7. Interest receivable and similar income

	2021 £	2020 £
Interest receivable on investments or cash held by fellow group undertaking (Note 8)	<u>3,706</u>	<u>16,549</u>

### 8. Investments

	2021 £	2020 £
Investments	<u>199,661</u>	<u>170,781</u>

The investment represents monies held on deposit following transfer to Pobl Homes and Communities (previously Tai Gwalia Cyf). Interest receivable on this balance is credited to Pobl Trust via inter-group transfer.

### 9. Debtors

	2021 £	2020 £
Other debtors and prepayments	2,965	53,000
Provision for bad and doubtful debts	-	(50,000)
	<u>2,965</u>	<u>3,000</u>

### 10. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	178	1,829
Accruals and deferred income	1,839	1,813
	<u>2,017</u>	<u>3,642</u>

# POBL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 11. Restricted income funds

	2021 £	2020 £
Balance at beginning of year	3,850	19,827
Surplus/(Deficit) for the year	-	(15,977)
	<b>3,850</b>	<b>3,850</b>

#### Welfare funds £

Opening Funds and Closing funds	<b>3,850</b>
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#### Welfare funds

Tenant Welfare Funds comprise funds raised to be applied to specific activities complementing the main objective of the Trust. These are analysed as follows:

	£
Plas y Mor	<b>3,850</b>

### 12. Analysis of net assets between funds

	Total unrestricted income funds £	Restricted funds £	Total £
Current assets	235,377	3,850	<b>239,227</b>
Current liabilities	(2,017)	-	<b>(2,017)</b>
<b>At 31 March</b>	<b>233,360</b>	<b>3,850</b>	<b>237,210</b>

# POBL TRUST

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

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### **13. Related party transactions**

The Trustees who acted during the financial year are shown on page 1.

As Pobl Trust is a member of Pobl Group, which prepares consolidated financial statements, the Trust has taken advantage of the exemption in Section 33 of FRS 102 not to disclose transactions with entities which are wholly owned within the Group.

There are no other related party transactions to report.

### **14. Group information**

The Board considers that the immediate and ultimate parent undertaking and controlling party is Pobl Group Limited, a housing association and a registered society under the Co-operative and Community Benefit Societies Act 2014 with registration number 29682R and registered with the Regulator pursuant to sections 111 and 112 of the Housing and Regeneration Act 2008 (Registration No. J139). Details of the companies that form the Pobl group are contained in the accounts of Pobl Group Limited.

Copies of Group accounts can be obtained from the registered office at Exchange House, High Street, Newport, NP20 1AA.