

PORTSMOUTH DIOCESAN EDUCATION TRUST

Annual Report and Financial Statements

**for the year ended
31 December 2015**

Charity registration no: 307081

Company registration no: 485069

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Portsmouth Diocesan Education Trust

Annual Report and Report of the Directors For the year ended 31 December 2015

The Directors acting as the Committee of Management, who are also trustees under the Charities Act 2011, present their report and the examined financial statements for the year ended 31 December 2015.

REFERENCE AND ADMINISTRATIVE DETAILS

Portsmouth Diocesan Education Trust is a Charity (Registration No. 307081) and a Company limited by guarantee (Registered No. 485069). The charitable company known as Portsmouth Diocesan Board of Education changed its name to the Portsmouth Diocesan Education Trust on the 1st January 2010.

Committee of Management

The following directors were in post during 2015 and till the date of this report, except as stated otherwise:

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)	
	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 (fr 1.1.16)	The Revd W Hughes
	The Revd M Bagg	The Revd A Kerr (fr 1.1.16)
	The Revd Dr P Chamberlain (fr 1.1.16)	The Revd Canon G Morris
	The Revd Canon C 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 (fr 1.1.16)
	The Revd M Duff (fr 1.1.16)	
Synod House of Laity	Col J Barrett (to 31.12.15)	Miss I James (fr 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 (fr 1.1.16-7.3.16)
	Canon L Docherty	Mr R Solomon
	Mr K Doyle (fr 1.1.16)	Canon H Spurgeon
	Canon S Forster	Mr J Steadman
	Mr A Hill (to 31.12.16)	

Registered Office & operational address:

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Website: http://portsmouth.anglican.org/contact_us/education/

Email: Liz.hodson@portsmouth.anglican.org

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

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

Solicitors Brutton & Co, West End House, Fareham, Hants, P016 0AJ

Investment advisers CCLA Investment Management Ltd, Central Board of Finance of the Church of England Funds, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Portsmouth Diocesan Education Trust

Annual Report and Report of the Directors For the year ended 31 December 2015 (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

PDET is a Company limited by guarantee, incorporated the 3rd day of August 1950 and operating under a Memorandum and Articles of Association altered pursuant to Special Resolutions on the 3rd day of July 1992; the 22nd day of July 2009 and the 22nd day of December 2009. (Company no. 485069; Charity no.307081) The Directors, who are also Charity Trustees, are constituted as a Committee of Management.

Members of the Committee of Management

Members of the Committee of Management, who were directors for the purpose of company law, who served during the year are set out on page 3.

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

Responsibilities of the Committee of Management

The Committee of Management is responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. It is also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Committee of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Committee of Management are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Committee of Management are responsible for keeping adequate accounting records that show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity, 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Policies and procedures for induction and training of trustees

The Committee of Management meets on at least three occasions in the year in addition to the Annual General Meeting. Those elected by Synod generally have a good level of understanding of diocesan structures but may not have expertise in educational activities or previous experience as trustees. The first meeting of the re-constituted body every three years normally includes a general training session on the duties and responsibilities of trustees, who are also directors of the company.

Additional briefing on specific issues is delivered as new matters or activities arise, incorporated in the presentations made to meetings.

Organisational structure

The Trust is answerable to Portsmouth Diocesan Synod and its primary objective is to manage the investments and assets at its disposal to best support the work of the Portsmouth and Winchester joint Board of Education in relation to Church Schools in Portsmouth Diocese and, as such, is directly concerned with the Board of Education in support of schools and colleges as well as parishes engaging with schools, in accordance with the requirements of the Diocesan Boards of Education Measure 1991.

Portsmouth Diocesan Education Trust

Annual Report and Report of the Directors For the year ended 31 December 2015 (continued)

To support the rapidly expanding work with schools, from October 2006 Portsmouth Diocesan Board of Education joined with Winchester Diocesan Board of Education for all operational purposes, supported by the broader joint education team. The formal creation of one joint board of education required the resolution of the legal issues arising. Formal procedures to combine the work of the two Boards of Education into a joint Board reached a conclusion in 2009. At that point responsibility for the functions of the Statutory Board of Education in respect of Portsmouth Diocese passed to the new joint board and the charitable company known as Portsmouth Diocesan Board of Education changed its name to the Portsmouth Diocesan Education Trust, retaining all property and assets of the charity.

Relationship with related parties

All Portsmouth Diocesan Education Trust Committee of Management members are also the Directors and Trustees of the Portsmouth Diocesan Board of Finance. The Portsmouth Diocesan Education Trust makes an annual contribution to the Portsmouth Diocesan Board of Finance. The Portsmouth and Winchester Diocesan Board of Education staff come under the direct employment of the Portsmouth Diocesan Board of Finance, which provides the staffing for the joint team, office and accommodation services, and operating budget provisions, in return for contributions on the agreed ratio of one third Portsmouth, two thirds Winchester.

The governing bodies of the Voluntary Church of England schools have exempt charitable status under Section 23 of the Schools Standards and Framework Act 1998. Several members of Portsmouth Diocesan Education Trust also serve as governors/trustees of these schools in the diocese.

Review of major risks and procedures to manage them

The trustees give due regard to the risks to which the PDET is subject and have identified the following as being of significant note:

- Loss of income from the investments held by the Trust which would render the trust unable to fulfil its primary objective of supporting Church schools in Portsmouth Diocese.

To minimise this risk the trustees take counsel from the Investment Advisory Group of the Portsmouth Diocesan Board of Finance who are appointed to provide the DBF with investment advice. Furthermore the Trust liaises closely with the Portsmouth and Winchester Diocesan Board of Education and its staff in matters relating to School land and property vested in the Portsmouth Diocesan Education Trust, and is consulted in all decisions of the Board of Education that might potentially impact those assets.

- Reputational risk arising from problems within the church schools and academies with which the Trust is associated. Potential problems include, but are not limited to, poor educational standard and a failed Ofsted inspection, the safeguarding of children, and the safety of staff.

To mitigate against these risks the trustees aim to ensure that adequate resources can be made available to support these educational establishments when required for them to fulfil their functions in an appropriate manner.

OBJECTIVES AND ACTIVITIES

Charitable objects of the company

Under the terms of its Memorandum and Articles of Association the Portsmouth Diocesan Education Trust has the functions listed below:

(a) To do all or any of the following things for the purpose of attaining the objects of the Trust if and so far as allowed by law and subject to the observance and performance of whatever may be required by law in order legally to carry out the same.

(b) To be Trustee of all the Church of England (hereinafter called the "Church") Schools in the Diocese of Portsmouth (herein after called "the Diocese") and of all real and personal property and any other assets held for the benefit of such schools and any other function related thereto not required to be undertaken by the Statutory Education Authority for the Church in the Diocese under the Diocesan Boards of Education Measure 1991.

Portsmouth Diocesan Education Trust

Annual Report and Report of the Directors For the year ended 31 December 2015 (continued)

Statement of Public Benefit

In the course of fulfilling its objectives the Board has complied with the duty of trustees set out in the Charities Act 2011 in having due regard to public benefit guidance published by the Charities Commission

Main activities in relation to these objects

In pursuit of its aims during 2015, the Trust provided an agreed contribution to the Portsmouth Diocesan Board of Finance, to assist it to meet its liabilities relating to the employment and support of the staff of the Portsmouth and Winchester Board of Education. The Trust considers supporting the provision of these staff as the appropriate first call on the available income of the Trust after its essential running costs.

Policy on grant making

The Trust is not primarily a grant-making trust, and will only make grants to schools in very exceptional circumstances, having regard to the level of income generated by the Board during the year and the extent of expenses and other charges thereon.

The existing policy for grants from the income on the small restricted trust funds will continue, with the relevant schools or establishments in particular geographical areas of the diocese being encouraged to apply when an appropriate item was being considered by them.

Policy on programme related investment

The Board does not run discrete programmes of work and therefore does not hold investments in relation to programme development.

FINANCIAL REVIEW

The accounts for 2015 have been prepared in the format required by the Charity Commissioners' Statement of Recommended Practice - Accounting and Reporting by Charities (2015).

Since the 1st October 2006 all staff working in the diocesan education team became employed by the Portsmouth Diocesan Board of Finance, and so for 2015 there have been no direct staff or employment costs.

The Trust holds a number of small charitable funds on behalf of other beneficiaries. These funds are incorporated into the Statement of Financial Activities and Balance Sheet. A description of the origin and nature of these funds is included in Note 11 to the Accounts.

Investment Policy

The Trustees continue to keep alternative investment vehicles under review and the overall investment strategy, subject to the trust and legal constraints applying to each fund, is to maximise income while preserving the real value of the capital in the medium term. To this end they seek counsel from the Investment Advisory Group that serves the Portsmouth Diocesan Board of Finance where the aim is to achieve a yield of not less than 4%.

The investments showed an overall income return of 4.73% (5.25% in 2014) and there was an increase in capital values of 4.09% (7.97% increase in 2014).

Incoming resources and expenditure

Total incoming resources in 2015 amounted to £122,971 (2014: £432,728). The majority of the recurring income was investment income, with a further substantial £55,000 rental income from the former Mayfield Middle School. Total expenditure amounted to £68,203 (2014: £47,726), of which £51,000 was the contribution to the Portsmouth Diocesan Board of Finance for the Portsmouth share of the joint Mission and Education section costs. The costs in 2014 were exceptionally low due to a reimbursement of Council Tax and other costs relating to Oakfield School and the 2015 reflects the ongoing level.

The Trust's net income before investment gains in 2015 amounted to £54,768 (2014: £385,002) which also reflect the ongoing level with 2014 being an exceptional result due to the sale of Oakfield School. Following the restructuring of the department in 2006 the Board of Education's principal activity in 2015 continued to be to manage its various funds in order

Portsmouth Diocesan Education Trust

Annual Report and Report of the Directors For the year ended 31 December 2015 (continued)

to make a contribution to the Portsmouth Diocesan Board of Finance for the Portsmouth Diocese's share of the costs of the Mission and Education Staff.

Other gains and losses

Investment gains recognised during the year amounted to £178,114 (2014: £72,387 gain) with the large increase being due to the revaluation of Shanklin Schools House. This property had previously been valued at £52,000 being ten times the annual rental income, but was revalued to £190,000 at the end of 2015 being the market valuation conducted in preparation for its impending sale now vacant. The balance represents the revaluation of the Trust's shares to their market value at the year-end.

Reserves at the year-end

Total reserves at 31 December 2015 amounted to £1,977,500 (2014: £1,744,618), of which £1,334,037 (2014: £1,175,894) represented expendable or permanent endowment funds, £418,654 (2014: £358,482) represented restricted income funds (principally the uniform statutory trusts accumulated income), and £224,809 (2014: £210,242) represented unrestricted funds and the free reserves.

Policy on reserves

The objects of the Trust since 2007 have been the provision of services to schools and to promote education in the diocese. The major recurring expenditure is the contribution to the Diocesan Board of Finance for administration and support costs, without which the Board of Education could not operate and the policy is to meet this cost from the restricted income arising from the endowment fund investments.

The free reserves exist to meet those periodic costs associated with the management of the assets of the Trust and are reviewed on a regular basis in the context of anticipated costs at that time.

Reserves within the controlled schools (expendable endowment) fund are required by the Charity Commission to be maintained at a level to produce sufficient income to meet the anticipated annual costs of the maintenance of Shanklin School House and to make a reasonable contribution to support the Trust's services to schools. This situation is anticipated to cease in 2016 with the sale of Shanklin School House following the departure of the long standing tenant at the end of 2015.

Funding

The Trustees are satisfied that the charity's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds.

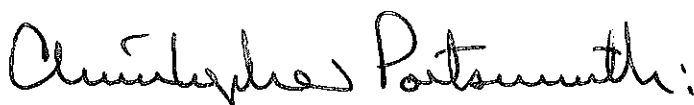
Directors' interests in shares

The Trust is a company limited by guarantee and the directors, as members, may derive no benefit, income or capital interest in the Board's financial affairs other than reimbursement of out of pocket expenses.

Taxation status

The Trust is a registered Charity (No. 307081) and, as such, is not liable to corporation tax on any surplus from operations applied to the purpose of the charity.

Approved by the Board of Directors on 27th April 2016 and signed on its behalf by:



The Right Reverend Christopher Foster (Chairman)

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF PORTSMOUTH DIOCESAN EDUCATION TRUST

I report on the accounts of the company for the year ended 31 December 2015 which are set out on pages 9 to 17.

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 Education Trust

Statement of Financial Activities For the year ended 31 December 2015

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2015 £	Total 2014 £
Income and Endowments from						
Donations	2	420	-	-	420	495
Charitable Activities	3	100	-	-	100	-
Other Activities	4	-	56,300	-	56,300	104,409
Investments	5	8,875	55,756	1,520	66,151	68,824
Other income	6	-	-	-	-	259,000
		<u>9,395</u>	<u>112,056</u>	<u>1,520</u>	<u>122,971</u>	<u>432,728</u>
Expenditure on						
Raising funds	7	-	2,737	-	2,737	393
Charitable activities	8	2,490	57,761	5,215	65,466	47,333
		<u>2,490</u>	<u>60,498</u>	<u>5,215</u>	<u>68,203</u>	<u>47,726</u>
Net income/(expenditure) before investment gains		6,905	51,558	(3,695)	54,768	385,002
Net gains on investments		7,662	8,614	161,838	178,114	72,387
Net movement in funds	10	<u>14,567</u>	<u>60,172</u>	<u>158,143</u>	<u>232,882</u>	<u>457,389</u>
Total funds brought forward		<u>210,242</u>	<u>358,482</u>	<u>1,175,894</u>	<u>1,744,618</u>	<u>1,287,229</u>
Total funds at 31st December		<u><u>224,809</u></u>	<u><u>418,654</u></u>	<u><u>1,334,037</u></u>	<u><u>1,977,500</u></u>	<u><u>1,744,618</u></u>

All amounts relate to continuing activities. The Statement of Financial Activities incorporates an income and expenditure account for the purposes of the Companies Act 2006 under which terms the profit is £58,463 (2014: £126,002)

Portsmouth Diocesan Education Trust

Balance Sheet As at 31 December 2015

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2015 £	Total 2014 £
Fixed assets						
Investment assets	12	188,723	163,365	1,066,840	1,418,928	1,454,493
Current assets						
Debtors and prepayments	13	22,901	-	-	22,901	63,511
Cash on deposit		76,013	18,786	32,206	127,005	82,686
Cash at bank and in hand		345,204	250,253	234,991	830,448	165,989
		<u>444,118</u>	<u>269,039</u>	<u>267,197</u>	<u>980,354</u>	<u>312,186</u>
Creditors: amounts falling due within one year	14	<u>408,032</u>	<u>13,750</u>	<u>-</u>	<u>421,782</u>	<u>22,061</u>
Net current assets		<u>36,086</u>	<u>255,289</u>	<u>267,197</u>	<u>558,572</u>	<u>290,125</u>
Net assets		<u>224,809</u>	<u>418,654</u>	<u>1,334,037</u>	<u>1,977,500</u>	<u>1,744,618</u>
Funds						
Unrestricted		224,809	-	-	224,809	210,242
Restricted		-	418,654	-	418,654	358,482
Endowment		-	-	1,334,037	1,334,037	1,175,894
Total charity funds	15	<u>224,809</u>	<u>418,654</u>	<u>1,334,037</u>	<u>1,977,500</u>	<u>1,744,618</u>


The accounting policies and notes on pages 11 to 17 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



Director



Secretary

Portsmouth Diocesan Education Trust

Notes to the Financial Statements As at 31 December 2015

Basis of preparation of financial statements

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.

1 Accounting policies

1.1 Incoming resources

These are included in the Statement of Financial Activities (SoFA) when:-
the charity becomes entitled to the resources;
the trustees consider it probable that they will receive the resources; and
the monetary value can be measured with sufficient reliability.

Where incoming resources have related expenditure the incoming resources and related expenditure are reported gross in the SoFA.

Grants are only included in the SoFA when the charity has unconditional entitlement to the resources.

The value of any voluntary help received is not included in the accounts.
Investment income is included in the accounts when receivable.

Gains and losses in market value or on sale of investments are recognised in the SoFA. Income from investments includes all dividends and interest on securities receivable during the year.

1.2 Expenditure and liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Expenditure on and grants for the cost of schools and other buildings are written off as incurred. Resources expended include attributable VAT which cannot be recovered.

Governance costs include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and cost of any legal advice to trustees on governance or constitutional matters.

1.3 Assets

Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £2,000, when they are valued at cost. All other additions and renewals are charged to the SoFA for the year in which the expenditure is incurred.

Investments quoted on a recognised stock exchange are valued at market value at the end of the year. Other investment assets are included at trustees' best estimate of market value.

The properties are former school assets no longer used by the Board for its schools but rented out for school use and valued on an investment property basis at 10 times annual rent receivable on 31st December, recognising that market value is not applicable until, if ever, the properties become available for disposal. The availability and use of any realised assets arising from the sale of church schools are clearly delineated and circumscribed by education and charity legislation. Accordingly the trustees consider any additional value attributable to these properties would be immaterial to the financial statements, and the cost of such valuation would be disproportionate to any benefit gained by the readers of these accounts. Other schools are not included on the

Portsmouth Diocesan Education Trust

Notes to the Financial Statements As at 31 December 2015

balance sheet until they are closed and the beneficial ownership has been transferred to the Trust.

1.4 Funds of the Charity

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

Restricted funds are grants and other incoming resources receivable or generated for the objects of the charity with the purpose specified by the donor. Expenditure which meets these criteria is charged to the fund.

Endowment funds are the Controlled Schools Fund and Trust Funds held for specific beneficiaries and/or purposes. The Controlled Schools Fund was established from the proceeds of sale of closed Controlled Schools and teachers' houses. The Charity Commission has advised that the Fund must be maintained until the disposal of the last property dependent upon the Fund for its upkeep (Shanklin School House). A reasonable proportion of the annual income accruing to the Fund may be used as a contribution to the costs of the Board's work.

2 Donations

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2015 £	Total 2014 £
Grants receivable:					
Bembridge le Mesurier Foundation	420	-	-	420	495
Total	420	-	-	420	495

3 Charitable activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2015 £	Total 2014 £
Miscellaneous - Portsmouth CC	100	-	-	100	-
Total	100	-	-	100	-

4 Income from Other Activities

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2015	Total 2014
Rental of:					
Former St Boniface School	-	-	-	-	49,409
Former Mayfield Middle School	-	55,000	-	55,000	55,000
Leesland Junior School	-	1,300	-	1,300	-
Total	-	56,300	-	56,300	104,409

Portsmouth Diocesan Education Trust

Notes to the Financial Statements As at 31 December 2015

5 Investment income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2015 £	Total 2014 £
Rent:					
Buriton School	-	8,200	-	8,200	8,200
Newtown Soberton School	-	7,600	-	7,600	7,600
Greatham Field	-	550	-	550	150
Shanklin School House	-	3,400	-	3,400	5,200
Catherington School kitchen	-	21	-	21	21
UK Investments and interest	8,875	35,985	1,520	46,380	47,653
Total	8,875	55,756	1,520	66,151	68,824

6 Other income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2015 £	Total 2014 £
Additions to UST Capital - Oakfield School	-	-	-	-	259,000
	-	-	-	-	259,000

7 Cost of managing investments

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2015 £	Total 2014 £
Repairs to School houses	-	2,737	-	2,737	393
	-	2,737	-	2,737	393

8 Expenditure on services to schools

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2015 £	Total 2014 £
Contribution to PDBF towards Joint Education Team	-	51,000	-	51,000	50,000
Grants to schools from trust funds	-	-	266	266	97
Legal costs	-	-	-	-	41
Costs relating to Oakfield school	-	-	4,949	4,949	(20,148)
Costs relating to St Boniface school	-	116	-	116	(6,436)
Costs relating to St Margaret's school	-	6,645	-	6,645	21,422
Governance Costs	2,490	-	-	2,490	2,357
	2,490	57,761	5,215	65,466	47,333

Portsmouth Diocesan Education Trust

Notes to the Financial Statements As at 31 December 2015

9. Fund transfers

There were no fund transfers during the year ending 31 December 2015.

10 Analysis of fund movements

	Balance at 1 Jan 15 £	Income £	Expenditure £	Transfers £	Other gains/(losses) £	Balance at 31 Dec 15 £
Unrestricted funds						
General fund	210,242	9,395	(2,490)	-	7,662	224,809
Total unrestricted funds	210,242	9,395	(2,490)	-	7,662	224,809
Restricted funds						
Rowlands Castle prize	936	-	-	-	-	936
Uniform statutory trusts income	346,876	103,061	(57,761)	-	8,614	400,790
Controlled Schools income	10,670	8,995	(2,737)	-	-	16,928
Total restricted funds	358,482	112,056	(60,498)	-	8,614	418,654
Endowment funds						
Controlled schools fund	190,425	-	-	-	144,167	334,592
Hyde-Lees Trust	1,067	6	-	-	-	1,073
Rooper Trust	11,879	393	-	-	134	12,406
William Way Charity	432	-	-	-	5	437
Bembridge School	16,435	521	-	-	219	17,175
East Meon Sunday School	7,844	284	(266)	-	98	7,960
Gassiot Trust	13,317	302	-	-	97	13,716
Wickham Sunday School	2,491	14	-	-	-	2,505
Uniform statutory trusts capital	932,004	-	(4,949)	-	17,118	944,173
Total endowment funds	1,175,894	1,520	(5,215)	-	161,838	1,334,037
Total funds	1,744,618	122,971	(68,203)	-	178,114	1,977,500

Net income from endowment funds should accrue to a separate restricted fund, but as expenditure is defrayed the accumulated income on such funds is not considered material to show separately. Accordingly, this is included in the reported profit for Companies Act purposes.

Portsmouth Diocesan Education Trust

Notes to the Financial Statements As at 31 December 2015

11 Description of Funds

General fund	The general fund is unrestricted and may be applied for any of the objects of the charity as listed in the annual report of the trustees.
Rowlands Castle prize fund	This restricted fund for pupil prizes at Rowlands Castle Primary School was created by gift to the Board in 2007.
Uniform statutory trusts income fund	<p>This restricted fund arises from accumulations of unspent income from the uniform statutory trusts capital (see below). The fund may be applied for the following purposes:</p> <ol style="list-style-type: none">in or towards the purchase of a site for, or the erection, improvement or enlargement of, the premises of a relevant school (i.e. a church voluntary or foundation school or a church academy) or teacher's house for a relevant school, in the diocese;the maintenance of any relevant church school, or any teacher's house for a relevant school, in the diocese;in or towards the provision of advice, guidance and resources for the management or education provided at any relevant school in the diocese;the provision of services for carrying out inspections at any relevant school in the diocese;the cost of employing staff for any of the above purposes.
Controlled schools fund	was established from the proceeds of sale of closed controlled schools and teachers' houses. The Charity Commission has advised that the Fund must be maintained until the disposal of the last property dependent upon the Fund for its upkeep (Shanklin School House). A reasonable proportion of the annual income accruing to the Fund may be used as a contribution to the costs of the Trust's work.
Hyde-Lees Trust	was established in 1945 with a gift of £70 from the Reverend H M Hyde-Lees, as an endowment fund, the income of which may be used for the benefit of Church Schools in the Diocese of Portsmouth.
Rooper Trust	was established in 1936 from monies raised in the early 1900s for the maintenance of a Pupil Teachers' Centre on the Isle of Wight. The original capital of £300 is held in trust and the income arising therefrom is to be used for the benefit of Church Schools in the Isle of Wight.
William Way Charity	was established by a legacy of £200 in 1849 from Mr William Way. The interest accruing from the investment is for the furtherance of Religious Education in Shalfleet School.
Bembridge School Trust	was transferred to the Board of Education from the National Society in 1999. The capital and interest accruing are for the benefit of Bembridge School.
East Meon Sunday School Fund	Both capital and interest accruing, is for the benefit of the parish of East Meon and East Meon Church of England School.
Gassiot Trust	was transferred to the trusteeship of the Diocesan Education Committee in 1972 by its former trustees. The capital and interest accruing are for the benefit of Oakfield School in the parish of Ryde St John.

Portsmouth Diocesan Education Trust

Notes to the Financial Statements As at 31 December 2015

11 Description of Funds (continued)

Wickham Sunday School Fund	both capital and interest accruing, is for the benefit of the parish of Wickham and of Wickham Church of England School.
Uniform statutory trusts capital	This expendable endowment fund arises from the sale proceeds of redundant church school premises transferred to the Board by orders of the Secretary of State made under Section 554 of the Education Act 1996, and previous Acts. These capital funds may be expended on purposes a) and b) only of the purposes listed for the uniform statutory trusts income fund above.

12 Investments

	At 1st January 2015 £	Additions £	Disposals £	Change in Market Value £	At 31st December 2015 £
Unrestricted funds					
CBF Investment fund	107,219	-	-	1,458	108,677
CBF Property fund	73,843	-	-	6,203	80,046
Total unrestricted funds	181,062	-	-	7,662	188,723
Restricted Funds					
CBF Investment fund	62,306	-	-	848	63,154
CBF Property fund	92,445	-	-	7,766	100,211
Total restricted funds	154,751	-	-	8,614	163,365
Endowment Funds					
CBF Investment fund	431,556	521	-	5,869	437,946
CBF Property fund	213,914	-	-	17,970	231,884
Properties	473,210	-	(214,200)	138,000	397,010
Total endowment funds	1,118,680	521	(214,200)	161,838	1,066,840
Total Funds					
CBF Investment fund	601,081	521	-	8,175	609,777
CBF Property fund	380,202	-	-	31,939	412,141
Properties	473,210	-	(214,200)	138,000	397,010
Total funds	1,454,493	521	(214,200)	178,114	1,418,928

13 Debtors and prepayments

	2015 £	2014 £
Other Debtors	21,801	-
Accrued Income	1,100	63,511
	22,901	63,511

Portsmouth Diocesan Education Trust

Notes to the Financial Statements As at 31 December 2015

14 Creditors

	Amount falling due within one year	
	2015 £	2014 £
Trade creditors	6,262	6,024
Other creditors	415,520	2,287
Deferred rental income	-	13,750
	<u>421,782</u>	<u>22,061</u>

15 Analysis of assets by fund

	Investments £	Current Assets £	Current Liabilities £	Net Assets £
Unrestricted funds				
General fund	188,723	444,118	(408,032)	224,809
Total unrestricted funds	<u>188,723</u>	<u>444,118</u>	<u>(408,032)</u>	<u>224,809</u>
Restricted funds				
Rowlands Castle prize	-	936	-	936
Uniform statutory trusts income	163,365	251,175	(13,750)	400,790
Controlled Schools income	-	16,928	-	16,928
Total restricted funds	<u>163,365</u>	<u>269,039</u>	<u>(13,750)</u>	<u>418,654</u>
Endowment funds				
Controlled schools fund	301,613	32,979	-	334,592
Hyde-Lees Trust	-	1,073	-	1,073
Rooper Trust	9,960	2,446	-	12,406
William Way Charity	383	54	-	437
Bembridge School	17,174	1	-	17,175
East Meon Sunday School	7,302	658	-	7,960
Gassiot Trust	7,249	6,467	-	13,716
Wickham Sunday School	-	2,505	-	2,505
Uniform statutory trusts capital	723,159	221,014	-	944,173
Total endowment funds	<u>1,066,840</u>	<u>267,197</u>	<u>-</u>	<u>1,334,037</u>
Total funds	<u>1,418,928</u>	<u>980,354</u>	<u>(421,782)</u>	<u>1,977,500</u>

16 Capital commitments

There were no capital commitments as at 31 December 2015 (2014 – NIL).

17 Contingencies

There were no contingent liabilities as at 31 December 2015 (2014 – NIL). There were contingent assets of around £1.5 million relating to the recently closed school sites of St Boniface, St Margaret's and Mayfield Middle School on the Isle of Wight. The land of these sites has been returned to the PDET but their value to the trust is contingent upon the outcome of continuing negotiations with the local council or new leases initiated after the year end.

18 Related party transactions

During the year a contribution of £51,000 (2014: £50,000) was made to the Portsmouth Diocesan Board of Finance towards the costs of the Diocesan Mission and Education Department.

