

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR END 31ST DECEMBER 2021

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

Company number - 7717141

Registered charity number – 1145162

Our brands:



Working with:



Hampshire
County Council



Affiliated to:



www.csrnet.org.uk

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TRUSTEES REPORT (INCLUDING DIRECTORS REPORT)

The Trustees, who are also Directors for the purposes of company law, present their annual report, together with the unaudited financial statements, for the year ended 31 December 2021. The directors/trustees are one and the same and in signing as trustees they are also signing the report in their capacity as directors. This combined report satisfies the legal requirements for:

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

OBJECTIVES AND ACTIVITIES

Portsmouth Diocesan Council for Social Responsibility (PDCSR) is a registered charity and incorporated at Companies House. Its charitable objects, part of the Memorandum and Articles of Association, include: the advancement of charitable purposes for the public benefit; education and training for people to undertake voluntary work for community benefit; the promotion of research into the moral and social welfare needs of the community; community capacity building for the relief of need including the provision of counselling; and the provision of information, advice, instruction and other services in any Diocese of the Church of England.

STRATEGIC AIMS

PDCSR's overall aim for the development, renewal and flourishing of local communities continued in 2021 despite the challenges of Covid but it did mean working in new ways and establishing some potential new directions that will be more sustainable in the future highly challenging funding environment.

The directors are confident (having had regard to Charity Commission guidance) that the Charity delivers public benefit through carrying out its aims and business strategies.

ACTIVITIES AND ACHIEVEMENTS IN THE YEAR

In 2021, the impacts of Covid and lockdown continued to be felt widely across the region and the country. PDCSR continued to support the recovery particularly through the work of the Good Neighbours Network and All Saints Counselling service while other core work such as the Paulsgrove project had to be paused until engagement programmes became possible again and people felt safe to attend.

PDCSR Governance

The PDCSR board is now completely separate to and independent of the Portsmouth Diocesan Board of Finance. The new board met 5 times during the year entirely on Zoom. Officers now report directly to the board.

Canon Nick Ralph's time is shared 50% with the Launchpad Social Enterprise (LSE) in the Winchester Diocese. Over 2021, collaborations with Winchester included Good Neighbours, and LSE's work around Church-based Early Years support in parishes.

SOCIAL ACTION

Good Neighbours Network (GNN)

www.goodneighbours.org.uk

The Good Neighbours Network provided essential services to GN groups and their communities as people continued to experience the impact of Covid both personally and in its impact on local services. With GPs conducting many more consultations online or on the telephone, there were fewer journeys taking people to

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GP surgeries but there were many more to vaccination centres and for befriending which moved on-line. Social activities were largely impossible. It is clear that there has been a marked increase in loneliness across all ages as well as in frailty for the older generations along with a corresponding decrease in some people's self-confidence. It will be some time before those people will feel able to mix with others again, and for a few they will never return to pre-pandemic levels of engagement.

Resources cafés continued online and more of the work was undertaken remotely as staff worked largely from home. The Good Neighbours Network team and GN groups worked extremely hard and rose to the challenges that faced them. Groups that had previously closed temporarily began to re-open. Some of those that never shut thrived and recruited in one case 150 new volunteers and in another 60.



The work of the Network is funded by Hampshire County Council (HCC) and the five NHS Clinical Commissioning Groups in Hampshire. Their continued support highlights the value they attach to the work done by our team and the front-line groups. It was

particularly apparent during Covid how important these local voluntary groups are to a well-functioning community.

The challenging funding environment for local government has continued and the county council grant cuts previously advised were implemented in 2021, representing a reduction in grant of £40,000. The necessary restructuring had already been carried out at the end of 2020 but in addition to this the PDCSR board commissioned work to help guide future funding possibilities and what structures might be necessary to facilitate GNN's long term sustainability.

All Saints Counselling service (ASC)

www.allsaintscounselling.org.uk

ASC is a volunteer-led counselling service, originally established over 25 years ago, based in inner city Portsmouth, with the aim of offering low cost/affordable counselling, both short and long term for people living in and around the Portsmouth Diocesan area. All counsellors are qualified to diploma or degree level and receive ongoing training and regular clinical supervision. The service also offers supervised placements to trainee counsellors.

In the past 12 months it has operated with 10 qualified counsellors, 4 trainees at different levels of qualification, 5 supervisors and assessed 51 potential new client applications. Throughout the year the service provided approximately 550 counselling sessions working within the appropriate protocols and restrictions imposed by the Covid -19 pandemic and to BACP (British Association for Counselling and Psychotherapy) guidelines. Due to Covid 19 there was limited face-to-face counselling, this gradually increased during the year as restrictions were relaxed, with the service offering the option for clients and counsellors to work face-to-face or remotely.

**ALL SAINTS
COUNSELLING
SERVICE**

The counselling service is a vital resource for local people. Many clients are unemployed, on low incomes or have very little disposable income. Issues covered have included anxiety, depression, loss and working with difficult past experiences. Much of the area covered by the counselling service is within the top 10% most deprived in the UK.

SOCIAL ENGAGEMENT

rapid development programme (rdp)

www.rapiddevelopment.org.uk

rdp is largely an engagement programme based on face-to-face workshops and while many parishes are anxious to re-engage with their communities, the format and structure of the approach did not lend itself to this method of delivery in 2021. We have therefore begun to develop it in ways in which it can be delivered by others but

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that work is ongoing. There was one face-to-face programme with two workshops which was delivered in Romford, London, bringing to 27 the number of parishes which have been through the programme.

We have incorporated into our programmes the insights gained from Experian's MOSAIC database and that information has proved enduringly popular with parishes.

SOCIAL TRANSFORMATION

Leadership and Innovation

No trips or training programmes were possible in 2021 although expressions of interest have been received from several quarters from people interested in working with our partners at the Kaospilots in Aarhus, Denmark.

Working with Portsmouth Cathedral Institute, PDCSR supported a Covid Ethics day conference in Sept 2021 with speakers including Prof Sir Jonathan Montgomery, Prof Graeme Smith and Dame Claire Moriarty. This developed out of involvement in an NHS Covid Ethics committee for the Hampshire and IOW.

SOCIAL BUSINESS

The Paulsgrove Lottery funded project now has a brand name 'St M's Events'. This was a difficult year for an events based delivery programme, however, it was acknowledged that it was important to maintain the well-won connections with the local community. In response to this and other local issues we developed a six week food poverty project called Meatball Mondays that provided homemade take-out food FREE for locals every Monday. We also then used this project as an opportunity to do some vital post Covid engagement with the community to inform next steps for recovery.

FUTURE PLANS

2021 was a year for careful management as grant income dropped as well as preparation for new approaches by investment in new thinking to help PDCSR become more sustainable and less dependent on particular large grants.

PDCSR's Vision

PDCSR'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.

PDCSR'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. PDCSR will encourage change, challenge the status quo, and aim to do so with fun, creativity, passion, energy and commitment.

PDCSR's Mission

PDCSR 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 surplus of £4,255 (2020: £1,713 deficit) after transfers and revaluations. Fund transfers include: investment interest income to the general fund of £2,263; the PDCSR share of the Paulsgrove costs from the development fund of £1,228; and GNN management charges and hire of space totalling £18,712 transferred from the restricted to general fund. There were revaluation gains of £158,167 (2020: £18,137) on the financial investments; a significant increase as the value of financial investments began to recover.

GNNs funds show a surplus of £18,964 (2020: £4,893 deficit). The grants themselves come in at different times, and for the funders relate to a year from April – March. Due to underspends in previous years, a surplus had built up, kept in a GNN restricted fund (also for covering liabilities) and they need to be used to maintain the service. The surplus in the current year was partly generated through having fewer staff but it will enable the service to continue when funding reduces again in April 2023.

ASC funds show a balance of £18,658 (2020: £12,513). The increase in the year is largely due to the receipt of £7,600 from the All Churches Trust Hope Beyond Grant.

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 £1,337,204 (2020: £1,156,901).

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. 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 £81,284 (2020: £77,421) and the Investment for Income fund of £1,173,626 (2020: £1,026,550).

Investment policy

PDCSR 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.

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The directors continue to be guided in their investment decisions by the Investment Advisory Group of the Portsmouth Diocesan Board of Finance. The portfolio as a whole experienced a rise in market values of 14.32% (2020: 1.67%) with increases across all fund types. Thanks to the investments in the property fund an income yield of 3.83% (2020: 3.69%) was achieved giving an overall total return of 18.15% (2020: 5.36%).

The PDCSR board has agreed to change the basis on which it assesses its investment returns to a new system known as Total Return on Investment. This will more readily allow some of the surplus capital that has accrued through investment performance, to be utilised in the delivery of the work, as well as the direct income.

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 PDCSR 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, GOVERNANCE AND MANAGEMENT

Organisational structure

PDCSR is a Registered Charity (no.1145162), and a Company limited by guarantee, (Company no. 7717141). It was incorporated on 25th July 2011 and operates under a Memorandum and Articles of Association altered pursuant to Special Resolution on the 7th day of September 2011 and 11th day of December 2019. The Trustees, who were directors for the purpose of company law, who served during the year are set out on page 7. 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 Portsmouth Diocesan Council for Social Responsibility (PDCSR) 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 – Karen Jordan
Good Neighbours Network Support Adviser – Nicky Dodd (until Oct 2021)

The DSEE is on a permanent 50% secondment to the Launchpad Social Enterprise in a positive partnership with the Diocese of Winchester. He is also a residentiary canon at Portsmouth Cathedral.

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 senior staff listed on page 7 of this report.

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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 Directors. 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 and this is a standing item on the agenda of Directors' meetings as is safeguarding.

Delegation of day to day delivery

The Trustees 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 PDCSR 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.

Indemnity insurance is maintained to protect the charity and indemnify Trustees, Officers and Staff against the consequences of any neglect or default on their part.

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

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ADMINISTRATIVE DETAILS

President: The Bishop of Portsmouth

Trustees

No Trustee had any beneficial interest in the company during 2021. The following are the Trustees who served at any time during 2021 up to the date of this report:

Chairman: Professor Sir Jonathan Montgomery

Other Trustees: The Revd Dr Paul Chamberlain
Mrs Lucy Docherty (resigned 20/09/2021)
Mrs Victoria James
Mr Edward Phillips
Canon Andrew Robinson (resigned 31/10/2021)
Mr Jonathan Smith
Mr Robert Solomon
Mrs Nicola Youern

Company Secretary The Revd Canon Nicholas Ralph (non trustee)

Senior staff and advisers

Director of Social Enterprise and Engagement

The Revd Canon Nicholas Ralph

Assistant Director of Social Enterprise and Engagement

Gambol Parker

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

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

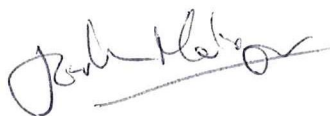
Independent Examiner: Jones Avens, 53 Kent Road, Southsea, Portsmouth PO5 3HU

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

In approving this Trustees' Report, the Trustees are also approving the Trustees report (including Directors report) included on pages 1 - 7 within their capacity as company directors.

ON BEHALF OF THE TRUSTEES



Professor Sir Jonathan Montgomery
Chairman

Date: 5/7/2022



The Revd Canon Nicholas Robert Ralph
Company secretary

Date: 5/7/22

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

Independent Examiners Report to the Trustees of Portsmouth Diocesan Council for Social Responsibility for the year ended 31 December 2021

I report to the trustees on my examination of the financial statements of Portsmouth Diocesan Council for Social Responsibility (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees' of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination. I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2001 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. Accounting records were not kept in respect of the charity as required by section 386 of the Act; or
2. The financial statements do not accord with those records; or
3. The financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. The financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



TIMOTHY MILLETT FCA
Jones Avens Limited
53 Kent Road
Southsea
Hampshire
PO5 3HU

Dated: 07.07.2022

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT for the year ended 31 December 2021

	Note	General fund £	Designated funds £	Restricted fund £	Total funds 2021 £	Total funds 2020 £
Incoming and endowments from:						
Donations	2	-	-	139,547	139,547	158,026
Charitable Activities	3	31,878	-	725	32,603	30,856
Investment income	4	40,034	2,263	-	42,297	40,443
		71,912	2,263	140,272	214,447	229,325
Expenditure on:						
Charitable activities	5	89,860	6,000	96,451	192,311	228,345
		89,860	6,000	96,451	192,311	228,345
Net income/(expenditure) before transfers		(17,948)	(3,737)	43,821	22,136	980
Transfers between funds	6	22,203	(3,491)	(18,712)	-	-
Other recognised gains						
Unrealised investment gains		-	158,167	-	158,167	18,137
Net movement in funds	7	4,255	150,939	25,109	180,303	19,117
Total funds at 1 January		4,712	1,103,971	48,218	1,156,901	1,137,784
Total funds at 31 December		8,967	1,254,910	73,327	1,337,204	1,156,901

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.

The comparative data for year ended 31 December 2020 is included in note 13.

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

BALANCE SHEET as at 31 December 2021

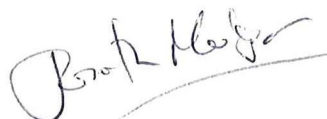
	Note	2021 £	2020 £
Fixed Assets			
Investments	8	<u>1,262,389</u>	<u>1,104,222</u>
		1,262,389	1,104,222
Current Assets			
Debtors	9	29,932	30,484
Cash on deposit		38,310	36,058
Cash at bank and in hand		<u>97,787</u>	<u>73,440</u>
		166,029	139,982
Creditors: amounts falling due within one year	10	91,214	87,303
Net current assets		<u>74,815</u>	<u>52,679</u>
Total assets less current liabilities		<u>1,337,204</u>	<u>1,156,901</u>
The funds of the charity:			
General fund		8,967	4,712
Designated funds		1,254,910	1,103,971
Restricted income funds		73,327	48,218
Total funds	11	<u>1,337,204</u>	<u>1,156,901</u>

The accounting policies and notes on pages 12-20 form an integral part of these accounts.

For the year ended 31 December 2021 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.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board and authorised for issue on 5th July 2022 and signed on its behalf by



Professor Sir Jonathan Montgomery
Chair



The Revd Canon Nicholas Robert Ralph
Company Secretary

Company number - 7717141

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

STATEMENT OF CASHFLOWS for the year ended 31 December 2021

	2021		2020	
	£	£	£	£
Net cash outflow from operating activities		(15,698)		(78,906)
Cash flows from investing activities				
Dividends, interest and rent from investments	42,297		40,443	
Net cash provided by investing activities		42,297		40,443
Change in cash and cash equivalents in the reporting period		26,599		(38,463)
Cash and cash equivalents at 1 January		109,498		147,961
Cash and cash equivalents at 31 December		136,097		109,498
Reconciliation of net income to net cash flow from operating activities				
	2021		2020	
Net income for the year ended 31 December	180,303		19,118	
Adjustments for:				
Gains on investments	(158,167)		(18,137)	
Dividends, interest and rent from investments	(42,297)		(40,443)	
Decrease in operating debtors	552		7,019	
(Decrease)/Increase in operating creditors	3,911		(46,463)	
Net cash used by operating activities	(15,698)		(78,906)	
Analysis of cash and cash equivalents				
Cash at bank and in hand	97,787		73,440	
Cash on deposit	38,310		36,058	
	136,097		109,498	

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Portsmouth Diocesan Council for Social Responsibility is a company limited by guarantee, incorporated in England and Wales. The registered office is Diocesan Office, Peninsular House, Wharf Road, Portsmouth, PO2 8HB.

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a public benefit entity as defined by FRS102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, with the exception of quoted fixed asset investments, which are included at their market value at the balance sheet date.

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 it 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 GNN 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) and restricted funds.

- **General funds** are the unrestricted 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 for the year ended 31 December 2021

1. ACCOUNTING POLICIES (continued)

- d) **Financial instruments** are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. The charity only has financial assets and liabilities which qualify as basic financial instruments.
- e) **Fixed asset investments** excluding unquoted investments are included in the balance sheet at bid value and the gain or loss taken to the Statement of Financial Activities. Unquoted investments are included at cost.
- f) **Going concern** The Trustees have a reasonable expectation that the charity has adequate resources to meet its liabilities as they fall due for the foreseeable future. The trustees consider that there are no material uncertainties that may cast doubt on the charity's ability to continue as a going concern and they therefore continue to prepare the financial statements on the going concern basis.

2. INCOMING RESOURCES

2021	General fund £	Designated funds £	Restricted funds £	Total funds 2021 £
Donations				
Hampshire County Council	-	-	66,250	66,250
NHS	-	-	47,184	47,184
Other grants & donations	-	-	26,113	26,113
	-	-	139,547	139,547

2020	General fund £	Designated funds £	Restricted fund £	Total funds 2020 £
Donations				
Hampshire County Council	-	-	88,750	88,750
NHS	-	-	47,184	47,184
Other grants & donations	-	-	22,092	22,092
	-	-	158,026	158,026

3. CHARITABLE ACTIVITIES

2021	General fund £	Designated funds £	Restricted funds £	Total funds 2021 £
Activity Income	31,878	-	-	31,878
Sundry Income	-	-	725	725
	31,878	-	725	32,603

2020	General fund £	Designated funds £	Restricted funds £	Total funds 2020 £
Activity Income	30,131	-	-	30,131
Sundry Income	-	-	725	725
	30,131	-	725	30,856

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

4. INVESTMENT INCOME

2021	General fund £	Designated funds £	Restricted fund £	Total funds 2021 £
CBF Deposit Interest	19	-	-	19
CBF Investment fund	16,775	2,263	-	19,038
CBF Property fund	23,240	-	-	23,240
	40,034	2,263	-	42,297

2020	General fund £	Designated funds £	Restricted fund £	Total funds 2020 £
CBF Deposit Interest	334	28	1	363
CBF Investment fund	15,762	2,720	-	18,482
CBF Property fund	21,598	-	-	21,598
	37,694	2,748	1	40,443

5. EXPENDITURE ON CHARITABLE ACTIVITIES

2021	General fund £	Designated funds £	Restricted funds £	Total funds 2021 £
Special Publications	117	-	3,340	3,457
Other Activity costs	6,605	6,000	17,284	29,889
Staff costs	80,129	-	61,569	141,698
Other staff expenses	1,563	-	289	1,852
Office support costs	282	-	10,925	11,207
Independent examiner's costs	1,152	-	-	1,152
Legal Costs	12	-	3,044	3,056
	89,860	6,000	96,451	192,311

2020	General fund £	Designated funds £	Restricted fund £	Total funds 2020 £
Special Publications	312	-	1,388	1,700
Other Activity costs	7,266	-	32,492	39,758
Staff costs	82,544	-	89,002	171,546
Office support costs	1,753	-	9,274	11,027
Independent examiner's costs	1,168	-	-	1,168
Legal Costs	-	-	3,146	3,146
	93,043	-	135,302	228,345

Staff Costs

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

At the end of 2021 there were 3.90 fte (2020: 4.08).

The trustees received no expenses during the year (2020: £Nil).

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

5. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

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.

Remuneration, employers NI, pension contributions and expenses amounted to £26,905 (2020: £31,050).

6. ANALYSIS OF TRANSFERS BETWEEN FUNDS

	General fund £	Designated funds £	Restricted funds £	Total funds 2021 £
2021				
Authorised transfer from Investment for Income fund	2,263	(2,263)	-	-
For PDCSR share of Paulsgrove project costs	1,228	(1,228)	-	-
GNN management Fee	10,312	-	(10,312)	-
GNN office space	8,400	-	(8,400)	-
	22,203	(3,491)	(18,712)	-

	General fund £	Designated funds £	Restricted funds £	Total funds 2020 £
2020				
Authorised transfer from Investment for Income fund	2,748	(2,748)	-	-
GNN management fee	12,358	-	(12,358)	-
GNN office space	8,400	-	(8,400)	-
	23,506	(2,748)	(20,758)	-

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

7. MOVEMENT OF FUNDS

	At 1st January 2021 £	Income £	Expenditure £	Transfers £	Gains/ (Losses) £	At 31st December 2021 £
General fund						
General Fund	4,712	71,912	(89,860)	22,203	-	8,967
Designated funds						
Business Development	77,421	2,263	(6,000)	(3,491)	11,091	81,284
Investment for Income	1,026,550	-	-	-	147,076	1,173,626
	1,103,971	2,263	(6,000)	(3,491)	158,167	1,254,910
Restricted						
GNN	35,705	125,569	(87,893)	(18,712)	-	54,669
ASC	12,513	14,703	(8,558)	-	-	18,658
	48,218	140,272	(96,451)	(18,712)	-	73,327
Total Funds	1,156,901	214,447	(192,311)	-	158,167	1,337,204

	At 1st January 2020 £	Income £	Expenditure £	Transfers £	Gains/ (Losses) £	At 31st December 2020 £
General fund						
General Fund	6,425	67,825	(93,044)	23,506	-	4,712
Designated funds						
Business Development	72,439	2,748	-	(2,748)	4,982	77,421
Investment for Income	1,013,395	-	-	-	13,155	1,026,550
	1,085,834	2,748	-	(2,748)	18,137	1,103,971
Restricted						
GNN	40,598	147,256	(131,391)	(20,758)	-	35,705
ASC	4,927	11,496	(3,910)	-	-	12,513
	45,525	158,752	(135,301)	(20,758)	-	48,218
Total Funds	1,137,784	229,325	(228,345)	-	18,137	1,156,901

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

8. INVESTMENTS

	At 1st January 2021 £	Additions £	Disposals £	Change in Market Value £	At 31st December 2021 £
Unquoted investment	500	-	-	-	500
General Fund	500	-	-	-	500
CBF Property fund	454,841	-	-	64,865	519,706
CBF Investment fund units	648,881	-	-	93,302	742,183
Designated Funds	1,103,722	-	-	158,167	1,261,889
Total Funds	1,104,222	-	-	158,167	1,262,389

	At 1st January 2020 £	Additions £	Disposals £	Change in Market Value £	At 31st December 2020 £
Unquoted investment	500	-	-	-	500
General Fund	500	-	-	-	500
CBF Property fund	478,617	-	-	(23,776)	454,841
CBF Investment fund units	606,968	-	-	41,913	648,881
Designated Funds	1,085,585	-	-	18,137	1,103,722
Total Funds	1,086,085	-	-	18,137	1,104,222

9. DEBTORS

	2021 £	2020 £
Sundry Debtors	19,371	20,565
Accrued investment income	10,561	9,919
	<u>29,932</u>	<u>30,484</u>

10. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Sundry Creditors	3,630	6,285
Paulsgrove Big Lottery funds (money held as agent)	72,584	59,768
Deferred GNN Income	15,000	21,250
	<u>91,214</u>	<u>87,303</u>

Deferred income balances relate to the Hampshire County Council funding and are recognised in full in the subsequent financial year.

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

11. ASSETS BY FUND

2021	Investment Assets £	Current Assets £	Current Liabilities £	Net Assets £
General fund				
General fund	500	84,643	(76,176)	8,967
Designated funds				
Business Development fund	88,226	(6,942)	-	81,284
Investment for Income fund	1,173,663	(37)	-	1,173,626
	1,261,889	(6,979)	-	1,254,910
Restricted funds				
GNN	-	69,706	(15,038)	54,668
ASC	-	18,659	-	18,659
	-	88,365	(15,038)	73,327
Total Funds at 31st December 2021	1,262,389	166,029	(91,214)	1,337,204
2020	Investment Assets £	Current Assets £	Current Liabilities £	Net Assets £
General fund				
General fund	500	70,265	(66,053)	4,712
Designated funds				
Business Development fund	77,134	287	-	77,421
Investment for Income fund	1,026,588	(38)	-	1,026,550
	1,103,722	249	-	1,103,971
Restricted funds				
GNN	-	56,954	(21,250)	35,704
ASC	-	12,514	-	12,514
	-	69,468	(21,250)	48,218
Total Funds at 31st December 2020	1,104,222	139,982	(87,303)	1,156,901

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 board.

Investment for Income Fund

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

11. ASSETS BY FUND (continued)

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.

ASC Fund

These are funds managed by All Saints Counselling service from donations for counselling sessions offered by the volunteer counsellors and contribute to the running costs and expenses of the service. They are restricted within PDCSR as solely for the use of ASC.

12. 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 £119,269 (2020: £103,707). The PDBF has also supported the work of the PDCSR for several years and in 2021 provided office space for the use of PDCSR.

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

13. STATEMENT OF FINANCIAL ACTIVITIES PRIOR YEAR

	Note	General fund £	Designated funds £	Restricted fund £	Total funds 2020 £
Income and endowments from:					
Donations	2	-	-	158,026	158,026
Charitable Activities	3	30,131	-	725	30,856
Investment income	4	37,694	2,748	1	40,443
		<u>67,825</u>	<u>2,748</u>	<u>158,752</u>	<u>229,325</u>
Expenditure on:					
Charitable activities	5	93,043	-	135,302	228,345
		<u>93,043</u>	<u>-</u>	<u>135,302</u>	<u>228,345</u>
Net income/(expenditure) before transfers		(25,218)	2,748	23,450	980
Transfers between funds	6	23,506	(2,748)	(20,758)	-
Other recognised gains/(losses)					
Unrealised investment gains		-	18,137	-	18,137
Net movement in funds	7	(1,712)	18,137	2,692	19,117
Total funds at 1 January		6,424	1,085,834	45,526	1,137,784
Total funds at 31 December		<u>4,712</u>	<u>1,103,971</u>	<u>48,218</u>	<u>1,156,901</u>