

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR END 31ST DECEMBER 2022

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

Company number - 7717141

Our brands:



Working with:



Hampshire
County Council



Hampshire and Isle of Wight



Registered charity number – 1145162

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 2022. 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 2022 despite the challenges from 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 2022, the impacts of Covid and lockdown were still being felt but as we came out of the periods of significant restrictions, many people were still struggling to deal with the consequences, not least in their mental health. PDCSR continued to support the recovery particularly through the work of the Good Neighbours Network (GNN) and All Saints Counselling service. One of the key issues has been helping people and groups to recover the ability to engage socially and this has been a particular challenge for our social engagement programmes and for volunteers in GNN. Projects such as the one in Paulsgrove have been restarted but the recovery will take time and is on-going.

With a new Diocesan Bishop, the Diocese as a whole has been working together to develop a new diocesan strategy and PDCSR spent a significant amount of time considering and developing its own strategy and contribution towards that of the wider diocese. This culminated in an agreed approach in November which will inform all our work in future. Further details are below under PDCSR Governance.

With several short term grant programmes being awarded to PDCSR, the board took the decision this year for the charity to become a direct employer of staff employed on short-term contracts, better to be able to manage and deliver the award outcomes.

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PDCSR Governance

The PDCSR board is separate to and independent of the Portsmouth Diocesan Board of Finance. It appoints its own trustees and aims always to have a majority that are independent of PDBF. The board met four times during the year.

There is now a clearer focus on setting up and running our own socially enterprising activities; that is activity that makes a positive social impact on people's lives, is undertaken in environmentally sustainable ways, and is either cost neutral or profitable but is essentially based on trading income rather than grant income. This will take time to develop and the board recognises the need to invest for a medium to long term period but is a key element in our strategy to achieve long term sustainability at a higher level of activity than is currently the case. Further ideas and options will be developed in 2023.

Canon Nick Ralph's time is shared 50% with the Launchpad Social Enterprise (LSE) and Paint Pots Pre-school and Nursery Ltd (12 early years settings) in the Winchester Diocese. Over 2022, collaborations with Winchester included Good Neighbours, Social Enterprise, Parish Data, and Church-based Early Years support in parishes.

SOCIAL ACTION

Good Neighbours Network (GNN)

www.goodneighbours.org.uk

The Good Neighbours Network provides support to hyper local voluntary groups in the GN network which help local people access healthcare settings, get shopping or go to social activities. The 4000 + Good Neighbours volunteers remained steadfast, strong and effective in their communities. The 2022 annual statistics survey shows that Good Neighbours groups offered over 131,000 acts of kindness in their local communities. Despite the fact that GPs are still conducting fewer consultations in person, the number of health related tasks was up on 2021 as were lunch club trips and social trips.



Last year we continued to offer advice and guidance on governance issues including DBS and insurance queries, challenging situations with volunteers and clients, group mergers, safeguarding and hospital parking arrangements.

We responded to group concerns around the rising cost of fuel by setting up a Parliamentary petition on increasing the reimbursement rate for mileage, which has not gone up since 2012, asking that HMRC raise the recommended rate from 45p/mile to 60p/mile. This petition gathered 42,589 signatures. Unfortunately, the government did not pick this up for debate but it did reach the threshold for a response, albeit that it was not really engaged with. The campaign has been taken up and is being pursued further by the Community Transport Association.

We also asked Good Neighbours groups to raise their voices and support a campaign against Hampshire County Council ending the Adult and Social Care grant that funded GNN. Like most local authorities, they are facing huge challenges to their finances. Despite this, 2023 will see GNN continuing robustly to support GN groups with the strong backing of the Council for Social Responsibility and local NHS Integrated Care Service.



GO TO is an innovative new pilot project designed to tackle loneliness and isolation through green transport initiatives. Funded by the Department for Transport and set up as a wider collaborative partnership project, the GO TO element is concentrated around providing a free E-cargo bike delivery or Tri-shaw ride service. Participants can self-refer or access the service via their GP. There is an easy-to-use app for booking and feedback.

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GO TO is concentrated in three areas across Hampshire, Hayling Island, Hartley Wintney and Paulsgrove – each location provides a different demographic, presenting their own challenges for loneliness, either through coastal deprivation, rural isolation or as an area of multiple urban deprivation (Paulsgrove).

There are three trained Pioneers who pilot (ride) the E-bikes and all are trained in befriending skills to aid beneficial conversations with participants. The project is run alongside established Good Neighbour Network groups in each area although the project remains independent and is overseen by PDCSR.



All Saints Counselling service (ASC)

www.allsaintscounselling.org.uk

ASC is a volunteer-led counselling service, 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 at least to Level 4 diploma or equivalent and receive ongoing training and regular clinical supervision. The service also offers supervised placements to trainee counsellors.

**ALL SAINTS
COUNSELLING
SERVICE**

Face-to-face counselling steadily picked up over the year although for some clients the Zoom based approach is preferred. It seems likely that this will be easier for some people so a hybrid approach will continue. This year we received a grant from the Allchurches fund which enabled us to widen our counselling offer and for the first time, some counsellors were paid for their work where in the past it had only been voluntary. We see this mixed mode approach as an appropriate one to explore further in the future and the best way to offer more counselling hours. At times over the year, the waiting list has been so full, that it has had to be closed to further enquiries until the list is more manageable and expectations can be met more reasonably.

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 a context based programme based on data, evidence and current conversations and delivered through face-to-face workshops run by Leigh Rampton and Nick Ralph. We have incorporated into our programmes the insights gained from Experian's MOSAIC database and that information has proved enduringly popular with parishes. This year we delivered a full rdp workshop to a parish in Southampton, which was well received. Work is now underway to develop this into a programme which can be delivered by a range of people with remote support. This will be tested in 2023.

SOCIAL TRANSFORMATION

Leadership and Innovation

No trips or training programmes were possible in 2022 but we continue to explore links with our partners at the Kaospilots in Aarhus, Denmark. CSR continues to support the discussion programme of the Portsmouth Cathedral Institute where it links with social issues including the 'Six Works' series and plans were developed in 2022 for a series of lectures and workshops to address issues around the 'democratic deficit' as we approach the next general election. These were planned in 2022 but will take place in 2023.

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SOCIAL BUSINESS

The Paulsgrove project began to flourish again under the brand 'St M's Events'. New staff were recruited and have been delivering projects with help from a number of local organisations and the army based on Thorney Island. This was a project which originally started out as an rdp in 2014 and developed from there.

FUTURE PLANS

We are at a key crossroads in time; some would call it a 500-year social and spiritual delta. Whether we welcome it or not, a major restructuring in the way the Christian faith is communicated, lived, and passed on is already happening. We can either engage with it positively or bury our heads and try to pretend it isn't happening. We can allow it to be just inward and individualistic or we can offer a broader approach which also embraces people and communities working together and looking outward based on a renewed Anglican approach of building the kingdom for the common good of all. This would be based on kindness and compassion with the prophetic challenge to do better particularly for those at the greatest disadvantage.

PDCSR's Vision

PDCSR's Vision is for the development, renewal and flourishing of people and communities. It encompasses building the kingdom of God on earth through sustainable, social transformation rooted in the gospel values of love, compassion and justice. 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. We look to bring to individuals and communities that 'life in all its fullness' that Jesus came to announce (John 10:10).

PDCSR's Values

Our values are based on a strong and inclusive social vision – living the gospel – in which we work alongside and with whole communities; identifying opportunities; joining in with what God is already doing; co-designing and working out what will resonate and transform for the good of all, developing new relationships often 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. Our work is based on authenticity, evidence, and asset-based approaches with a strong commitment to social transformation and social justice underpinning everything we do and with the tools of social action, social engagement, and social enterprise.

PDCSR's Mission

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

- Providing a platform for social action programmes in targeted communities with a priority on those in areas of disadvantage.
- Through churches and beyond, working with people to coproduce solutions which transform their communities in ways that matter to them.
- Making our work as sustainable as possible through social enterprise approaches and innovation which engages and empowers local people.

FINANCIAL REVIEW

Financial Performance

The accounts show the unrestricted General Fund with a net deficit of £744 (2021: £4,255 surplus) after transfers and revaluations. Fund transfers include: investment interest income to the general fund of £6,110; the GNN management charges and hire of space totalling £18,144, and management fees on the new GOTO project of £18,835 transferred from the restricted to general fund. There were revaluation losses of £147,954 (2021: gains of £158,167) on the financial investments, reflecting the impact of the global economic situation throughout 2022.

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GNNs funds show a deficit of £60 (2021: £18,964 surplus). 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 further in April 2023.

ASC funds show a balance of £10,951 (2021: £18,658). During 2021 a grant of £7,600 was received from the All Churches Trust Hope Beyond Grant. This has been fully utilised during 2022.

The GOTO fund has a balance of £48,977 at the end of 2022 (2021: Enil). The funds will continue to support the activities of the project during 2023.

Balance sheet position

The Trustees consider that the balance sheet together with details in note 13 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 £1,227,791 (2021: £1,337,204).

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 £69,019 (2021: £81,284) and the Investment for Income fund of £1,036,012 (2021: £1,173,626).

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; and
- 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. This is ethically based. CSR has built up its investments in order to deliver a sustainable income for its core work which covers the costs for the part-time Executive Director and deputy only. The CSR board has taken the decision to expend up to £200,000 of the capital sums over the next two years developing new programmes which have the capacity in due course to develop new income streams through trading and at the same time yield social impacts and benefits, and thereby become social enterprises within the charity. In this way, we aim to develop our work sustainably in the longer term.

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

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The portfolio as a whole experienced a fall in market values of 11.7% (2021: increase of 14.32%) with decreases across all fund types. Overall an income yield of 3.4% (2021: 3.83%) was achieved, however due to the fall in market values, the overall total return was -8.28% (2021: +18.15%).

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 25 July 2011 and operates under a Memorandum and Articles of Association altered pursuant to Special Resolution on the 7 September 2011 and 11 December 2019. 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 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 Executive Director who is currently an ordained member of the Diocesan staff. The permanent 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

The Executive Director 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 8 of this report.

Trustee recruitment, selection and induction

Trustees are given an 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

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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 Executive Director, 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; and
- 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 and 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 2022. The following are the Trustees who served at any time during 2022 up to the date of this report:

Chairman: Professor Sir Jonathan Montgomery

Other Trustees: Mr Andrew Bradstock (appointed 28 March 2023)
The Revd Dr Paul Chamberlain (resigned 27 September 2022)
Mrs Jenny Hollingsworth (appointed 8 August 2022, resigned 31 December 2022)
Mrs Victoria James (resigned 8 August 2022)
Mr Edward Phillips
Mr Philip Poulter (appointed 23 November 2022)
Mr Jonathan Smith
Mr Robert Solomon
Mrs Nicola Youern

Company Secretary The Revd Canon Nicholas Ralph (non trustee)

Senior staff and advisers

Executive Director The Revd Canon Nicholas Ralph
Assistant Director Gambol Parker
Registered Office: Diocesan Office, Peninsular House, Wharf Road, Portsmouth, PO2 8HB
Bankers : Barclays PLC, PO Box 612, Ocean Village, Southampton, SO14 2ZP
Independent Examiner: Haysmacintyre LLP, 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


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.

In preparing this report the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006. The directors have taken advantage of the small companies regime in preparing the financial statements.

ON BEHALF OF THE TRUSTEES


Professor Sir Jonathan Montgomery
Chairman

Date: 5/1/23


Mr Edward Phillips
Trustee

Date: 5/1/23

Independent Examiners Report to the Trustees of Portsmouth Diocesan Council for Social Responsibility for the year ended 31 December 2022

I report to the Trustees on my examination of the accounts of Portsmouth Diocesan Council for Social Responsibility for the year ended 31 December 2022 which are set out on pages 10 to 23.

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 in accordance with the requirements of the Companies Act 2006 ("the 2006 Act"). The trustees are satisfied that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the charitable company 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 charitable company's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the requirements of the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's income is in excess of £250,000, your examiner must be a member of a body listed in the 2011 Act. I can confirm that I am qualified to undertake the examination because I am a registered member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.



Jane Askew
Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Date: 11 August 2023

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT for the year ended 31 December 2022

	Note	General fund £	Designated funds £	Restricted fund £	Total funds 2022 £	<i>Total funds 2021 £</i>
Income and endowments from:						
Donations	2	-	-	246,796	246,796	139,547
Charitable Activities	3	17,203	-	755	17,958	32,603
Investment income	4	37,259	6,110	3	43,372	42,297
		54,462	6,110	247,554	308,126	214,447
Expenditure on:						
Charitable activities	5	98,295	1,925	169,365	269,585	192,311
		98,295	1,925	169,365	269,585	192,311
Net income/(expenditure) before transfers		(43,833)	4,185	78,189	38,541	22,136
Transfers between funds	6	43,089	(6,110)	(36,979)	-	-
Other recognised gains						
Unrealised investment (losses)/gains		-	(147,954)	-	(147,954)	158,167
Net movement in funds	7	(744)	(149,879)	41,210	(109,413)	180,303
Total funds at 1 January		8,967	1,254,910	73,327	1,337,204	1,156,901
Total funds at 31 December		8,223	1,105,031	114,537	1,227,791	1,337,204

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 2021 is included in note 15.

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

BALANCE SHEET as at 31 December 2022

	Note	2022 £	2021 £
Fixed Assets			
Tangible fixed assets	8	58,264	-
Investments	9	<u>1,113,935</u>	<u>1,262,389</u>
		1,172,199	1,262,389
Current Assets			
Debtors	10	51,483	29,932
Cash on deposit		40,922	38,310
Cash at bank and in hand		<u>56,685</u>	<u>97,787</u>
		149,090	166,029
Creditors: amounts falling due within one year	11	(64,856)	(91,214)
Net current assets		<u>84,234</u>	<u>74,815</u>
Total assets less current liabilities		<u>1,256,433</u>	<u>1,337,204</u>
Creditors: amounts falling after one year	12	(28,642)	-
NET ASSETS		<u><u>1,227,791</u></u>	<u><u>1,337,204</u></u>
The funds of the charity:			
General fund		8,223	8,967
Designated funds		1,105,031	1,254,910
Restricted income funds		114,537	73,327
Total funds	13	<u><u>1,227,791</u></u>	<u><u>1,337,204</u></u>

The accounting policies and notes on pages 13-23 form an integral part of these accounts.

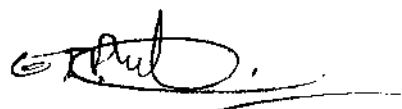
For the year ended 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476. 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 5 July 2023 and signed on its behalf by



Professor Sir Jonathan Montgomery
Chair



Mr Edward Phillips
Trustee

Company number - 7717141

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

STATEMENT OF CASHFLOWS for the year ended 31 December 2022

	2022		2021
	£	£	£
Net cash outflow from operating activities		(54,534)	(15,698)
Cash flows from investing activities			
Incl Dividends, interest and rent from investments	43,372		42,297
Purchase of tangible fixed assets	(64,822)		-
Disposal of investments	500		-
Net cash provided by investing activities		(20,950)	42,297
Cash flows from financing activities			
New finance leases	39,502		-
Payments under finance lease	(2,508)		-
Net cash outflow from financing activities		36,994	-
Change in cash and cash equivalents in the reporting period		(38,490)	26,599
Cash and cash equivalents at 1 January		136,097	109,498
Cash and cash equivalents at 31 December		97,607	136,097
Reconciliation of net income to net cash flow from operating activities			
	<u>2022</u>		<u>2021</u>
Net income for the year ended 31 December	(109,413)		180,303
Adjustments for:			
Losses/(Gains) on investments	147,954		(158,167)
Dividends, interest and rent from investments	(43,372)		(42,297)
Depreciation charges	6,558		-
(Increase)/Decrease in operating debtors	(21,551)		552
(Decrease)/Increase in operating creditors	(34,710)		3,911
Net cash used by operating activities	(54,534)		(15,698)
Analysis of cash and cash equivalents			
Cash at bank and in hand	56,685		97,787
Cash on deposit	40,922		38,310
	97,607		136,097

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.

d) Financial instruments

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.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022**1. ACCOUNTING POLICIES (continued)****e) Fixed asset investments**

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) Tangible fixed assets and depreciation

Vehicles are stated at cost, being the purchase price and any incidental acquisition costs.

Depreciation is provided on vehicles over a period of 3 years on a straight line basis.

h) Finance leases.

PDCSR has entered into finance lease arrangements for the use of certain assets. The amounts due under finance leases are included in the balance sheet as liabilities. All interest costs related to the arrangement are reflected in the Statement of Financial Activities.

g) 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

2022	General fund £	Designated funds £	Restricted funds £	Total funds 2022 £
Donations				
Hampshire County Council	-	-	60,000	60,000
NHS	-	-	47,184	47,184
Action Hampshire	-	-	125,566	125,566
Other grants & donations	-	-	14,046	14,046
	-	-	246,796	246,796

2021	General fund £	Designated funds £	Restricted fund £	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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

3. CHARITABLE ACTIVITIES

2022	General fund £	Designated funds £	Restricted funds £	Total funds 2022 £
Activity Income	17,203	-	-	17,203
Sundry Income	-	-	755	755
	17,203	-	755	17,958

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

4. INVESTMENT INCOME

2022	General fund £	Designated funds £	Restricted fund £	Total funds 2022 £
CBF Deposit Interest	520	-	3	523
CBF Investment fund	13,500	6,110	-	19,610
CBF Property fund	23,239	-	-	23,239
	37,259	6,110	3	43,372

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

5. EXPENDITURE ON CHARITABLE ACTIVITIES

2022	General fund £	Designated funds £	Restricted funds £	Total funds 2022 £
Special Publications	10	-	2,039	2,049
Other Activity costs	14,174	1,925	75,764	91,863
Staff costs	74,309	-	75,320	149,629
Other staff expenses	7,064	-	419	7,483
Office support costs	638	-	12,473	13,111
Independent examiner's costs	2,100	-	-	2,100
Legal Costs	-	-	3,350	3,350
	98,295	1,925	169,365	269,585

Staff costs charged to the general fund include £14,977 (2021: £29,513) charged onwards to Launchpad Social Enterprise.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

5. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

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

Staff Costs

Employee costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	123,078	115,403
National insurance contributions	9,973	15,351
Pension costs	16,578	18,874
	149,629	149,629

During 2022, PDCSR directly employed staff as well as some members of staff continuing to be employed by the Portsmouth Diocesan Board of Finance on behalf of the PDCSR.

At the end of 2022 there were 3.80 fte (2021: 3.90). The average headcount throughout the year was 5 (2021:4).

No employees earned over £60,000 during the year (2021: nil).

The trustees received no expenses during the year (2021: £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.

Remuneration, employers NI, pension contributions and expenses amounted to £37,057 (2021: £26,905).

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

6. ANALYSIS OF TRANSFERS BETWEEN FUNDS

2022	General fund £	Designated funds £	Restricted funds £	Total funds 2022 £
Authorised transfer from Investment for Income fund	6,110	(6,110)	-	-
GNN management Fee	9,744	-	(9,744)	-
GOTO management Fee	18,835	-	(18,835)	-
GNN office space	8,400	-	(8,400)	-
	43,089	(6,110)	(36,979)	-

2021	General fund £	Designated funds £	Restricted funds £	Total funds 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)	-

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022**7. MOVEMENT OF FUNDS**

	At 1st January 2022	Income	Expenditure	Transfers	(Losses)	At 31st December 2022
	£	£	£	£	£	£
General fund						
General Fund	8,967	54,462	(98,295)	43,089	-	8,223
Designated funds						
Business Development	81,284	6,110	(1,925)	(6,110)	(10,340)	69,019
Investment for Income	1,173,626	-	-	-	(137,614)	1,036,012
	1,254,910	6,110	(1,925)	(6,110)	(147,954)	1,105,031
Restricted						
GNN	54,669	107,523	(89,439)	(18,144)	-	54,609
ASC	18,658	14,465	(22,172)	-	-	10,951
GOTO	-	125,566	(57,754)	(18,835)	-	48,977
	73,327	247,554	(169,365)	(36,979)	-	114,537
Total Funds	1,337,204	308,126	(269,585)	-	(147,954)	1,227,791

	At 1st January 2021	Income	Expenditure	Transfers	Gains	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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

8. TANGIBLE FIXED ASSETS

	Vehicles £	Total 2022 £
At Cost or Valuation		
At 1 January 2022	-	-
Additions	64,822	64,822
At 31 December 2022	64,822	64,822
Accumulated depreciation		
At 1 January 2022	-	-
Charge for the year	6,558	6,558
At 31 December 2022	6,558	6,558
Net book value at 31 December 2022	58,264	58,264
Net book value at 31 December 2021	-	-

Assets with a net book value of £43,606 were held under finance lease at 31 December 2022.

9. INVESTMENTS

	At 1st January 2022 £	Additions £	Disposals £	Change in Market Value £	At 31st December 2022 £
Unquoted investment	500	-	(500)	-	-
General Fund	500	-	(500)	-	-
CBF Property fund	519,706	-	-	(60,974)	458,732
CBF Investment fund units	742,183	-	-	(86,980)	655,203
Designated Funds	1,261,889	-	-	(147,954)	1,113,935
Total Funds	1,262,389	-	(500)	(147,954)	1,113,935

	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

PORTSMOUTH DIOCESAN COUNCIL FOR SOCIAL RESPONSIBILITY

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

10. DEBTORS

	2022	2021
	£	£
Sundry Debtors	40,814	19,371
Accrued investment income	10,669	10,561
	<u>51,483</u>	<u>29,932</u>

11. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Amounts due under finance lease	8,352	-
Sundry Creditors	11,856	3,630
Paulsgrove Big Lottery funds (money held as agent)	29,648	72,584
Deferred GNN Income	15,000	15,000
	<u>64,856</u>	<u>91,214</u>

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

12. CREDITORS AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	2022	2021
	£	£
Amounts due under finance lease	28,642	-
	<u>28,642</u>	<u>-</u>

13. ASSETS BY FUND

2022	Fixed assets		Current	Liabilities	Net
	Tangible	Investments	Assets		Assets
	£		£	£	£
General fund					
General fund	-	-	60,374	(52,151)	8,223
Designated funds					
Business Development fund		77,886	(8,867)	-	69,019
Investment for Income fund		1,036,049	(37)	-	1,036,012
	-	1,113,935	(8,904)	-	1,105,031
Restricted funds					
GNN	-	-	58,962	(4,353)	54,609
ASC	-	-	10,951	-	10,951
GOTO	58,264	-	27,707	(36,994)	48,977
	58,264	-	97,620	(41,347)	114,537
Total Funds at 31st December 2022	58,264	1,113,935	149,090	(93,498)	1,227,791

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022**13. ASSETS BY FUND (continued)**

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

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 2022

13. 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.

GOTO Fund

These are the funds received from external sources and restricted for the sole purpose of supporting the activities of the Communities Tackling Loneliness with Transport project. This is a Department for Transport funded grant.

14. RELATED PARTY TRANSACTIONS

The Portsmouth Diocesan Board of Finance (PDBF) is a related party with shared trustees with PDCSR. PDBF is the direct employer of some of the PDCSR staff and payment was made to it in respect of these costs of £134,450 (2021: £119,269). At the end of the year, PDCSR owed PDBF £8,361 (2021: £119) The PDBF has also supported the work of the PDCSR for several years and in 2022 provided office space for the use of PDCSR.

15. AMOUNTS DUE UNDER FINANCE LEASE

	2022 £	2021 £
Due within one year	8,352	-
Due in 2-5 years	28,642	-
	<u>36,994</u>	<u>-</u>

16. FUNDS HELD AS AGENT

	At 1st January 2022 £	Income £	Expenditure £	At 31st December 2022 £
Paulsgrove Project	72,584	7,205	(50,141)	29,648
	<u>72,584</u>	<u>7,205</u>	<u>(50,141)</u>	<u>29,648</u>

	At 1st January 2021 £	Income £	Expenditure £	At 31st December 2021 £
Paulsgrove Project	71,032	27,974	(26,422)	72,584
	<u>71,032</u>	<u>27,974</u>	<u>(26,422)</u>	<u>72,584</u>

The above funds are held as agent and included within creditors.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

17. STATEMENT OF FINANCIAL ACTIVITIES PRIOR YEAR

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