



Annual Report and Financial Statement

For the year ending 31 December 2017

Company Registration No. 06849844
Charity Registration No. 1130567

REPORT AND FINANCIAL STATEMENTS

CONTENTS	Pages
Reference and administrative details	3
Trustees' report	4
Independent Examiner's report	10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14

REFERENCE AND ADMINISTRATIVE DETAILS

TRUSTEES	<p>The following Trustees served throughout the period to which this report relates unless otherwise indicated:</p> <p>Lord Gus O'Donnell – Chair Matthew Brumsen – Vice Chair Professor Lynne Berry OBE (resigned 25/09/17) Andrew Haldane Nicola Pollock (resigned 09/11/17) Martin Brookes (resigned 22/09/17) Jo Tilley-Riley Sir David Ramsden Professor Diane Coyle CBE Damien Régent (to be appointed 12/04/18) Belinda Phipps (to be appointed 12/04/18) Jenny Scott (to be appointed 12/04/18)</p>
CHIEF EXECUTIVE	Julia Grant
COMPANY SECRETARY	Vanessa Cofino Mackie
REGISTERED OFFICE	Technopark 90 London Road London SE1 6LN
INDEPENDENT EXAMINER	K N McCallum B.Acc. C.A. 258 Kew Road Richmond Surrey TW9 3EG
BANKERS	Barclays Bank PLC Leicester M60 4EP
SOLICITORS	Weil, Gotshal & Manges LLP 110 Fetter Lane London EC4A 1AY
WEBSITE	www.probonoeconomics.com

The Financial Statements present the year from 1 January 2017 to 31 December 2017.

TRUSTEES' REPORT

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.

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 year, 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) harnesses the tools and insights from economics, providing skilled volunteer economists to the social sector to help understand and improve their cost and their impact. The engagement of these skilled volunteers in projects contributes to their professional development.

How we work

PBE brings together economists and charities/ social ventures 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 currently give priority to applications in the areas of education, employment, mental health and resilience and poverty. 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 support their work with each charity. We also provide 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
- Poverty: including multiple disadvantages linked to criminal behaviour, homelessness and substance misuse.

Changes during the year

The development of the staff team continued in line with PBE's plans for controlled expansion. This requires more specialist staff in key functions such as economic supervision, project management, and fundraising. In the past 18 months a number of senior roles have been recruited including a Director of Operations and a Chief Economist. PBE has recently recruited a Director of Public Affairs to strengthen capacity to deliver policy and advocacy campaigns, drawing from the knowledge acquired through individual projects.

ACHIEVEMENTS AND PERFORMANCE

PBE completed a total of 27 projects during the year (2016: 31 projects completed over 18 months).

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 from outside 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 year is available on PBE's website: www.probonoeconomics.com. Examples of the range of work we completed include:

Shelter Scotland (April 2017)

With a previous data advice report published in 2016, [Shelter Scotland](#) approached PBE to continue the collaboration, and for help in understanding the costs and benefits of their Foundations First project, designed to stop at-risk households from becoming homeless. The charity had collected sufficient data to conduct a breakeven analysis, which estimated the costs of Foundations First as £1.04m. The intervention would have to prevent 24 households from becoming homeless over a 12-month period to break even. The report also contained some rudimentary analysis suggesting Foundations First may break even in its second year.

Spitalfields Crypt Trust (May 2017)

Spitalfields Crypt Trust offers a range of support, rehabilitation and training services to individuals suffering from complex needs, including homelessness, alcohol and drug misuse. The charity approached PBE to demonstrate the public value of its work, in order to access new funding streams. As they did not have adequate data to carry out an economic analysis, we provided them with the tools and recommendations needed for a future evaluation of the charity's services. Moving forward, once the charity has collected sufficient data, a benchmark can be established using retrospective data, which will enable them to estimate the value of interventions.

MAC-UK (October 2017)

MAC-UK is a charity that uses an innovative approach to improve the accessibility of mental health services for excluded young people, developed during their founding project, Music & Change. The charity approached PBE to discover the benefits of this project. We provided them with data advice and conducted analysis into the costs of Music & Change, which equated to around £3,000 per young person annually. The report then explored the benefits which could justify the costs: a young person involved in the project spending four months in full-time employment or one month free from depression or anxiety.

City Year UK (November 2017)

[City Year UK](#) brings together young people from diverse backgrounds to serve for a year in disadvantaged communities as tutors, mentors and role models for at-risk pupils. With a belief that full-time volunteering has the potential to be significantly scaled up, the charity approached PBE to assess the economic case for a government-backed full-time volunteering programme for young people. Analysis suggested that, based on a cohort of 10,000 volunteers, annual net benefits to the UK might be between £119 and £28 million. Every £1 spent on this programme could reap benefits of between £1.20 and £1.60. Moving forward, City Year will use this report to inform their advocacy and strategy.

Power to Change (December 2017)

[Power to Change](#), an independent trust established with the aim of developing community business across England, is a strategic partner of PBE. As part of this relationship, PBE created an economic framework for Community Asset Transfers (CATs), to be used by their grantees as well as Local Authorities to provide thorough guidelines on defining, implementing, and analysing a CAT. This framework is the first of its kind and can be utilised by a wide range of organisations in order to develop communities and reclaim unused assets.

PSHE (December 2017)

Both a charity and a membership organisation, the [PSHE Association](#) represents teachers and promotes the teaching of high-quality PSHE (Personal, Social, Health and Economic Education) across all schools in England. The charity approached PBE to analyse the need for PSHE and examine the impact of enabling all students to access this. A thorough literature review, focussed on behaviour, attainment and attendance, showed strong evidence that PSHE education has a positive impact on academic attainment and attendance, and does not detract from other subjects as is sometimes suggested. The report was shared widely and featured in news outlets including Politics Home and TES.

ECONOMISTS

Interest from the economics profession remains strong, with 380 volunteers registered on our system. 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 Economic Service (GES); with individual government departments and with companies and other organisations who employ professional economists.

139 volunteers worked on a project with us during 2017, and we matched 87 volunteers to new projects during the period. To date, we have provided 434 opportunities for economists to use their skills for the benefit of the charity sector.

PBE ACTIVITY

This year saw continued 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 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, supported by Nomura, where Simon Kuper of the Financial Times asked, "Has Britain got Sport Upside down?" reflecting on the push for medals and the lack of funding of grass roots sports. We also held a celebration for our volunteers in November. Once again, this was kindly supported by Chicago Booth University.

We achieved good press and media coverage of our lecture and volunteers event, as well as thought leadership pieces on levels of trust in the charity sector and the case for managing impact. In particular, our reports for the PHSE Association, City Year and Greenhouse Sports attracted media interest.

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

FUTURE PLANS

Our current 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 the next three to five years we will focus on the themes of education, employment, mental health and resilience and poverty.

Our staff team remains small – with 4.8 Full Time Equivalent (FTE) staff but, with increased specialist capacity for economic advice, project management and administration, we aim to provide better support to our volunteer economists.

FINANCIAL REVIEW

Note: the comparative figures for 2016 (in brackets) are based on an 18-month accounting period ending on 31 December 2016.

2017 was a successful year for PBE with planned investment in the staff team and infrastructure increasing the cost base whilst income was diversified to include new grant funders. The deficit for the year was expected and largely funded by designated funds allocated in 2016 to fund the expanded operation.

During the year the Charity received £282,198 (2016: £537,023) in grants, donations, fees for service

and interest, of which £26,000 (2016: £22,000) was restricted to fund specific projects.

Income for the year decreased, partly due to a longer (18 month) previous accounting period, and partly due the fact that the first instalment (£245,000) of significant multi-year grant was received in 2016, with a second instalment expected in 2018.

Grant funding of £126,000 (2016: £104,000) excluding the aforementioned significant multi-year grant was received from Porticus, Power to Change, Barrow Cadbury Trust, Monument Trust, Esmée Fairbairn, Dulverton Trust and Golden Bottle Trust. Our Dining Club generated unrestricted income of £93,738 (2016: £97,500).

Costs were stable over the shorter 12-month period, and reflect the planned changes in operational structure, with corresponding increase in staff team, and infrastructure improvement. Expenditure in the year amounted to £417,408 (2016: £419,188). The operational cost includes new roles (Director of Services and Fundraising Executive), a panel of Economic Associates who work on a consultancy basis, together with one off upgrades in office and support infrastructure.

The resulting deficit of £135,210 (2016: £117,835 surplus) for the year was expected and primarily reflects the timing of investment in new operational capacity, supported by the significant funding received in the previous accounting period. Designated funds of £100,000 were released as planned to cover the majority of the deficit.

With new infrastructure substantially in place and over £500,000 of 2018 income confirmed at the year end, the charity is in a strong position to execute the growth plan for 2018 to 2020.

At 31 December 2017, unrestricted funds were £143,779 (2016: £283,989), including £100,000 of designated funds. Restricted funds were £5,000 (2016: £0).

RESERVES

The Reserves Policy was reviewed at the May 2016 Board meeting. PBE's current 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 for 2018 is forecast at £839,450 (2016: £500,000), due to the substantial expansion which is planned in project work and associated policy work. This would require PBE to build up reserves of £419,725 (2016: £250,000) to reflect the current reserves policy.

On 31 December 2017, general unrestricted reserves were £143,779 (2016: £183,989), which is substantially below the level defined by the current reserves policy. The Trustees plan to review and update their reserves policy by the July 2018 Board meeting to reflect the future operating expenditure profile over the course of the financial plan from 2018 to 2020.

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.

The risk register was reviewed in May 2017 and Trustees considered risks around governance, management, operations and finance. The most significant risks identified were the relative scoring of impact, particularly in relation to loss of key staff and quality of economic advice.

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 year 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 year. 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 year ended 31 December 2017, set out in pages 14 to 21.

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 year 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 YEAR ENDED 31 DECEMBER 2017

		Unrestricted Funds 2017	Restricted Funds 2017	Total 2017	Total 2016
	Note	12 months	12 months	12 months	18 months
		£	£	£	£
Income from:	3				
Grants		100,000	26,000	126,000	349,000
Donations		132,188	-	132,188	186,835
Fees for Services		23,364	-	23,364	-
Interest Income		646	-	646	1,188
		<u>256,198</u>	<u>26,000</u>	<u>282,198</u>	<u>537,023</u>
Expenditure on:					
Staff Costs	4	250,129	-	250,129	271,016
Operations and Project Delivery	5	144,653	21,000	165,653	145,488
Governance	6	1,626	-	1,626	2,684
		<u>396,408</u>	<u>21,000</u>	<u>417,408</u>	<u>419,188</u>
Net income/(expenditure)		(140,210)	5,000	(135,210)	117,835
Transfer between funds		-	-	-	-
Net movement in funds		<u>(140,210)</u>	<u>5,000</u>	<u>(135,210)</u>	<u>117,835</u>
Reconciliation of funds					
Total funds as at 1 January 2017		283,989	-	283,989	166,154
Total funds as at 31 December 2017		<u>143,779</u>	<u>5,000</u>	<u>148,779</u>	<u>283,989</u>

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 14 to 21 form an integral part of these accounts.

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Notes	31/12/2017	31/12/2016
		£	£
Fixed assets:			
Tangible assets	7	3,760	6,626
Current assets:			
Debtors	8	21,756	17,419
Cash at bank and in hand		279,221	311,563
		300,976	328,982
Liabilities:			
Creditors: amounts falling due within one year	9	(155,958)	(51,620)
Net current assets		145,018	277,363
Total assets less current liabilities		148,779	283,989
Total net assets	10	148,779	283,989
Funds of the charity:			
Restricted income fund		5,000	-
General unrestricted funds		143,779	183,989
Designated unrestricted funds		-	100,000
Total charity funds		148,779	283,989

The Notes on pages 14 to 21 form an integral part of these accounts.

For the year ending 31 December 2017, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 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 CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

		2017	2016
	Notes	12 months	18 months
		£	£
Cash flows from operating activities:			
Net cash provided by / (Used in) operating activities	12	(32,989)	142,933
Cash flows from investing activities:			
Interest income		646	1,188
Purchase of property, plants and equipment		-	(7,797)
		646	(6,609)
Change in cash in the year		(32,343)	136,324
Cash at the beginning of the reporting year		311,563	175,239
Cash at the end of the reporting year	13	279,220	311,563

The Notes on pages 14 to 21 form an integral part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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 Charity meets the definition of a public benefit entity as defined by FRS102.
- 1.3** The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

2. Accounting policies

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. Income that has been received but does not meet this recognition criterion is recorded as deferred income.

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 year 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 is depreciated over three 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 all staff members. Pension costs charged to the SOFA represent the contributions payable by the Charity in the year.

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

3. Income

	Unrestricted Funds 2017 12 months £	Restricted Funds 2017 12 months £	Total 2017 12 months £	Total 2016 18 months £
Grants				
Grant Making Trusts & Foundations				
Law Family Charitable Foundation	-	-	-	245,000
Porticus	30,000	-	30,000	-
Power to Change	30,000	-	30,000	-
Barrow Cadbury Trust	4,000	21,000	25,000	12,000
The Monument Trust	20,000	-	20,000	70,000
Esmée Fairbairn	15,000	-	15,000	-
Dulverton Trust	-	5,000	5,000	-
Golden Bottle Trust	1,000	-	1,000	-
Partnership Funding				
Locality	-	-	-	12,000
Scottish TV	-	-	-	10,000
	100,000	26,000	126,000	349,000
Donations				
Major Gifts	5,000	-	5,000	45,000
General Donations	12,310	-	12,310	12,027
Events Income (including Dining Club)	109,938	-	109,938	120,258
Gift Aid	4,940	-	4,940	9,549
	132,188	-	132,188	186,835
Fees for Services				
	23,364	-	23,364	-
Interest Income				
	646	-	646	1,188
	256,198	26,000	282,198	537,023

4. Staff costs

	Unrestricted Funds 2017	Restricted Funds 2017	Total 2017	Total 2016
	12 months	12 months	12 months	18 months
	£	£	£	£
Disclosure of staff costs and employee benefits				
Wages and salaries	213,334	-	213,334	241,711
Employer Social Security costs	21,526	-	21,526	17,807
Employer pension contribution	14,895	-	14,895	9,604
Other employee benefits	374	-	374	1,894
	250,129	-	250,129	271,016

	Unrestricted Funds 2017	Restricted Funds 2017	Total 2017	Total 2016
	12 months	12 months	12 months	18 months
	£	£	£	£
Staff costs by type				
Core staff	144,033	-	144,033	146,798
Project staff	69,301	-	69,301	94,913
Other staff costs	36,795	-	36,795	29,305
	250,129	-	250,129	271,016

Core staff include the CEO, Fundraising and Communications Manager, Fundraising and Project Executive and Finance and Operations Manager. Project staff includes Chief Economist, Database 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 year were an estimated at 29% (2016: 24%) of the total staff costs.

The total amount of employee benefits paid to key management personnel (defined as CEO and DOS) was £136,060 (2016: £74,729).

One employee received remuneration in excess of £60,000 during the year (2016: one).

The number of staff with total employee benefits above £60,000 is as follows:

	2017	2016
£60,000 - £69,999	-	-
£70,000 - £79,999	1	1

The average headcount during the year was 5.3 employees (2016: 5.4), translating to 4.8 Full Time Equivalent (2016: 3.8) employees.

5. Operations and project delivery costs

	Unrestricted Funds 2017	Restricted Funds 2017	Total 2017	Total 2016
	12 months	12 months	12 months	18 months
	£	£	£	£
Operations and Projects	85,390	21,000	106,390	112,270
Fundraising	18,524	-	18,524	17,492
Communications	40,739	-	40,739	15,726
	144,653	21,000	165,653	145,488

6. Governance

The charity incurred governance costs of £1,626 (2016: £2,612) during the year.

The independent examination was undertaken pro bono.

7. Tangible fixed assets

	Office equipment 2017	Computer equipment 2017	Total 2017	Total 2016
	£	£	£	£
Cost				
As at 1 January 2017	1,712	6,085	7,797	-
Additions in year	-	-	-	7,797
Disposals in year	-	-	-	-
As at 31 December 2017	1,712	6,085	7,797	7,797
Depreciation				
As at 1 January 2017	276	895	1,171	-
Charge for the year	571	2,295	2,866	1,171
Depreciation on disposals	-	-	-	-
As at 31 December 2017	847	3,190	4,037	(1,171)
Net book value				
As at 31 December 2017	866	2,895	3,760	6,626
As at 1 January 2017	1,436	5,190	6,626	-

8. Debtors

	31/12/2017	31/12/2016
	£	£
Trade debtors	14,365	-
Other debtors	-	4,953
Prepayments and accrued income	7,391	12,466
	21,756	17,419

9. Creditors (falling due within one year)

	31/12/2017	31/12/2016
	£	£
Trade creditors	8,340	11,980
Tax and Social Security	6,004	5,833
Accruals and deferred income	141,614	33,807
	155,958	51,620

Accruals and deferred income includes £125,000 (2016: £0) of deferred grant income received immediately before the year end raised specifically to fund the 2018-2020 strategic plan and £14,988 (2016: £27,500) relating to 2018 Dining Club membership donations received in 2017.

10. Analysis of net assets between funds

	General Unrestricted 31/12/17	Restricted 31/12/17	Total 31/12/2017	Total 31/12/16
	£	£	£	£
Tangible fixed assets	3,761	-	3,761	6,626
Current assets	295,976	5,000	300,976	328,982
Creditors: amount falling within 1 year	(155,958)	-	(155,958)	(51,620)
	143,779	5,000	148,779	283,989

11. Restricted funds

During the year PBE received restricted funds totalling £26,000 (2016: £22,000). The movement in restricted funds during the year and the restricted fund balances at the end of the year and is outlined below:

	Balance at 01/01/2017	Income	Expenditure	Balance at 31/12/2017
	£	£	£	£
Barrow Cadbury Trust	-	21,000	21,000	-
The Dulverton Trust	-	5,000	-	5,000
	-	26,000	21,000	5,000

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

Grant maker	Purpose	2017 £
Barrow Cadbury	New CRM system	21,000
Dulverton Trust	Blueprint for Impact: Adventure Learning	5,000

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

	2017 12 months £	2016 18 months £
Net income / (expenditure) for the reporting year (as per the statement of financial activities)	(135,210)	117,835
Adjustments for:		
Depreciation charges	2,865	1,171
Investment income (interest income)	(646)	(1,188)
(Increase)/decrease in debtors	(4,337)	(1,556)
Increase/(decrease) in creditors	104,339	11,551
Net cash provided by / (used in) operating activities	(32,989)	127,813

13. Analysis of cash and cash equivalents

	31/12/2017	31/12/2016
	£	£
Cash in hand	279,221	311,563
Total cash and cash equivalents	279,221	311,563

14. Trustees' remuneration, benefits and expenses

During the year, none of the Trustees was paid any remuneration or received any other benefits from employment with the Charity.

During the year no Trustees claimed any expenses (2016: £72).

15. Related party transactions

During this year, there were no related party transactions (2016: none).

16. Operating lease

At 31 December 2017 the Charity's future minimum lease payments under non-cancellable operating leases due within 12 months were:

Due within 12 months	2017	2016
	£	£
Land and buildings	33,240	20,500
Equipment	828	-