

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2017

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

Company number - 7717141

Registered charity number – 1145162

Our brands:



Working with:



Hampshire
County Council



Portsmouth
CITY COUNCIL



KAOSPILOT

Affiliated to:



A large print version is available on request from Portsmouth Diocesan Office
Peninsular House, Wharf Road, Portsmouth, PO2 8HB

www.csrnet.org.uk

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PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

ANNUAL REPORT

For the year ended 31 December 2017

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 2017.

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 25th July 2011. Its objects comply with the requirements of the Charity Commission and Companies House form part of the Memorandum and Articles of association and are as follows:

- 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.

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STRATEGIC AIMS

In 2017 CSR was in the middle of a 3 year business strategy covering 2016-2018. The overall aim of this is:

1. To develop and promote wider engagement strategies with local Anglican communities in order to demonstrate impact, growth and resonance.
2. To support local socially enterprising and transforming activity, making engagement sustainable.

STATEMENTS OF PURPOSE AND COMPLIANCE

The Council for Social Responsibility (CSR) is a registered charity. Charity No 1145162.

Its purpose is to support local communities in the Portsmouth Anglican Diocese. It does this by directly funding and supporting in-kind social action, meaningful engagement and outreach projects to deliver public good and public benefit. In this regard it fully meets the public benefit requirement as set out in the Charities Act 2011

ACTIVITIES AND ACHIEVEMENTS IN THE YEAR

Good Neighbours Network (GNN)

www.goodneighbours.org.uk

The Good Neighbours Network is a unique organisation providing a highly flexible and personalised (befriending, transport, practical help) offer which is directly provided by local people for local people. The current number of Good Neighbours groups across Hampshire is 123, with close to 4,000 volunteers actively involved in Network. We have seen a significant increase in the number of new volunteers recruited this year at nearly 8%, previous years have been around 4-5%. The acts of kindness (tasks) delivered by this army of volunteers numbered 161,547 in 2017 (that's one every 3 minutes). While slightly lower than last years' figure, we are confident that this reflects clearer and more accurate reporting following a targeted and sustained focus on this area by the GNN staff.



The Network achieves a great deal with relatively low cost and low levels of management and administration. It is particularly of value in areas where more conventional private or public organisations can no longer afford to deliver similar services.

The work of the Network is funded by Hampshire County Council, Portsmouth City Council and six NHS Clinical Commissioning Groups. We were delighted to be awarded all the funding for which we applied in 2017/18 against a background of major continued financial challenges in the public sector. These funding streams are currently renewed annually and at different times of year (October and April). As this also differs from CSR's financial year, in all cases, the indicated reserves in this report for GNN (restricted fund) always include an element for the succeeding year and cannot be taken as the level of unallocated funding available to GNN for Investing in the service.

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For the year ended 31 December 2017

rapid development programme (rdp)

www.rapiddevelopment.org.uk

In 2017, we completed the final elements of work in Stanmore in Winchester Diocese, and undertook follow-up work from older programmes in Portsmouth Diocese, most notably in Paulsgrove where we assisted them to make a grant application to the Big Lottery in line with the rdp work originally undertaken with them. Significant time and resource from CSR was expended in developing this, and helping them to undertake the necessary engagement programmes and consultations. (Post year-end: This turned out to be successful and will lead to further work for CSR.)



With national funding for Dioceses now beginning to be channelled through more strategic approaches, it became clear in the year, that rdp both needs refreshing and also connecting with appropriate diocesan programmes – in Portsmouth’s case, this is the Live: Pray: Serve: strategy. This work will be undertaken in 2018. We are very grateful to Leigh Rampton for his continued work in this area and his willingness to return to the UK as we work with particular communities and update the programme.

Leadership and Innovation

www.kaospilot.dk

We continue to work with the Kaospilot School in Denmark with its unique inspiring approach to creativity and enterprise. This year, CSR organised a group consisting of church people from the Dioceses of Portsmouth and Diocese of Winchester to attend their Creative Leadership Programme. Over 50 people have now benefited from this approach since CSR formed the collaboration with Kaospilots. The intention now is to create a continuing group (from the alumni), committed to creative and innovative ways of thinking and working, the first of these meetings was well attended with 16 participants. Gambol Parker also undertook their new Co-creation Design programme which will have useful benefits for the continued community focused work in Paulsgrove.



KAOSPILOT

University of Portsmouth

The main area of work with the University in 2017 was with the rdp follow-up project in Paulsgrove. CSR successfully assisted the parish to apply for a grant from the Big lottery fund, to develop and scale up an events co-operative based at the church. This will involve interior redesign work which the School of Architecture has been involved with specifying and with which they will assist in the delivery in 2018.

Other

This was the second full year of the current arrangement where Canon Nick Ralph is shared for 50% of his time with Winchester Social Enterprise (WSE) in the Winchester Diocese. Over 2017 collaborations with Winchester included Good Neighbours, the Kaospilot Creative Leadership programme, and WSE’s work around Church-based Early Years support for parishes.

There have been some significant staff changes this year. We said farewell to Angela Smith who stepped down as the manager of Good Neighbours having previously been an adviser. We are extremely grateful to her for all her hard work over several years.

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For the year ended 31 December 2017

FUTURE PLANS

CSR aims to offer an alternative rather than traditional approach to social engagement and transformation based on communities working together and looking outward, underpinned by a renewed Anglican approach of building the common good.

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) local 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.

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 through social action, social engagement, social business and social transformation:

FINANCIAL REVIEW

Financial Performance

The accounts show the unrestricted General Fund with a net deficit of £13,899 (2016: £16,549 deficit) after transfers and revaluations. The total funds were however boosted by a receipt of £347,963 from the sale of land in Waterlooville and these funds were placed in the Investment for Income designated fund and invested in the CCLA investment fund to produce maximum income to fund future charitable activities. In line with the budget, funds totalling £13,339 were drawn from the Business Development fund to support special projects. There were also revaluation gains of £47,481 on the financial investments.

The GNN Fund, which is a restricted fund, showed a surplus of £24,297 (2016: £7,629). The grants themselves come in at different times, and for the funders relates to a year of April – March, or October – September.

Balance sheet position

The Trustees consider that the balance sheet together with details in note 11 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 £1,093,392 (2016: £708,354).

ANNUAL REPORT

For the year ended 31 December 2017

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 2017 this was £7,388 (2016: £21,287). 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.

Funds currently designated within the PDCSR accounts are the Business Development fund of £79,689 (2016: £78,837) and the Investment for Income fund of £960,160 (2016: £586,372).

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. Following the receipt of the monies from the sale of land £311,000 was invested with the CCLA, being spread across the Property fund and Investment fund to produce a portfolio balanced across the two. The portfolio as a whole experienced an overall rise in market values of 5.12% (2016: 6.67%), an income yield of 4.89% (2016: 5.00%) and a resulting total return of 10.01% (2016: 11.67%).

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 8. Members of the 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, the 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;

Director of Social Enterprise and Engagement – The Revd Canon Nick Ralph
Assistant Director of Social Enterprise and Engagement – Gambol Parker
Good Neighbours Network Leader – Angela Smith (left 31/8/17)
Good Neighbours Network Adviser – Natalie Roebuck (from 10/7/17)
Good Neighbours Network Adviser – Debbie Sutton

As of 1st Nov 2015, the DSEE was seconded for 50% of his time to the Winchester Social Enterprise 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 8 of this report.

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.

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

ANNUAL REPORT

For the year ended 31 December 2017

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.

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

ANNUAL REPORT

For the year ended 31 December 2017

ADMINISTRATIVE DETAILS

Trustees

No Trustee had any beneficial interest in the company during 2017. The following are the Trustees who served at any time during 2017 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 A Collins (Archdeacon of the Meon)
- The Ven Dr J W Grenfell (Archdeacon of Portsdown)
- The Ven P A 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) (retired 28.2.18)
- Mrs J Hollingsworth (Acting Diocesan Secretary) (fr 1.3.18)

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

Elected by:

Synod House of Clergy	The Revd P Armstead	The Revd Canon W Hughes
	The Revd M Bagg	The Revd A Kerr
	The Revd Dr P Chamberlain	The Revd Canon G Morris
	The Revd I Snares	The Revd M Duff

Synod House of Laity	Mr W Berry (fr 15.2.17)	Canon S Forster
	Mr G Barwick	Mrs I James
	Canon D Bennison	Cdr M Lane
	Mr N Chapman	Canon Dr H Mason
	Mrs L Clay	
	Mrs M Crittenden	Mr R Solomon
	Canon L Docherty	Canon H Spurgeon
	Mr K Doyle	Mr J Steadman

CSR Steering Group	Canon L Docherty – Chair	The Ven Dr J W Grenfell
	The Revd Canon N Ralph	Canon H Mason
	Mr E Phillips	The Revd Dr P Chamberlain
	Mr R Solomon	Mrs G Parker
	Mr P O'Beirne	
	The Revd W Kennedy (secretary/treasurer) (retired 28.2.18)	

Senior staff and advisers

Director of Social Enterprise and Engagement	Nick Ralph
Assistant Director of Social Enterprise and Engagement	Gambol Parker

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

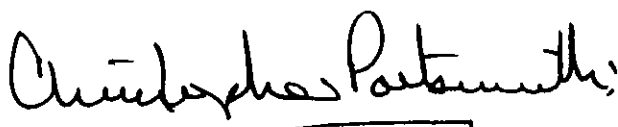
ANNUAL REPORT

For the year ended 31 December 2017

Registered Office: Diocesan Office, Peninsular House, Wharf Road, Portsmouth, PO2 8HB
Bankers: Barclays PLC, PO Box 165, Crawley, RH10 1YX
Independent Examiner: haysmacintyre, 10 Queen Street Place, London EC4R 1AG
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
9TH May 2018



Jenny Hollingsworth
Acting Diocesan Secretary
9th May 2018

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 2017 which are set out on pages 11 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
Haysmacintyre
10 Queen Street Place,
London EC4R 1AG

Date: 9th May 2018

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

STATEMENT OF THE FINANCIAL ACTIVITIES
For the year ended 31 December 2017

	Note	General fund £	Designated funds £	Restricted fund £	Total funds 2017 £	Total funds 2016 £
Incoming and endowments from:						
Donations	2	5,000	-	160,553	165,553	154,505
Charitable Activities	3	22,883	-	260	23,143	9,195
Other income	3a	347,963	-	-	347,963	-
Investment income	4	41,614	4,145	1	45,760	32,931
		417,460	4,145	160,814	582,419	196,631
Expenditure on:						
Charitable activities	5	108,735	-	136,517	245,252	201,251
		108,735	-	136,517	245,252	201,251
Net income/(expenditure) before transfers		308,725	4,145	24,297	337,167	(4,620)
Transfers between funds	6	(322,624)	322,624	-	-	-
Other recognised gains/(losses)						
Realised gains/(losses) on investments		-	-	-	-	(3,487)
Unrealised investment gains		-	47,871	-	47,871	43,810
Net movement in funds	7	(13,899)	374,640	24,297	385,038	35,703
Total funds at 1 January		21,287	665,209	21,858	708,354	672,651
Total funds at 31 December		7,388	1,039,849	46,155	1,093,392	708,354

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.

all invested money should be

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

BALANCE SHEET

For the year ended 31 December 2017


Company Number –7717141

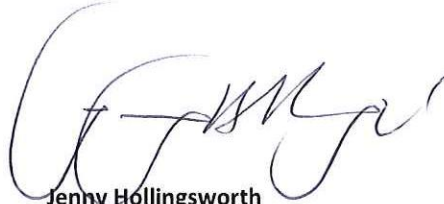
	Note	2017 £	2016 £
Fixed Assets			
Investments	8	1,060,475	701,602
		<u>1,060,475</u>	<u>701,602</u>
Current Assets			
Debtors	10	48,682	21,369
Short term Investments		9,137	13,222
Cash at bank and in hand		4,055	56,269
		<u>61,874</u>	<u>90,860</u>
Creditors: amounts falling due within one year	11	28,957	84,108
Net current liabilities		<u>32,917</u>	<u>6,752</u>
Total assets less current liabilities		<u>1,093,392</u>	<u>708,354</u>
The funds of the charity:			
General fund		7,388	21,287
Designated funds		1,039,849	665,209
Restricted income funds		46,155	21,858
Total funds	12	<u>1,093,392</u>	<u>708,354</u>

The accounting policies and notes on pages 14-18 form an integral part of these accounts.

For the year ended 31 December 2017 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 9th May 2017 and signed on its behalf by


The Right Revd Christopher Foster
 Chairman


Jenny Hollingsworth
 Acting Diocesan Secretary

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

CASHFLOW STATEMENT

For the year ended 31 December 2017

	2017		2016	
	£	£	£	£
Net cash inflow/(outflow) from operating activities		208,943		(293)
Cash flows from investing activities				
Dividends, interest and rent from investments	45,760		32,931	
Sale of investment in Joint Venture	-		9,013	
Purchase of investments	(311,002)		-	
Net cash provided by/(used in) investing activities		(265,242)		41,944
Change in cash and cash equivalents in the reporting period		(56,299)		41,651
Cash and cash equivalents at 1 January		69,491		27,840
Cash and cash equivalents at 31 December		13,192		69,491
Reconciliation of net income to net cash flow from operating activities				
	2017		2016	
Net income for the year ended 31 December	385,038		35,703	
Adjustments for:				
Gains on investments	(47,871)		(43,810)	
Dividends, interest and rent from investments	(45,760)		(32,931)	
(Profit)/Loss on sale of investments	-		3,487	
Decrease/(Increase) in operating debtors	(27,313)		(21,343)	
(Decrease)/Increase in operating creditors	(55,151)		58,601	
Net cash provided by operating activities	208,943		(293)	
Analysis of cash and cash equivalents				
Cash at bank and in hand	4,055		56,269	
Cash on deposit	9,137		13,222	
	13,192		69,491	

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2017

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 FRS102 Section 1A.

Following the transition to FRS102 for the first time in 2015 all of the accounting policies have been aligned with the new accounting standard and where these have resulted in a material change to the amounts, classification or presentation within the financial statements as at the date of transition then a transitional adjustment has been made (see note 27). The principal accounting policies and estimation techniques are as follows:

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.

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2017

INCOMING RESOURCES

2. Donations

	General fund £	Designated funds £	Restricted fund £	Total funds 2017 £	Total funds 2016 £
Diocesan funds	-	-	-	-	8,400
Other grants	5,000	-	-	5,000	-
* GNN funding	-	-	160,553	160,553	146,105
	5,000	-	160,553	165,553	154,505

* This includes a management fee of £14,595.75

3. Charitable Activities

	General fund £	Designated funds £	Restricted fund £	Total funds 2017 £	Total funds 2016 £
Activity Income	22,583	-	-	22,583	8,620
Sundry Income	300	-	260	560	575
	22,883	-	260	23,143	9,195

3a. Other Income

Sale of land adjoining 145 Stakes Road, Waterloooville	347,963			347,963	-
	347,963	-	-	347,963	-

4. Investments

CBF Deposit Interest	43	39	1	83	52
CBF Investment fund	15,047	4,106	-	19,153	18,567
CBF Property fund	26,524	-	-	26,524	14,312
	41,614	4,145	1	45,760	32,931

EXPENDITURE ON

5. Charitable activities

	General fund £	Designated funds £	Restricted fund £	Total funds 2017 £	Total funds 2016 £
Special Publications	1,896	-	4,159	6,055	5,034
Training	-	-	101	101	-
Monitoring & Evaluation	-	-	260	260	1,300
Other Activity costs	45,302	-	48,028	93,330	55,855
Grant to PDBF for Salary costs	41,916	-	64,186	106,102	104,776
Other staff expenses	5,301	-	5,187	10,488	11,082
Office support costs	106	-	-	106	8,471
Independent examiner's costs	1,914	-	-	1,914	1,860
Legal Costs	12,300	-	-	12,300	100
Management costs	-	-	14,596	14,596	12,773
	108,735	-	136,517	245,252	201,251

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2017

Staff Costs

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

At the end of 2017 there were 2.94 fte employees [2016: 3.20]

The trustees received no expenses during the year [2016: £nil]

Remuneration of Key Management Personnel

Key management personnel are deemed to be those having authority and responsibility delegated to them by the trustees, for planning, directing and controlling the activities of the organisations.

During 2017 this was:

Director of Social Enterprise and Engagement - The Revd Canon Nick Ralph (50%)

Remuneration, pensions and expenses amounted to £31,656 [2016: 31,742]

	General fund	Designated funds	Restricted funds	Total funds 2017
	£	£	£	£
6. Analysis of Transfers between Funds				
* To transfer costs for special projects from the Business Development as per the budget	13,339	(13,339)		-
To transfer net proceeds of sale from land adjacent to 145 Stakes Rd to Investment for Income fund	(335,963)	335,963		-
	(322,624)	322,624	-	-

7. Movement of Funds

	At 1st January 2017	Income	Expenditure	Transfers	Gains/ (Losses)	At 31st December 2017
	£	£	£	£	£	£
General fund						
General Fund	21,287	417,460	(108,735)	(322,624)	-	7,388
Designated funds						
Business Development	78,837	4,145	-	(13,339)	10,046	79,689
Investment for Income	586,372	-	-	335,963	37,825	960,160
	665,209	4,145	-	322,624	47,871	1,039,849
Restricted						
GNSS	21,858	160,814	(136,517)	-	-	46,155
	21,858	160,814	(136,517)	-	-	46,155
Total Funds	708,354	582,419	(245,252)	-	47,871	1,093,392

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2017

8. Investments	At 1st January 2017 £	Additions £	Disposals £	Change in Market Value £	At 31st December 2017 £
Unquoted investment	500	-	-	-	500
General Fund	500	-	-	-	500
CBF Property fund	199,859	276,001	-	2,043	477,903
CBF Investment fund units	501,243	35,001	-	45,828	582,072
Designated Funds	701,102	311,002	-	47,871	1,059,975
Total Funds	701,602	311,002	-	47,871	1,060,475

All investments are held within the UK

CSR continues to hold £500 of shares in the Cathedral Innovation Centre (CIC). Working with Think Global and Portsmouth Business School the CIC ran a day conference to explore the social enterprise and solidarity economy in September 2017, has opened a hotwalls studio in Old Portsmouth in collaboration with Portsmouth City Council, and supported the Hampshire and Isle of Wight Festival of the mind. Many other projects, collaborations and new businesses have been supported through it.

9. Debtors

	2017 £	2016 £
Sundry Debtors	14,065	2,427
Accrued investment income	11,414	6,942
Accrued GNN grant income	23,203	-
Pre-paid legal costs	-	12,000
	48,682	21,369

10. Creditors : amounts falling due within one year

	2017 £	2016 £
Sundry Creditors	6,509	16,416
Due to PDBF for CSR & costs	21,198	36,442
Deferred CSR Income	-	5,000
Deferred GNN Income	1,250	26,250
	28,957	84,108

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2017

11. Assets by Fund

	Investment Assets £	Current Assets £	Current Liabilities £	Net Assets £
General fund				
General fund	500	23,624	(16,736)	7,388
Designated funds				
Business Development fund	124,777	(45,088)	-	79,689
Investment for Income fund	935,198	24,962	-	960,160
	1,059,975	(20,126)	-	1,039,849
Restricted funds				
GNN	-	58,376	(12,221)	46,155
Total Funds at 31st December 2017	1,060,475	61,874	(28,957)	1,093,392

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.

GNN Fund

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

12. Capital commitments

There were no capital commitments at 31st December 2017 [2016: Nil]

13. Contingent liabilities

There were no contingent liabilities at 31st December 2017 [2016: Nil]

14. 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 £75,049 [2016 – £117,549]. The PDBF has also supported the work of the PDCSR for several years and in 2017 provided office space for the use of PDCSR.

15. Post Balance Sheet Event

There are no significant Post Balance Sheet events to report.

Jesus said,

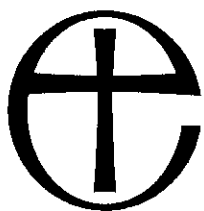
‘The Spirit of the Lord is upon me
because he has anointed me to bring good news to the poor.
He has sent me to proclaim release to the captives
and recovery of sight to the blind,
to let the oppressed go free,
to proclaim the year of the Lord’s favour’.

Luke 4

St Paul wrote:

You reap whatever you sow.

Galatians 6



THE CHURCH
OF ENGLAND

