

Pro Bono Economics

Annual Report

&

Financial Statements

For the 18 Month Period Ending 31 December 2016

REPORT AND FINANCIAL STATEMENTS

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REPORT AND FINANCIAL STATEMENTS

TRUSTEES	Lord Gus O'Donnell – Chair (appointed 26/09/2015) Matthew Brumsen – Vice Chair Professor Lynne Berry OBE Andrew Haldane Nicola Pollock Martin Brookes Jo Tilley-Riley Sir David Ramsden Professor Diane Coyle (appointed 24/12/2015)
CHIEF EXECUTIVE	Julia Grant
COMPANY SECRETARY	Vanessa Cofino Mackie
REGISTERED OFFICE	The Clarence Centre 6 St George's Circus London SE1 6FE
INDEPENDENT EXAMINER	K N McCallum B.Acc. C.A. 258 Kew Road Richmond Surrey TW9 3EG
BANKERS	The Co-operative Bank P.O. Box 101 1 Balloon Street Manchester M60 4EP
SOLICITORS	Bates, Wells and Braithwaite London LLP 2-6 Cannon Street London EC4M 6YH
WEBSITE	www.probonoeconomics.com

The Trustees approved a change to the financial year end to 31 December to better reflect the Charity's fundraising cycle and have complied with the associated legal requirements. The Financial Statements present the 18 month period from 1 July 2015 to 31 December 2016.

CONSTITUTION

The Charity is a registered charity and a company limited by guarantee and is governed by its memorandum and articles of association. The company was incorporated on 17 March 2009 and registered as a charity on 15 July 2009.

GOVERNANCE AND MANAGEMENT

The Charity is governed by a Board of Trustees which meets on a regular basis. Trustees are appointed by board resolution. In selecting new trustees, the Board considers the skills, knowledge and experience needed for the effective running of the Charity. Prior to appointment, new trustees are provided with a copy of the Memorandum and Articles of Association, the Trustees' Annual Report and Financial Statements, together with other relevant information. Professor Diane Coyle and Lord Gus O'Donnell were appointed as trustees during this period.

The staff are accountable to the Trustees through the Chief Executive and carry out the day to day operations of the Charity in accordance with the policies and procedures approved by the Board.

CHARITABLE AIMS AND OBJECTIVES

The objects of the Charity are to promote the efficiency and effectiveness of charities and the effective use of charitable resources for the benefit of the public, in particular by providing analytical economic assistance and advice to the charitable sector.

When setting the objectives and planning the work of the Charity for the period, the Trustees confirm that they have completed their duty under section 17 of the Charities Act 2011 with regards to Charity Commission guidance on public benefit.

ABOUT PRO BONO ECONOMICS

Pro Bono Economics (PBE) introduces volunteer economists into the charity sector, addressing issues of measurement, impact and value. Our volunteer economists carry out evaluations of the impact of charities, with a view to enabling them to assess and improve their effectiveness and to present this evidence to external audiences. Their engagement in projects contributes to the professional development of the volunteer economists.

How we work

PBE brings together economists and charities to execute clearly defined projects around economic analysis and related areas. We encourage applications from UK based charities and social enterprises who have the capacity to engage in the detailed analysis work required to deliver our assessments. We give priority to applications in the areas of education, employment, mental health and resilience and complex needs. Once we have confirmed eligibility through an online application, we meet with the charity to understand their objectives, the aims of the project, and the information available to support the work. We then match them with volunteer economists and then support their work with each charity as well as providing a quality assurance function at the end of the project.

At present, we are giving priority to areas where improved wellbeing is a central purpose:

- Education: including early intervention programmes, adult learning and alternative educational methods
- Employment: including programmes aimed at ex-offenders and vocational training for hard-to-reach young people
- Mental health and resilience
- Complex needs: including mental health, criminal behaviour, poverty, homelessness and substance misuse.

Changes during the period

The Director, Sue Holloway, left PBE in October 2015 and the Trustees would like to reflect their thanks for the all the work she did to lead and develop the role of PBE. Julia Grant was appointed Chief Executive Officer in January 2016.

Other organisational developments during the period included welcoming Lord Gus O'Donnell as Chair of Trustees and appointing a Director of Services to provide wide ranging operational and administrative support to economist volunteers. Karen Hancock and Derrick Jones also recently left the Charity and the Trustees would like to thank them for all the work they did to provide economic support to projects.

ACHIEVEMENTS AND PERFORMANCE

PBE completed a total of 31 projects during the period (2015: 16).

PBE's aims for an emphasis on transparency in methodology and data sources, caution in estimates, and clarity on caveats. Where we undertake analysis, the work is usually peer reviewed by an experienced economist outside of the project team, usually with expertise in the area in question. This means that all parties involved, and external audiences, can be confident that the work is rigorous and of high quality.

Further information on all projects and published reports during the period is available on PBE's website: www.probonoeconomics.com. Examples of the range of work which we completed include:

The Royal Institution (October 2015)

The [Royal Institution](#) (Ri) approached PBE to find out more about viewer engagement with their online science videos. Economists from FTI Consulting used available data to build a picture of the Ri's most engaging online content. Findings showed that the Ri's online audience is generally young and Ri talks and events receive the highest levels of engagement. The Ri has continued to collect data and is using the report to inform their digital content strategy.

British Science Association (January 2016)

The [British Science Association](#) wanted to know what impact their Silver CREST Award was having on improving GCSE science grades. The report by volunteer economists used the National Pupil Database (NPD). The report suggests that students who took Silver CREST achieved half a grade higher on their best science GCSE result and were more likely to take a "STEM" at AS Level. The report was launched at the House of Lords by Rt. Hon the Lord Willetts on Wednesday 27 January.

Locality (February 2016)

PBE partnered with Locality to help small, community-based charities and social enterprises through

the Our Place grants and support programme. [Our Place](#) is a package of support and grants intended to give people more power over their local services. Our volunteers advised the charities on the data required to populate a cost-benefit analysis model, discussed assumptions and data quality, and ensured the estimates were as robust as possible. PBE volunteers supported [Serendipity](#), [Enterprising Solutions](#), [Local Works Hull](#), [Rotunda](#) and [Rotherham Rise](#) through this work.

Prisoners' Education Trust (May 2016)

[Prisoners' Education Trust](#) (PET) wanted to assess the impact of their educational resources for prisoners. Previously, an analysis by the Ministry of Justice's Justice Data Lab found that those involved in PET programmes were up to 8% less likely to reoffend within one year of release. Volunteer economists estimated that PET would need to reduce reoffending by just one percentage point for the costs of the programme to outweigh the costs associated with reoffending (for example, costs to society, the victim and the criminal justice system). If the analysis were to include other beneficial factors of the programme, such as improved prisoner wellbeing or improved employability, the effect on reoffending could be greater still.

Tavistock Relationships (May 2016)

Helping couples and families strengthen their relationships has been the guiding mission of [Tavistock Relationships](#) for over 65 years. Tavistock Relationships asked PBE to evaluate their Parents as Partners (PAP) programme. PAP is a group-based approach to strengthening couple relationships, with a focus on encouraging parents' involvement with family life. Dr. Allan Little, a volunteer from the Department of Education, estimated a social return on investment of up to £7 per £1 spent across three programme outcomes (reduced levels of clinical depression, improved child conduct and behaviour and reduced risk of domestic violence). Crucially, the social return could well be higher if other beneficial impacts of the programme could be valued in monetary terms (such as improved relationship quality, reductions in parenting stress and the reduced risk of child abuse and neglect). Dr Little was runner-up for the Government Economic Service, John Hoy Award for this report.

Tomorrow's People (August 2016)

[Tomorrow's People](#), a national employment charity that works with those facing multiple barriers to employment and equips them with the skills and confidence they need to get and keep a job, approached PBE to undertake an evaluation of their services for disadvantaged young people across the country. The 2016 PBE report by Bank of England economists builds on [an earlier impact analysis from PBE and FTI Consulting in 2011](#). Bank of England economists demonstrate that the value of Tomorrow's People's services has increased over time and that with new data, a more accurate cost-benefit analysis shows that their programmes demonstrate a benefit of £342 for every £100 spent from 2007 - 2011 and £415 for every £100 spent from 2011 - 2014. The total value to society over the 7 years consists of benefits saved (£22.2 million), increased tax receipts (£15.7 million) and reduced spending on health and crime (£24.9 million).

St Giles Trust (October 2016)

[St. Giles Trust](#)'s Choices programme provides one-to-one support to get young people back on track. They asked PBE to help analyse the impact of Choice's client interventions. PBE volunteers set out to quantify the benefits of Choices, in terms of savings to the public purse resulting from successful outcomes in employment and associated benefits from reduced re-offending. The study also captured the impact of vocational training, education and volunteering on re-offending rates. PBE

estimated the value of benefits of Choices on employment and related reductions in re-offending to be around £851,000 in the first year (2014). Choices also has a wider impact as it supports young people to take up opportunities in education, vocational training and volunteering, producing a longer-term impact on life-time earnings and productivity. This is the second time that PBE has worked with St Giles Trust.

ECONOMISTS

Interest from the economics profession remains strong, 510 volunteers have registered on our database. Of these, approximately 40% are from the public sector, 45% from the private sector and the remainder are in academia or employed by charities. We continue to develop relationships with the Government Economics Service (GES); with individual government departments and with companies and other organisations who employ professional economists.

We matched 71 economists to new projects during this period (2015: 58) with 146 working on a project during the period (2015: 117). To date we have provided over 320 opportunities for economists to use their skills for the benefit of the charity sector.

ASSESSING IMPACT

We have committed to regularly reviewing our project work to understand how we can improve our processes, and ensure a satisfactory outcome and good experience for charities and economists. During the period, we commissioned our first comprehensive survey of charities and volunteers who had worked with us since inception. We would like to thank FTI Consulting who provided this support pro bono. The data is being analysed and when complete will provide a baseline for us to track progress in future.

PBE ACTIVITY

This period saw increased activity in fundraising, communications and marketing. In terms of funding, the PBE Dining Club continues to offer an opportunity for donors to hear from an interesting speaker and contribute to our core funding. This programme is supported pro bono by Pi Capital. We also secured funding from a number of grant making trusts and foundations and explored opportunities for sponsors to support key events such as the PBE Lecture.

Communications and marketing activity included a successful lecture at the Royal Institution in February 2016, supported by Nomura, where Tim Harford of the Financial Times offered reflections on "Good Causes and Bad Statistics". We also held a celebration for our volunteers in November. This was kindly supported by Chicago Booth University.

We achieved good press and media coverage around the appointments of the new chief executive and chairman and for report publications. In particular, our reports for Tomorrows People and the Prisoners Education Trust attracted media interest.

During the period PBE received legal advice and support in kind from Weil.

FUTURE PLANS

Our new strategy recognises the growing demand for our service, as charities are under increasing pressure to demonstrate how they use resources to achieve impact. In order to increase our own impact, we need to use the experience and knowledge accumulated from individual projects to exert wider influence on policy and practice. This requires a deeper and more selective focus and for 2017 we have chosen to focus on the themes of education, employment, mental health and resilience and complex needs.

Our staff team remains small – with 3.8 FTE staff, but with increased capacity for project management and administration, we aim to provide better support to our volunteer economists. At present we have a panel of four experienced economists providing advice and oversight on individual projects and advising on PBE's framework for economic evaluation.

FINANCIAL REVIEW

During this 18-month period the Charity received £537,023 (2015: £268,569) in grants, donations and interest income, of which £22,000 (2015: £24,000) was restricted to fund specific projects. No restricted income was unspent at the end of the period.

Notwithstanding the extended accounting period, the trend showed a significant increase in funding and an encouraging move towards a more diversified funding base. Financial support was received from grant making trusts: Barrow Cadbury Trust, Monument Trust and Law Family Charitable Foundation; from Locality and Scottish TV with respect to specific projects with organisations they fund; as well as from number of individual donors. Our Dining Club generated unrestricted income of £97,500 during the 18-month period.

The income from grant making trusts, and the Law Family Charitable Foundation in particular, are supporting PBE's new strategy to develop policy and evidence resources from our work with individual charities.

Expenditure in the period increased broadly in line with the growth in funding and amounted to £419,188 (2015: £185,086). This increase related to the recruitment and employment of two new roles (Chief Executive and Director of Services) to support the Trustees in the implementation of the new strategy, together with one off upgrades in office infrastructure.

Given the new strategy outlined above, the Trustees have elected to designate £100,000 of reserves toward planned expenditure in future years which will include the development of knowledge and policy resources as well as increasing the operational capacity of the charity.

The Charity generated a surplus of £117,835 (2015: £83,483) during the period.

On 31 December 2016, the Charity held reserves of £283,989 (2015: £166,154), of which £100,000 (2015: £0) is designated unrestricted funds and £183,989 (2015: £166,154) is general unrestricted funds.

RESERVES

The Reserves Policy was reviewed at the May 2016 Board meeting. PBE's policy is to maintain general unrestricted reserves at a level to cover its operating expenditure for at least six months plus any outstanding longer term commitments. The projected annual operating expenditure is forecast at £500,000.

The Charity is therefore planning to build reserves of £250,000.

On 31 December 2016, general unrestricted reserves were £183,989 (2015: £166,154). Whilst this is below the level defined by the reserves policy the Trustees believe this level of general unrestricted reserves, at 4.5 months of operating expenditure, is reasonable.

RISK MANAGEMENT

The Trustees are responsible for ensuring that the Charity has an appropriate system of controls, financial and otherwise. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention of fraud and other irregularities. A review of financial controls took place in July 2016.

The risk register was reviewed in May 2016 and Trustees considered risks around governance, management, operations and finance. The most significant risks identified were in the area of management and related to loss or absence of key personnel and lack of experience and skill in key staff.

The Trustees have taken steps to manage and mitigate these risks and monitor progress at each Board meeting. The Trustees also have a programme of controls to manage financial risks (liquidity, cash flows and going concern).

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

TRUSTEES' RESPONSIBILITIES

Company law requires Trustees, who are also directors, to prepare financial statements for the financial period to give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing these financial statements, the Trustees have:

- selected suitable accounting policies and then applied them consistently;
- observed the methods and principles in the charities SORP;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed; and
- prepared the financial statements on the going concern basis.

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

By order of the Board

Date:

Lord Gus O'Donnell
Chair of Trustees

INDEPENDENT EXAMINER'S REPORT

TO THE DIRECTORS AND TRUSTEES OF PRO BONO ECONOMICS

I report on Pro Bono Economics for the 18-month period ended 31 December 2016, set out in pages 12 to 22.

Respective responsibilities of Trustees and Examiner

The Charity's 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 period under section 144(2) of the Charities Act 2011 ("the 2011 Act") and that an independent examination is needed. The Charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAS.

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

Basis of Independent Examiner's report

My examination was carried out in accordance with 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 to my examination, no matter came 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 and 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 Charities, have not been met, or
2. To which in my opinion attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

KN McCallum B.Acc.C.A.
258 Kew Road, Richmond, Surrey TW9 3EG

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 DECEMBER 2016**

		Unrestricted Funds 2016	Restricted Funds 2016	Total 2016	Total 2015
	Note	18 months	18 months	18 months	12 months
		£	£	£	£
Income from:	3				
Grants		327,000	22,000	349,000	51,500
Donations		186,835	-	186,835	216,717
Interest Income		1,188	-	1,188	352
		<u>515,023</u>	<u>22,000</u>	<u>537,023</u>	<u>268,569</u>
Expenditure on:					
Staff Costs	4	271,016	-	271,016	135,642
Operations and Project Delivery	5	123,488	22,000	145,488	48,863
Governance	6	2,684	-	2,684	581
		<u>397,188</u>	<u>22,000</u>	<u>419,188</u>	<u>185,086</u>
Net income/(expenditure)		117,835	-	117,835	83,483
Transfer between funds		-	-	-	-
Net movement in funds		<u>117,835</u>	<u>-</u>	<u>117,835</u>	<u>83,483</u>
Reconciliation of funds					
Total funds as at 1 July 2015		166,154	-	166,154	82,671
Total funds as at 31 December 2016		<u>283,989</u>	<u>-</u>	<u>283,989</u>	<u>166,154</u>

The prior year period provided in column titled 2015, is for the twelve months from 1 July 2014 to 30 June 2015.

There are no recognised gains or losses other than those shown in the statement of financial activities. All the above is derived from continuing activities.

The Notes on pages 12 to 22 form an integral part of these accounts.

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	Total 31/12/16 £	Total 31/06/15 £
Fixed Assets:			
Tangible assets	7	6,626	-
Current assets:			
Debtors	8	17,419	6,565
Cash at bank and in hand		311,563	175,239
		328,982	181,804
Liabilities:			
Creditors: amounts falling due within one year	9	(51,620)	(15,650)
Net current assets		277,363	166,154
Total assets less current liabilities		283,989	166,154
Total net assets	10	283,989	166,154
Funds of the Charity:			
Restricted income fund	11	-	-
General unrestricted funds		183,989	166,154
Designated unrestricted funds		100,000	-
Total unrestricted funds		283,989	166,154
Total Charity funds		283,989	166,154

The Notes on pages 12 to 22 form an integral part of these accounts.

For the period ending 31 December 2016 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 period in question in accordance with section 476 of the Act,
- The Directors and the Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to account records and the preparation of the financial statements,
- These accounts have been prepared in accordance with the provisions applicable to companies, subject to the small companies' regime.

These accounts were approved by the Board of Trustees on:

Signed on behalf of the Board of Trustees:

Lord Gus O'Donnell
Chair of Trustees

STATEMENT OF CASHFLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2016

	Notes	Total 2016 18 months £	Total 2015 12 months £
Cash flows from operating activities:			
Net cash provided by / (used in) operating activities	12	142,933	93,126
Cash flows from investing activities:			
Investment income		1,188	352
Purchase of property, plants and equipment		(7,797)	-
		(6,609)	352
Change of cash in the period		136,324	93,478
Cash at the beginning of the reporting period		175,239	81,761
Cash at the end of the reporting period	13	311,563	175,239

The prior year period provided in column titled 2015, is for the twelve months from 1 July 2014 to 30 June 2015.

The Notes on pages 12 to 22 form an integral part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016

1. Basis of preparation

- 1.1** These accounts (financial statements) have been prepared under the historic cost convention, with items recognised at cost or transaction value, unless otherwise stated in the relevant note(s), in accordance with:
- The Charities Act 2011
 - The Companies Act 2006
 - The Financial Reporting Standard applicable in the UK and the Republic of Ireland: FRS102
 - Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS102) (effective January 2015).
- 1.2** The accounts for the previous year were prepared in accordance with:
- The Financial Reporting Standards for Smaller Entities (the FRSSE) (effective April 2008)
 - The Charities SORP 2005 (2nd edition – May 2008).
- 1.3** These are the Charity's first financial statements to comply with FRS102. The date of transition to FRS102 is 1 July 2015. No adjustments were necessary other than those needed to comply with the revised layout of the financial statements required by the Charities SORP (FRS102).
- 1.4** The Charity meets the definition of a public benefit entity as defined by FRS102.
- 1.5** The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

2. Accounting policies

In transitioning to FRS102 the accounting policies have been reviewed and updated, however there have been no material changes which would require prior period results to be restated.

2.1 Fund accounting

Unrestricted funds are those that can be expended at the discretion of the Trustees in the furtherance of the objects of the Charity.

Restricted funds are those that may only be used for specific purposes. Restrictions arise when specified by the donor, or when funds are raised for specific purposes. The purpose of restricted funds is shown in Note 11.

Designated funds are unrestricted funds earmarked by the Trustees for a particular purpose in the furtherance of the objects of the Charity.

2.2 Income

All incoming resources are included in the Statement of Financial Activity (SOFA) when the Charity becomes entitled to the income, reasonably certain that the income will be received and that the amount can be quantified reasonably accurately.

Grants are recognised as income when they become receivable.

General donations are recognised when received. Donations associated with dining club membership are recognised in the period to which membership relates.

2.3 Expenditure and liabilities

Expenditure is recognised on the accruals basis. Liabilities are recognised as soon as there is a legal constructive obligation to pay.

2.4 Tangible fixed assets

Items of equipment are capitalised where the purchase price or the cost of the capital project exceeds £500. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. Office and computer equipment are depreciated over 3 years.

2.5 Debtors

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

2.6 Cash

Cash comprises bank deposits repayable on demand and any short term highly liquid investments with a maturity date of three months or less from the date of acquisition or opening of the deposit or similar account.

2.7 Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount, usually the invoice amount. Accrued charges are normally valued at their settlement amount.

2.8 Pension

The Charity contributes to a defined contribution personal pension for those staff members who wish to take up this option. Pension costs charged to the SOFA represent the contributions payable by the Charity in the period.

2.6 The Charity is exempt from taxation on its charitable activities.

3. Income

	Unrestricted Funds 2016 18 months £	Restricted Funds 2016 18 months £	Total 2016 18 months £	Total 2015 12 months £
Grants				
Grant Making Trusts & Foundations				
Law Family Charitable Foundation	245,000	-	245,000	-
Barrow Cadbury Trust	12,000	-	12,000	8,000
City Bridge Trust	-	-	-	4,500
Garfield Weston	-	-	-	15,000
The Monument Trust	70,000	-	70,000	-
Partnership Funding				
Locality	-	12,000	12,000	24,000
Scottish TV	-	10,000	10,000	-
	327,000	22,000	349,000	51,500
Donations				
Major Gifts	45,000	-	45,000	63,600
General Donations	12,027	-	12,027	35,839
Events Income (including Dining Club)	120,258	-	120,258	115,000
Gift Aid	9,549	-	9,549	2,278
	186,835	-	186,835	216,717
Interest Income				
	1,188	-	1,188	352
	515,023	22,000	537,023	268,569

4. Staff costs

	Unrestricted Funds 2016 18 months £	Restricted Funds 2016 18 months £	Total 2016 18 months £	Total 2015 12 months £
Wages and salaries	241,711	-	241,711	121,847
Employer Social Security Costs	17,807	-	17,807	7,833
Employer Pension Contribution	9,604	-	9,604	4,946
Other employee benefits	1,894	-	1,894	1,016
	271,016	-	271,016	135,642

	Unrestricted Funds 2016 18 months £	Restricted Funds 2016 18 months £	Total 2016 18 months £	Total 2015 12 months £
Core staff	146,798	-	146,798	92,575
Project staff	94,913	-	94,913	29,272
Other staff costs	29,305	-	29,305	13,795
	271,016	-	271,016	135,642

Core staff include the CEO, Fundraising and Communications Manager and Finance and Operations Manager. Project staff includes Economists, Data and Project Administrator and the Director of Services (DOS). Other staff costs include employer social security costs, employer's pension contribution and other employee benefits. Staff costs attributable to raising funds during the period were an estimated at 24% of the total staff costs.

The total amount of employee benefits paid to key management personnel (defined as CEO and DOS) was £74,729 (2015: £60,400).

No employee received remuneration in excess of £60,000 during the period (2015 one person). On a 12 month, full year equivalent basis the number of staff with total employee benefits above £60,000 is as follows:

	Number of employees	
	2016	2015
£60,000-£70,000	-	1
£70,000-£80,000	1	-

The average headcount during the period was 5.4 employees (2015: 3.4), translating to 3.8 Full Time Equivalent (2015: 2.7) employees.

5. Operations and project delivery costs

	Unrestricted Funds 2016 18 months £	Restricted Funds 2016 18 months £	Total 2016 18 months £	Total 2015 12 months £
Operations and Projects	90,270	22,000	112,270	25,577
Fundraising	17,492	-	17,492	19,094
Communications	15,726	-	15,726	4,192
	123,488	22,000	145,488	48,863

6. Governance

Governance costs comprised professional fees of £2,612 (2015: £581) and Trustees' expenses £72 (2015: £0). See Note 14 for further information.

The independent examination was undertaken pro-bono.

7. Tangible fixed assets

	Office equipment 2016 £	Computer equipment 2016 £	Total 2016 £	2015 £
Cost				
As at 1 July 2015	-	-	-	-
Additions in period	1,712	6,085	7,797	-
Disposals in period	-	-	-	-
As at 31 December 2016	1,712	6,085	7,797	-
Depreciation				
As at 1 July 2015	-	-	-	-
Charge for the period	276	895	1,171	-
Depreciation on disposals	-	-	-	-
As at 31 December 2016	(276)	(895)	(1,171)	-
Net book value				
As at 31 December 2016	1,436	5,190	6,626	-
As at 1 July 2015	-	-	-	-

8. Debtors

	Total 31/12/16	Total 30/06/15
	£	£
Trade debtors	-	-
Other debtors	4,953	1,842
Prepayments and accrued income	12,466	4,723
	17,419	6,565

9. Creditors (falling due within one year)

	Total 31/12/16	Total 30/06/15
	£	£
Trade creditors	11,980	-
Tax and Social Security	5,833	3,783
Other creditors	27,500	11,868
Accruals	6,306	-
	51,620	15,650

Other creditors include £27,500 (2015: £0) relating to 2017 dining club membership donations received in 2016.

10. Analysis of net assets between funds

	General Unrestricted 31/12/16	Designated Unrestricted 31/12/16	Restricted 31/12/16	Total 31/12/16	Total 30/06/15
	£	£	£	£	£
Tangible fixed assets	6,626	-	-	6,626	-
Current assets	228,982	100,000	-	328,982	181,804
Creditors: amount falling within 1 year	(51,620)	-	-	(51,620)	(15,650)
	183,989	100,000	-	283,989	166,154

11. Restricted funds

During the period PBE received two restricted grants totalling £22,000. The movement in restricted funds during the period and the restricted fund balances at the end of the period and is outlined below:

	Balance at 01/07/15	Income	Expenditure	Balance at 31/12/16
	£	£	£	£
Locality	-	12,000	12,000	-
Scottish TV	-	10,000	10,000	-
	-	22,000	22,000	-

The purpose and amount of restricted grants during the period is outlined below:

Grant maker	Purpose	2016
		£
Locality	Contribution towards nominated charity projects	12,000
Scottish TV	Contribution towards nominated charity projects	10,000

12. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Total 2016	Total 2015
	18 months	12 months
	£	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	117,835	83,483
Adjustments for:		
Depreciation charges	1,171	-
Investment income (interest income)	(1,188)	(352)
(Increase)/decrease in debtors	(10,854)	(1,556)
Increase/(decrease) in creditors	35,970	11,551
Net cash provided by / (used in) operating activities	142,933	93,126

13. Analysis of cash and cash equivalents

	Total 2016 31/12/16	Total 2015 30/06/15
	£	£
Cash in hand	311,563	175,239
Total cash and cash equivalents	311,563	175,239

14. Trustees' remuneration, benefits and expenses

During the period none of the Trustees were paid any remuneration or received any other benefits from employment with the Charity.

During the period one (2015: 0) Trustee was reimbursed £72 (2015: £0) in respect of a meeting room hire.

15. Related party transactions

During this period there were no related party transactions.

16. Operating lease

In 2016 the Trustees entered into a tenancy agreement in respect of the office premises at Unit DC. G018, The Clarence Centre, 6 St George's Circus, London SE1 6FE for a period of 3 years from 12 July 2016. The Charity has an option to terminate the agreement by giving 1 months' prior written notice. The amounts payable under the agreement (for rent) at the financial year end are:

	2016	2015
	£	£
Between 12 months and 5 years	20,500	-