



ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2015

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

Company number - 7717141

Registered charity number – 1145162

A large print version is available on request from

Portsmouth Diocesan Office
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Portsmouth
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PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

ANNUAL REPORT

For the year ended 31 December 2015

The Trustees, who are also Directors for the purposes of company law, present their annual report, together with the audited financial statements, for the year ended 31 December 2015.

The directors/trustees are one and the same and in signing as trustees they are also signing the strategic report sections in their capacity as directors.

This combined report satisfies the legal requirements for:

- a Directors Report of a charitable company,
- a Strategic Report under the Companies Act 2006 and
- a Trustees Annual Report under the Charities Act 2011

LEGAL OBJECTS

The PDCSR can trace its origins back to 1920 and beyond. It has been a registered charity since 1963. It was incorporated on 1st Jan 2012 which required a new charity registration number. Its objects, which were re-written to comply with the current requirements of the Charity Commission and Companies House, now form part of the new Memorandum and Articles of Association and express the objects of the organisation as:

- 4.1 The advancement of charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales carried out in connection with the religious and other charitable work of the Church of England in the Diocese of Portsmouth.
- 4.2 The advancement of education and training for men and women so as to encourage them to undertake voluntary work, social service and similar charitable activities for the benefit of the wider community: The expression "Social Service" being defined as meaning any and all organisations or persons providing (whether under statutory obligations to do so or voluntary) services to the community at large for the assistance and advice of persons suffering ill health, poverty, physical or mental distress or generally being handicapped or socially or economically disadvantaged; or to prevent or alleviate ill health, poverty, mental or physical distress or any handicapped or socially or economically disadvantaged condition.
- 4.3 The promotion of research into the moral and social welfare needs of the community of the said area and the publication of the useful results of all such research.
- 4.4 The relief of persons who are in need, hardship or distress through the development of the capacity of the Church at parish, deanery and diocesan levels to address, in partnership with others, issues of social and economic disadvantage in communities in Portsmouth, Hampshire and the Isle of Wight including the provision of confidential counselling services at suitable premises.
- 4.5 The promotion of the voluntary sector for the public benefit by the provision of information, advice, instruction and other services in any Diocese of the Church of England including the publication of material in written or electronic forms and the holding of meetings, conferences, courses and lectures.

STRATEGIC AIMS

In 2015, CSR was in the third year of its second three year business strategy, the overall aim of which was to achieve 'growth' through growing fundraising and sales and finalise any growth possible in the CSR capital. This was in order to:

- a) raise the profile of CSR with parishes and work with selected parishes to increase their impact within local communities.
- b) develop a dynamic programme of communications and linked activities to engage affiliated and associated Anglicans in resourced faith-based social action.
- c) work with others to develop a positive social vision based on kingdom values that inspires challenging and innovative faith-based community engagement and social action.

ACTIVITIES AND ACHIEVEMENTS IN THE YEAR

It has been a productive and busy year for CSR in which the focus has been on local delivery and development of the next 3 year business strategy, following on from 'growth' to work towards long term 'sustainability'. Work began on the new strategy in May, and was followed up with some single focus meetings until a new one was formed at the end of the year. This included an agreed and clearer expression of CSR's vision and values.

FUTURE PLANS

We are at a key crossroads in time; some would call it a 500-year social and spiritual delta. We can either respond to this challenge positively or not. We can allow just an inward and individualistic approach to result or we can offer an alternative approach based on communities working together and looking outward based on a renewed Anglican approach of building the common good for all.

CSR's Vision

CSR's Vision is for the development, renewal and flourishing of local communities building the kingdom of God. This will be done in a positive partnership with local Anglican communities and key aligned allies, through generous acts of transformative investment and action, in socially, financially and environmentally sustainable ways for the common good.

CSR's Values

Our values are based on a strong social vision – living the gospel – in which we work alongside (with) whole communities; identifying new opportunities; joining in with what God is already doing; co-designing and working out what will resonate and transform them for the good of all, developing new relationships based on local Anglican communities. CSR will encourage change, challenge the status quo, and aim to do so with fun, creativity, passion, energy and commitment.

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CSR's Mission

CSR will achieve its vision by offering targeted encouragement, coaching, infrastructure, investment and other resources to aid active local Anglican, and wider, communities, to achieve this vision by:

- ❖ Transforming through engagement.
- ❖ Engaging through service
- ❖ Serving through sustainable enterprise

Good Neighbours Support Service (GNSS)

www.goodneighbours.org.uk

In 2015, the Good Neighbours Support Service built on the strong foundations laid following the previous year's re-structuring and consolidated the effective new delivery model of serving local groups by running 12 resource cafés around the county approximately every 2 months. The two staff, manager Elizabeth Foulds, and Groups + Networks Adviser Angela Smith have worked extremely hard maintaining a valued and effective service. An excellent annual conference was held in October. Various other get-togethers and training sessions were held over the year.



The number of volunteers has gone up yet again and now number 4,036. The number of tasks has also increased to 158,051. The impact report commissioned on the work (based on the previous year's (lower) figures), puts a value on the work undertaken of about £7.9m with a Social Return on Investment (SROI) of £55:£1. This compares to an SROI of £44:£1 in 2010 (itself still a significant result).

We continue to look for opportunities to develop GNSS beyond Hampshire, possibly as a social franchise, and are in active dialogue with people in a number of other counties and one diocese.

rapid development programme (rdp)

www.rapiddevelopment.org.uk

Following enquiries, several pitches for running rdp in other dioceses were made in 2015, and while one did not take place until Jan 2016, a significant new programme was delivered for Bristol Diocese in a parish in the centre of Bristol. Presentations were made to the SW Stewardship Advisers meeting in Glastonbury (which resulted in a contract for 2016) and the South East Diocesan Secretaries meeting in Canterbury. We hope to have three more programmes as a result in 2016.



rdp follow-up programmes are being delivered in Paulsgrove, in Portsmouth, West Leigh in Havant, and Southsea (St Luke's). Intensive work in these places is an important way to demonstrate impact for CSR itself, as well as the parishes involved. CSR has therefore agreed to invest some of its own resources in these places.

Joint Venture Social Enterprise (JVSE)

The JVSE (in which CSR owns 50% of the shares alongside Parity Trust) is now dormant pending decisions about its assets. A decision about its future is expected to be clear in 2016.

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Leadership and Innovation

We have continued working with the Kaospilot School in Denmark as its philosophy,



KAOSPILOT

values and programmes are useful informants for our own work here. This year, we participated in the Educator Masterclass programme in Denmark, and as a result, have arranged for them to run this programme for a wider group in the UK in 2016.

The Creative Space Programme is an occasional meeting point and space to think outside of work settings for people who have either been on the Creative Leadership Programme or want to think in new ways. It met once in 2015 but further meetings proved non-viable.



Mind the Gap – Generational Training

www.mindthegaptraining.com

We continue to work with international business speaker, futurist and Christian, Dr Graeme Codrington with whom we produced the video training package Mind the Gap on generational differences.



A major day conference – Zombies vs Aliens, was held in December with Graeme who kindly gave his services to us for free with about 100 delegates from all over the diocese of Portsmouth and beyond. We were fortunate to secure a great location for the event, - the Ben Ainslie Racing HQ in Old Portsmouth. The feedback was all very positive with a clear preference for repeating more one off events and helping churches to think further about the impact on them of changes in technology, the environment, and demographics.

University of Portsmouth

www.socialstartup.org.uk

We have continued to work with the Faculty of Cultural and Creative Industries at the University of Portsmouth in two areas, architecture projects and social start-up. Three local parishes received 30 Brazilian student architects in the summer of 2015, for ten day projects in which they had to develop team ideas to help the churches better engage with their local communities. Fun, ideas and positive new approaches were generated as well as experience with real 'clients' for the students.

Working with the Centre for Enterprise, we contributed to the design of a social start-up programme in which students with enterprising ideas were supported and mentored to produce effective business plans and implement them.

Other

We continued to work positively on plans with a number of other dioceses including in particular the Diocese of Winchester around the setting up of their new social enterprise venture.

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FINANCIAL REVIEW

Financial Performance

The accounts show the unrestricted General Fund with a net deficit of £19,045 (2014: £2,476 deficit) before transfers and revaluations. As detailed in the report several new initiatives were undertaken on the basis of funding from the Business Development fund and £10,500 was transferred to the general fund at the year end to cover these outgoings. There were also revaluation gains of £20,645 on the financial investments.

The unrestricted financial investments were transferred from the General fund to a designated Investment for Income fund at the year end at a value of £554,025. The income from these investments is used to underpin the fixed costs of the PDCSR and is essential for the ongoing viability of the entity.

The GNSS Fund, which is a restricted fund, showed a surplus of £16,246 (2014: £5,432 deficit). This change was due to an operational restructuring and drop in headcount. The grants themselves come in at different times, and for the funders relates to a year of April – March.

Balance sheet position

The Trustees consider that the balance sheet together with details in note 12 show broadly that the assets are held in an appropriate mix of investment and current assets given the purposes for which the funds are held. The net assets at the balance sheet date totalled £672,651 (2014: £649,436).

Reserves policy

Free reserves

Having considered financial risk, liquidity requirements and the timing of cash flows throughout the year, the Trustees' policy is to hold a very small balance of readily realisable assets in the general fund in order to maximise the income derived from investments. At the end of 2015 this was £32,323 (2014: £30,723 net of investments transferred in 2015). The financial risks of this policy are negligible since the largest expense is the reimbursement of costs to the Portsmouth DBF and the timing of such payments are controllable.

Designated funds

The Trustees may, with the approval of the board, designate additional unrestricted reserves to be retained for an agreed purpose where this is considered to be prudent. Such designated reserves are reviewed on an annual basis and returned to the general fund in the event that the purpose of their designation is no longer considered to be adequate justification for their retention.

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Funds currently designated within the PDCSR accounts are the Business Development fund of £72,074 (2014 : 77,205) and the newly created Investment for Income fund of £554,025.

Investment policy

CSR has the power to:

- Purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges required for the purposes of the Council
- Sell, let, mortgage, dispose of or turn into account all or any of the property and funds of the Council
- Undertake, execute, and manage any charitable trusts which may lawfully be accepted by the Council
- Raise or borrow money for the purposes of the Council on such terms and on such security as shall be thought fit.

The directors continue to be guided in their investment decisions by the Investment Advisory Group of the Portsmouth Diocesan Board of Finance. No investment transactions took place during 2015 but the unrestricted investments were moved to a designated Investment for Income fund. This move was directed by the steering committee in recognition of the fact that these assets should not be depleted as the income generated is essential for the continuing viability of the operations.

Funds continued to be invested in CCLA funds, spread between the property fund and investment fund. The portfolio as a whole experienced an overall rise in market values of 3.47% (2014: 7.35%), an income yield of 4.50% (2014: 4.93%) and a resulting total return of 7.97% (2014:12.29%).

PRINCIPAL RISKS AND UNCERTAINTIES

The directors have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable periodic reports to be produced so that the necessary steps can be taken to lessen these risks.

The principal risk for CSR would be the loss of a major grant or contract. As these are governed by clear rules, and notice periods the risk of that happening unexpectedly is remote. Reserves have been set aside to cover any liabilities that might result.

STRUCTURE AND GOVERNANCE

Organisational structure

PDCSR is a Company limited by guarantee, incorporated the 25th July 2011 and operating under a Memorandum and Articles of Association altered pursuant to Special Resolution on the 7th day of December 2011. (Company no. 7717141; Charity no.1145162).The trustees, who were directors for the purpose of company law, who served during the year are set out on page 9. Members of the

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charitable company guarantee an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

The Council for Social Responsibility (CSR) is an independent charity based at the Diocese of Portsmouth that seeks to facilitate sustainable and innovative approaches to locally based social action, especially, though not exclusively, at the parish level in South East Hampshire, Portsmouth and the Isle of Wight, and beyond. It works with people of all faiths and none without preference or prejudice, and is committed to working in a fully inclusive way. The Bishop of Portsmouth appoints the chief officer whose title was changed in the year, to Director of Social Enterprise and Engagement. He is currently an ordained member of the Diocesan staff. The staff responsible for working with the Council in bringing its policy and plans to life are;

The CSR Chief Officer/DSEE – The Revd Canon Nick Ralph
The CSR Project assistant – Nicky Pybus (in 2015)
The Good Neighbours Support Service, Service Manager – Elizabeth Foulds
The Good Neighbours Support Service, Groups and Network Adviser – Angela Smith

As of 1st Nov 2015, the DSEE was seconded for 50% of his time to the Winchester Social Enterprise for 2 years in a positive partnership which also frees up some funds for other work.

Decision making structure

The Directors are responsible for strategy, financial management and all major decisions. Oversight of day to day detailed work and management of the charity's activities is undertaken by the CSR Steering Group appointed by the Directors, and listed on page 9 of this report.

The CSR Steering Group met five times in the year and has continued the outward focus in which CSR aims to generate new income streams and expand its independent resources.

Trustee recruitment, selection and induction

Trustees are given induction at the outset of the triennium and at other times as appropriate. They are also informed before seeking membership and, at all other relevant times, of the role and function of the Committee. Some staff hold the title of 'Director', but this relates to their function within the organisation and has no legal meaning within the terminology associated with the Companies Act. All Trustees are required to maintain their entry in the record of declarations of interest and loyalty. The Trustees were provided with trustee training during 2015.

Delegation of day to day delivery

The Trustees and the sub-committee which assist them in the fulfilment of their responsibilities, rely upon the Director of Social Enterprise and Engagement, and his colleagues for the delivery of the day to day activities of the company and the Portsmouth Diocesan Board of Finance acts as agent for CSR for employment, finance and administrative matters.

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TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees (as Directors) to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the PDCSR and of the surplus or deficit of the PDCSR for that period.

In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in operation

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included in the PDCSR's website. Legislation in England/Wales governing the preparation and dissemination of financial statements and other information included in Annual Reports may differ from legislation in other jurisdictions.

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

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For the year ended 31 December 2015

ADMINISTRATIVE DETAILS

Trustees

No Trustee had any beneficial interest in the company during 2015. The following are the Trustees who served at any time during 2015 up to the date of this report:

Chairman: The Rt Revd Christopher Foster – Lord Bishop of Portsmouth

Ex-officio
The Very Revd D C Brindley (The Dean of Portsmouth)
The Ven G Collins (Archdeacon of the Meon)
The Ven Dr J W Grenfell (Archdeacon of Portsdown)
The Ven P Sutton (Archdeacon of the Isle of Wight) (DATE)
The Revd Canon R C White (Chair of the House of Clergy)
Canon D Sutton (Chair of the House of Laity)
The Revd W P Kennedy (The Diocesan Secretary)

Bishop's Nominee: Canon J Gwynn (Chairman of Diocesan Finance Committee)

Elected by:

Synod House of Clergy
The Revd P Armstead (from 1.1.16) The Revd W Hughes
The Revd M Bagg The Revd A Kerr (from 1.1.16)
The Revd Dr P Chamberlain (from 1.1.16) The Revd Canon G Morris
The Revd Canon R Coutts (to 31.12.15) The Revd Canon D Power (31.12.15)
The Revd A Davis (res 30.9.15) The Revd I Snares (from 1.1.16)
The Revd M Duff (from 1.1.16)

Synod House of Laity
Col J Barrett (to 31.12.15) Miss I James (from 1.1.16)
Mr G Barwick Cdre M Lane
Canon D Bennison Mr A Littlejohn (to 31.12.15)
Mr N Chapman Canon Dr H Mason
Mrs L Clay Mr G Ringrow (from 1.1.16-7.3.16)
Canon L Docherty Mr R Solomon
Mr K Doyle (from 1.1.16) Canon H Spurgeon
Canon S Forster Mr J Steadman
Mr A Hill (to 31.12.16)

CSR Steering Group
Canon L Docherty – Chair The Ven Dr J W Grenfell
The Revd Canon N Ralph The Revd W Kennedy (secretary/treasurer)
Mr L Rampton Mr F Davis (to 19.3.15)
Mr R Solomon The Revd B O'Sullivan
Mr E Phillips

Senior staff and advisers

Director of Social Enterprise and Engagement

Nick Ralph

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Registered Office: Diocesan Office, Peninsular House, Wharf Road, Portsmouth, PO2 8HB

Bankers Barclays PLC, PO Box 165, Crawley, RH10 1YX

Independent Examiner haysmacintyre, 26 Red Lion Square, London WC1R 4AG

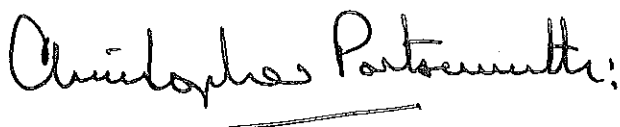
Solicitors Messrs Brutton & Co, West End House, 288 West Street, Fareham, PO16 0AJ

Investment advisers Investment Advisory Group, Diocese of Portsmouth and, CCLA, Senator House, 85 Queen Victoria Street, London EC4V 4ET

Surveyor Mr C Daniells, Daniells Harrison, The Old Manor House, Wickham Road, Fareham, PO16 7AR

In approving this Trustees' Report, the Trustees are also approving the Strategic Report included on pages 1 - 9 within their capacity as company directors.

BY ORDER OF THE TRUSTEES



The Right Revd Christopher Foster
Chairman
27 April 2016



The Revd Wendy P Kennedy
Diocesan Secretary
27 April 2016

INDEPENDENT EXAMINER REPORT TO THE MEMBERS OF PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

I report on the accounts of the company for the year ended 31 December 2015 which are set out on pages 12 to 18.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and which are consistent with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Adam Halsey FCA
Senior Statutory Auditor
26 Red Lion Square
London
WC1R 4AG

Date: 27 April 2016

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

STATEMENT OF THE FINANCIAL ACTIVITIES
For the year ended 31 December 2015

	Note	General fund £	Designated funds £	GNSS fund £	Total funds 2015 £	Total funds 2014 £
Incoming and endowments from:						
Donations	2	8,400	-	137,005	145,405	160,200
Charitable Activities	3	8,374	-	-	8,374	7,224
Investment income	4	24,631	3,983	1	28,615	29,212
		41,405	3,983	137,006	182,394	196,636
Expenditure on:						
Charitable activities	5	60,450	-	120,760	181,210	213,759
		60,450	-	120,760	181,210	213,759
Net income/(expenditure) before investment gains		(19,045)	3,983	16,246	1,184	(17,123)
Net investment gain on investments		20,645	1,386	-	22,031	43,512
Net income/(expenditure)		1,600	5,369	16,246	23,215	26,389
Transfers between funds	6	(543,525)	543,525	-	-	-
Net movement in funds	7	(541,925)	548,894	16,246	23,215	26,389
Total funds at 1 January		574,248	77,205	(2,017)	649,436	623,047
Total funds at 31 December		32,323	626,099	14,229	672,651	649,436

All amounts derive from continuing activities. The statement of financial activities incorporates an income and expenditure account for the purposes of the Companies Act 2006.

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

BALANCE SHEET

For the year ended 31 December 2015

Company Number –7717141

	Note	2015 £	2014 £
Fixed Assets			
Investments	8	657,792	635,760
Investment in Joint Venture	9	12,500	12,500
		<u>670,292</u>	<u>648,260</u>
Current Assets			
Debtors	10	26	22,944
Short term Investments		9,830	5,845
Cash at bank and in hand		18,010	12,400
		<u>27,866</u>	<u>41,189</u>
Creditors: amounts falling due within one year	11	25,507	40,013
		<u>2,359</u>	<u>1,176</u>
Net current assets		<u>2,359</u>	<u>1,176</u>
Total assets less current liabilities		<u>672,651</u>	<u>649,436</u>
The funds of the charity:			
General fund		32,323	574,248
Designated funds		626,099	77,205
Restricted income funds		14,229	(2,017)
Total funds	12	<u>672,651</u>	<u>649,436</u>

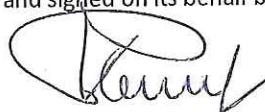
The accounting policies and notes on pages 15-19 form an integral part of these accounts.

For the year ended 31 December 2015 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

Approved by the Board and authorised for issue on 27th April 2016 and signed on its behalf by



The Right Revd Christopher Foster
Chairman
April 2016



The Revd Wendy P Kennedy
Diocesan Secretary
27 April 2016

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, with the exception of fixed asset investments, which are included at their market value at the balance sheet date. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015), the Companies Act 2006 and the Financial Reporting Standard for Small Entities.

a) Income

All income is included in the Statement of Financial Activities (SOFA) when the PDCSR is legally entitled to them as income or capital respectively, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

Income from investments includes all dividends on securities for which the date of payment falls within the period. Investment income includes tax recoverable thereon.

Grants are accounted for on a receivable basis with the exception of the funding restricted for the GNSS activities where they are time-apportioned to align on a quarterly basis with the costs towards which they are contributing.

b) Expenditure

Expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the Statement of Financial Activity category.

c) Fund balances

Fund Balances are split between unrestricted (general and designated), restricted and endowment funds.

- **General funds** are the unrestricted corporate funds that are freely available for any purpose within the charitable company's objects and which the PDCSR intends to use for its general purposes.
- **Designated funds** are set aside out of unrestricted funds by the PDCSR for a purpose specified by the Trustees.
- **Restricted funds** are income funds subject to conditions imposed by the donor as specific terms of trust, or else by legal measure.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2015

	General fund £	Designated funds £	GNSS fund £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES					
2. Donations					
Diocesan funds	8,400	-	-	8,400	8,400
Other grants	-	-	-	-	5,000
* GNSS funding	-	-	137,005	137,005	146,800
	8,400	-	137,005	145,405	160,200

* This includes a management fee of £12,455

3. Charitable Activities					
Activity Income	4,000	-	-	4,000	10
Sundry Income	4,374	-	-	4,374	7,214
	8,374	-	-	8,374	7,224

4. Investments					
CBF Deposit Interest	1	37	1	39	26
CBF Investment fund	13,294	3,946	-	17,240	16,904
CBF Property fund	11,336	-	-	11,336	12,282
	24,631	3,983	1	28,615	29,212

EXPENDITURE ON

5. Charitable activities					
Special Publications	1,023	-	3,001	4,024	1,381
Training	-	-	7,121	7,121	250
Monitoring & Evaluation	-	-	1,800	1,800	2,000
rdp programme	-	-	-	-	18,108
Other Activity costs	16,747	-	21,979	38,726	42,454
Conference expenses	-	-	-	-	315
Grant to PDBF for Salary costs	40,109	-	62,699	102,808	119,477
Other staff expenses	646	-	3,305	3,951	5,546
Office support costs	87	-	8,400	8,487	8,470
Independent examiner's costs	1,813	-	-	1,813	2,413
Legal Costs	25	-	-	25	-
Managment costs	-	-	12,455	12,455	13,345
	60,450	-	120,760	181,210	213,759

All staff are employed by the Portsmouth Diocesan Board of Finance on behalf of CSR.

At the end of 2015 there were 3.20 employees [2014: 3.10]

The trustees received no expenses during the year [2014: £nil]

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2015

	General fund	Designated funds	Restricted funds	Total funds 2015
	£	£	£	£
6. Analysis of Transfers between Funds				
To transfer from the Business Development fund to support new initiatives	10,500	(10,500)		-
To transfer investments to a new Investment for Income fund	(554,025)	554,025		-
	(543,525)	543,525	-	-

7. Movement of Funds

	At 1st January 2014	Income	Expenditure	Transfers	Gains/ (Losses)	At 31st December 2015
	£	£	£	£	£	£
General fund						
General Fund	574,248	41,405	(60,450)	(543,525)	20,645	32,323
Designated funds						
Business Development	77,205	3,983	-	(10,500)	1,386	72,074
Investment for Income	-	-	-	554,025	-	554,025
	77,205	3,983	-	543,525	1,386	626,099
Restricted						
GNSS	(2,017)	137,006	(120,760)	-	-	14,229
	(2,017)	137,006	(120,760)	-	-	14,229
Total Funds	649,436	182,394	(181,210)	-	22,031	672,651

8. Investments

	At 1st January 2015	Additions	Disposals	Transfers	Change in Market Value	At 31st December 2015
	£	£	£	£	£	£
CBF Investment fund units	343,225	-	-	(347,895)	4,670	-
CBF Property fund	190,155	-	-	(206,130)	15,975	-
Unquoted investment	500	-	-	-	-	500
General Fund	533,880	-	-	(554,025)	20,645	500
CBF Property fund				206,130	-	206,130
CBF Investment fund units	101,881	-	-	347,895	1,386	451,162
Designated Funds	101,881	-	-	554,025	1,386	657,292
Total Funds	635,761	-	-	-	22,031	657,792

All investments are held within the UK

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2015

9. Investment in Joint Venture

	£
Cost	
At 1 January	25,000
Additions	-
At 31 December	<u>25,000</u>
Provision	
At 1 January	12,500
Charge for the year	-
At 31 December	<u>12,500</u>
Book value	
At 31 December 2013	-
At 31 December 2014	<u><u>12,500</u></u>

The Principal undertakings in which the company's interest at the year end is 20% or more are as follows:

Joint Ventures	Country of Incorporation	Proportion of Voting Rights	Nature of Business
Joint Venture Social enterprise Limited	England	50%	parish and community development projects

The aggregate capital and reserves of this undertaking as at 31 December 2014 was £26,061
 The loss for the year then ended was (£3,277)

10. Debtors

	2015	2014
	£	£
Sundry Debtors	26	194
Due from Hampshire CC	-	22,750
	<u>26</u>	<u>22,944</u>

11. Creditors : amounts falling due within one year

	2015	2014
	£	£
Sundry Creditors	4,937	5,984
Due to PDBF for CSR & costs	2,935	32,994
Deferred GNSS Income	17,635	-
GNSS Management Fees due	-	1,035
	<u>25,507</u>	<u>40,013</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2015

12. Assets by Fund

	Investment Assets £	Current Assets £	Current Liabilities £	Net Assets £
General fund				
General fund	13,000	26,540	(7,217)	32,323
Designated funds				
Business Development fund	103,267	(31,193)	-	72,074
Investment for Income fund	554,025	-	-	554,025
	657,292	(31,193)	-	626,099
Restricted funds				
GNSS	-	32,519	(18,290)	14,229
Total Funds at 31st December 2015	670,292	27,866	(25,507)	672,651

Description of Funds:

General Fund

These funds are unrestricted and to be used for the furtherance of the charitable objectives of the PDCSR as detailed on page 1 of the annual report.

Business Development Fund

This fund arose from the sale of a piece of land in 2012 at which point the trustees agreed that this windfall should be used specifically to support new projects and each year since then has been utilised for such activities under the direction of the steering committee.

Investment for Income Fund

These funds were designated by the trustees in 2015 to generate income to support the continued operations of PDCSR.

GNSS Fund

These are the funds received from external sources and restricted for the sole purpose of supporting the activities of the Good Neighbours Support Service, Hampshire.

13. Capital commitments

There were no capital commitments at 31st December 2015 [2014: Nil]

14. Contingent liabilities

There were no contingent liabilities at 31st December 2015 [2014: Nil]

15. Related Party transactions

The Portsmouth Diocesan Board of Finance (PDBF) is the direct employer of all PDCSR staff and payment was made to it in respect of these costs of £126,722 [2014 – £133,032]. The PDBF has also supported the work of the PDCSR for several years and in 2015 a grant of £8,400 [2014 –£8,400] was received.

In 2011 the PDCSR set up the Joint Venture Social Enterprise in partnership with The Parity Trust. £25,000 of Business Development funds were invested in the new business in the form of a debenture, which was converted into shares on the 31st January 2013. The value of the JVSE equity in CSR's accounts is a fair reflection of the value of CSR's share of the assets in the JVSE accounts.