

BLACKBURN DIOCESAN BOARD OF EDUCATION

England & Wales · Charity number 1020101

Details

Status Registered

Legal form Charitable company

Company number [00557954](#)

Registered 1993-04-22

Register [View on the Charity Commission register](#)

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Activities

Objects: THE OBJECT FOR WHICH THE COMPANY IS ESTABLISHED IS TO PROMOTE OR ASSIST IN THE PROMOTION OF EDUCATION IN THE DIOCESE OF BLACKBURN THAT IS CONSISTENT WITH THE FAITH AND PRACTICE OF THE CHURCH OF ENGLAND, INCLUDING (BUT WITHOUT LIMITATION) BY:3.1 PROMOTING OR ASSISTING IN THE PROMOTION OF RELIGIOUS EDUCATION AND RELIGIOUS WORSHIP IN SCHOOLS IN THE DIOCESE;3.2 PROMOTING OR ASSISTING IN THE PROMOTION OF CHURCH SCHOOLS IN THE DIOCESE;3.3 PROMOTING CO-OPERATION BETWEEN ITSELF AND OTHER PERSONS CONCERNED WITH EDUCATION IN THE DIOCESE;3.4 DISCHARGING WITHIN THE DIOCESE THE FUNCTIONS ASSIGNED TO DIOCESAN BOARDS OF EDUCATION BY SECTION 2 AND SECTIONS 7 TO 15 OF THE DIOCESAN BOARDS OF EDUCATION MEASURE 2021 OR BY AMENDING LEGISLATION; AND3.5 DISCHARGING WITHIN THE DIOCESE SUCH OTHER CHARITABLE FUNCTIONS AS MAY BE ASSIGNED TO THE BOARD BY THE DIOCESAN SYNOD, OTHER THAN FUNCTIONS RELATING TO CHURCH SCHOOLS OR CHURCH EDUCATIONAL ENDOWMENTS.

Activities: To develop Christian Education in parishes, schools, further and higher education establishments within the Diocese of Blackburn. To support school governors in the maintenance and development of school buildings. To be the Custodian trustee of school buildings and land as defined in individual school trust deeds or under section 86 of the Education Act 1944.

Classification

- **How:** Makes Grants To Organisations, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Religious Activities
- **Who:** Children/young People

Geography

- **Area of benefit:** DIOCESE OF BLACKBURN
- Blackburn With Darwen
- Blackpool
- Lancashire
- Wigan

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,321,000	£1,261,000	£6,236,000	10
2023-12-31	£1,686,000	£1,392,000	£6,134,000	15
2022-12-31	£1,186,000	£1,172,000	£5,738,000	18
2021-12-31	£1,026,000	£1,145,000	£6,016,000	20
2020-12-31	£1,036,000	£1,128,000	£5,910,000	23

Trustees

Name	Role	Appointed
The Venerable David Picken	Chair	2020-02-04
Deborah Louise Metcalfe		2019-01-04
Esther Gregory-Witham		2025-01-01
Jade Hackett		2025-01-01
Jane Mitchell		2025-01-01
Paul Duckworth		2025-01-01
Rev Andrew Holliday		2016-01-01
Rev Christopher Anderton		2025-01-01
Rev David Arnold		2016-11-15
Rev Simon Christopher Lloyd		2022-01-31
Richard Jones		2014-06-21
Rt Rev Philip North		2023-01-10
STEPHEN WHITTAKER		2023-09-01
THE REVEREND PHILIP RICHARD MEREDITH VENABLES		2016-01-01
Yusra Arshad		2022-01-25

Linked charities

- [THE ELMSLIE FUND \(1020101-1\)](#)

Accounts

The Blackburn Diocesan Board of Education

Trustees' annual report and financial statements

Company limited by guarantee (no 557954)

Registered charity (no 1020101)

31 December 2024

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2024

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VISION STATEMENT

*Serve Christ.
Share the Gospel.
Support, Equip and Educate*

Healthy Churches Transforming Communities

LEGAL OBJECTS

- To promote or assist in the promotion of education in the Diocese of Blackburn ("the diocese") being education which is consistent with the faith and practice of the Church of England.
- To promote or assist in the promotion of religious education and religious worship in schools in the diocese.
- To promote or assist in the promotion of church schools in the diocese and to advise the governors of such schools, and trustees of church educational endowments and any other body or person concerned on any matter affecting church schools in the diocese; to promote co-operation between its Board of Management ("the board") and bodies or persons concerned in any respect with education in the diocese.
- To discharge within the diocese the functions assigned to Diocesan Boards of Education by section 3 to 8 and 11 of the Diocesan Boards of Education Measure 1991 or by any amending legislation.
- To discharge within the diocese such other functions relating to the furtherance of church education as may be assigned to the board by the diocesan synod, other than functions relating to church schools or church educational endowments.
- To do all such things as are incidental or conducive to the attainment of the aforesaid objects, including acceptance of the trusteeship of any trusts and the investment of any moneys not immediately required for its purpose in or upon such investments securities as the board may think fit.

STRATEGIC REPORT

STRATEGIC AIMS AND OBJECTIVES FOR THE YEAR

- The support of Church of England schools in all areas of their activities. In particular:
 - ❖ Development and delivery of religious education and collective worship
 - ❖ Protection of the Church of England's interests in academy conversions in Blackburn Diocese
 - ❖ Maintenance of church school buildings belonging to trustees of Church of England schools
 - ❖ Protection of the interests of the trustees of Church of England schools
- The development of youth and children's work in Parishes and Schools across the Diocese of Blackburn.
- The support and development of Christian Spirituality in secular institutions of higher and further education.
- The provision of Chaplaincy support to church colleges and church-based universities.

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Prayer for the work of the Board	
Objectives	DBE Actions
Encouraging a 'pray first culture' at diocesan and parish level to uphold children and young people and the specific ministries working with them	Prayer continues to be visible and intentional. Meetings and training sessions start and end with prayer.
Writing prayers for the young to be used in intercessions, services and events	Prayer continues to be a strong feature in many of our resources, with examples of written prayers being provided as well as suggestions for how children and young people can be encouraged to pray themselves.
Encourage dedicated time and energy to the pursuit of hearing God's heart and waiting on Him	Associate Advisers' meetings begin with a prayer or a Reflection.
Encouraging prayer sponsors in parishes where congregation members pray directly for individual children and young people	Advisers' Autumn Term Visits ask Headteachers for specific prayer requests and advisers pray regularly for their schools.
Equipping young people with the confidence to pray	The weekly Collective Worship Video for Primary Schools Exploring God's Big Story has increased the number of creative ways to pray used in each series. Therefore, modelling good practice. The launch of the Diocesan Year of Prayer took place in November 2024. Over 22,000 primary school children zoomed in to join Bishop Philip and pray together. Each Primary school has a Year of Prayer poster and classroom resources. Schools are being encouraged to all pray the same prayer or pray for the same topic during the same week throughout the year. New courses, (e.g. <i>Creative and Inspirational Prayer</i>) have been introduced to BoE CPD offer to further develop teacher skills to enhance the prayer life of their schools. The 'Living Well Together: Church, School, and Community Links' workshop encourages Headteachers and Clergy to pray for the school and the church respectively. The half termly online '<i>Pressing the Pause Button: Prayer and Reflection to Renew Our Spirits</i>' introduced this year provides HTs and Senior Leaders with the opportunity to gather for fellowship and spiritual renewal thorough prayer. Each session of the New HTs' and DHTs' Induction Programme starts with a Reflection and emphasizes the importance of 'Prayer' in the faith journey of the Church school leader. All Governor training begins with prayer. The Diocesan Governor Prayer will be used in all workshops going forward. Members of the BoE continue to meet each Monday morning to pray for our schools, churches, and the work of the BoE.

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Children and Youth	
Overall objectives	To see growth of 11–17-year-olds (worshipping community statistics) of 1030 by 2026 To see 25% growth in new disciples between the ages of 5-11 years (worshipping community statistics) To see 50% increase in toddler groups that share the gospel To see double the number of boys in worshipping communities
Response	The Board of Education set ambitious targets for growth among children and young people in our worshipping communities, including specific aims for 11–17-year-olds, new disciples aged 5–11, toddler groups sharing the gospel, and increasing the number of boys in our congregations. Achieving and measuring progress towards these targets has been challenging, primarily because consistent data collection processes were not in place at the outset, and the impact of COVID-19 led to a significant fall in church attendance from which we are only now recovering. Most of our robust data is from the last two years, limiting our ability to track longer-term trends and progress. Despite these challenges, recent data collection using the Blackburn Diocese Data Collection form has enabled us to begin more accurate analysis. While initial figures between 2023 and 2024 indicate a slight reduction in overall attendance among children and young people, this is likely affected by incomplete data returns (97% in 2023 vs. 88% in 2024). Once all returns are gathered and inconsistencies addressed, we anticipate a clearer and more consistent picture will emerge. Notably, there is evidence of positive shifts, such as growth in the high school age group and significant percentage increases in attendance in several parishes, especially those starting from a low base. These small but meaningful increases provide a strong foundation for future growth. In response to the targets, the Board has taken substantial action: • Expanded training for clergy, lay ministers, and volunteers, including specific focus on making worship more accessible to children and young people, and on retaining confirmation candidates. • Supported parishes in launching or revitalising youth groups and toddler groups that share the gospel, with new resources and training widely accessed. • Delivered targeted initiatives to engage boys and promote sports and activity-based ministries. • Launched the 'Ignite' project, which aims to employ 30 children's and youth leaders

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	across the diocese, with the goal of more than doubling the number of children and young people in our churches. • Developed and promoted digital content and new resources to support faith development and leader training. • Continued to run well-attended events, camps, and family activities that encourage faith exploration and community building among young people. While the set numerical targets have not yet been fully achieved, the groundwork laid in the past two years—through improved data collection, targeted training, new resources, and innovative projects—demonstrates clear movement towards our aims. In 2025 and 2026 the objectives will be focused and reported on in the areas set out below the narrative.
Key Objectives to be achieved by Dec 2024	Actions
<i>Making Disciples</i> We will support the making disciples team to resource and equip local churches to:	
• Make more Sunday services child/youth-friendly	Training has been delivered to Authorised Lay Ministry (ALM) participants choosing the Worship elective on All Age Worship which was delivered by the children and youth team. Participants on the Children's Work elective received a training session on 'Children and Worship' which again was well attended this year. The children and youth advisers have continued to deliver training to curates in the diocese as part of IME2 training, focusing on the discipleship of children and young people. This training has encouraged curates to complete the Children and Youth Ministry Self-Assessment Tool for the parish in which they were training, to help them review current practices and highlight potential areas for development, with a view to considering what they might do once they become incumbents. Bespoke training on All Age Worship was delivered in Preesall by the Children's Work Adviser in partnership with the Vocations team. Launchpad and Youthscape Essentials, continue to equip and challenge parish clergy and youth leaders in how they can make worship services more accessible for young people, as well as leading provision for their age group that supports their faith journey. The children and youth team continue to offer to meet with new clergy soon after they have settled into post. These visits are a useful opportunity to see a snapshot of what is happening in a parish. Clergy are provided with a pack containing vision and strategy documents, resource samples and guidance for working with their church schools.
• Improve preparation and follow-up for confirmation, retaining confirmation candidates as part of the church's worshipping community	The 'how to follow up confirmation' crib sheet continues to be used by the Parish Renewal team as well as being recommended by youth and children's team. This has been a valuable resource given the conversations that have taken place in previous years.

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	The main confirmation resources that are used by parishes are still available in the reference library in Clayton House should clergy or youth leader wish to explore new or alternative confirmation preparation resources. Several churches have been supported in the process of exploring Admission to Holy Communion before Confirmation and have now been authorised by the Diocesan Bishop.
Equip 50 parishes to set up small youth groups that develop faith	Launchpad continues to support parishes in relaunching or starting and establishing youth provisions in a local parish context. In addition, the Youthscape Essentials course has been delivered in 3 locations to offer another option for volunteer youth leader training. The diocesan youth team have offered bespoke support to youth leaders and clergy who have come to them independent of these training and equipping opportunities. In October 2024 the Youth Leader Conference took place in Clitheroe and was well attended. This offered support, input and encouragement to youth leaders from across the diocese. Inputs included: -connection to conversations of faith with young people, -how to support young people with additional needs, -the place of a hybrid approach, amongst other topics of input. We also introduced the new Alpha Youth Course that has been launched at the end of 2024 and is being run in many youth groups and churches in the Diocese in early 2025.
Support parishes in providing events and experiences that encourage children and young people in their faith	In April 2024 the children and youth team ran the annual youth event 'Abide: As You Are', which saw further growth in the number of young people and their youth leaders attending from across Lancashire. The Children's team supported the Schools Ventures Residential for Chorley Primary schools at Borwick Hall in Lancaster. Partnering with CPAS and local clergy to lead these experiences has created great opportunities for children to explore their beliefs connected to the Easter story and grow in faith. In the summer, the children's team supported Whalley Abbey in offering a Family Activity Day which offered families an opportunity to explore the Abbey and participate in activities based on the Parable of the Lost Sheep. The youth team supported the Borwick Hall, Camp led by Bishop Philip during May half-term. This was predominately attended by young people from an Anglo-Catholic background and was a valuable connection to continue to grow relationships after churches attended Abide with their young people earlier in the year. After the return of national festivals in 2022, we continued to signpost youth groups to Walsingham Youth Pilgrimage, DTI, Satellites, Limitless, New Day, and Nefyn Camps this summer, as well as the array of camps offered by CPAS and Scripture Union across the summer months.
- Launching significantly more digital content to promote faith development for children and young people, to train leaders and promote church events and activities. This will include: - o Youtube content - o Podcasts	Considerable thought has gone into Social Media communications and the Team have worked together with the Digital Team to streamline what is offered. The team have taken steps to develop Youth Work State of Mind Instagram, building on traction from the Youth Leader Conference and The Gathering to develop and grow the platform as a space for the

o Social media interactive resources	Christian youth work community to connect, be encouraged and inspired. Resolute – the Minster Model initiative in Lancaster and surrounding areas that draws in over 100 young people to stand alone events is still supported by the Youth Team. 2024 saw us engaging once again with the National Toddler Group Month of Prayer as we posted daily prayer activities for Under 5's on social media which received fantastic engagement. These have since been collated into a booklet titled '30 Things to Pray Before You're Four and a Half' which is available to all as a download via the resources of the website. Following conferences and events we have continued to upload suitable content to the Board of Education's YouTube account for support and training purposes.
• Produce more parish resources for work with children and young people	Pick n Mix, our seasonal youth ministry resource is in the gradual process of being rewritten and developed into 'app style' content. This year we have added brand new content around the themes of Stewardship working in partnership with the Making Disciples Team. The widely used Weekly@ lectionary-based materials for churches to use with children's groups and all age congregations continue to be written with the support of guest writers. Weekly@ Summer (Back to the Garden) was created to help children to explore themes around stewardship and looking after all God's creations. The collection of resources for children with additional needs has expanded in collaboration with Additional Needs Specialist, Lynn McCann. We now have social (why) stories for Christmas and Easter and widgets which can be used alongside the materials.
• Create new or renewed toddler groups that share the gospel as part of their work	A Toddler Group Ministry Training session was delivered in Summer 2024 which formed part of the Children's Ministry Elective of the ALM Course but could also be accessed by anyone who wished to attend. The Children's Work Adviser continued to support the National Growing Faith Team to provide a national online network for Toddler Group leaders. Through continued engagement with the National Toddler Group Month of Prayer, the Children's Adviser was involved in the preparation of resources and planning for the national launch which took place online. Also, during the National Toddler Group Month of Prayer, the Children's Adviser and colleague from the Digital Resources Team did a tour of toddler groups around the diocese to celebrate and raise the profile of this ministry which was extremely well received.
• Engage with boy friendly ministry	A training session on how we make our Children's Ministry appealing for boys was delivered in Summer 2024 which formed part of the Children's Ministry Elective of the ALM Course, but this could also be accessed by anyone who wished to attend. This training was well attended, and participants found the session very useful. An active / sports ministry 'Games Day' training event was offered to children and youth workers in October

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	2024 which was delivered by Claire from Ambassadors football. KICK supported Abide by running a Dance space and their regional lead joined the event team, which gave parishes the chance to see how sports ministry could run in a local parish context as well as explore what KICK could look like in their parishes. To develop this further, for 2025 both KICK and Ambassadors Football have been approached to be involved in the event.
Being Witnesses We will support the being witnesses team to resource and equip local churches to:	
Plant 50 local congregations which reach out to families and young people	Officers connect with the Being Witnesses team as necessary and planting new congregations work continues to be ongoing – as and when support is sought. Child and young person friendly worshipping community work is ongoing. Supporting parishes around sports and activity-based ministry is ongoing with KICK and Ambassadors football inputting to events and conferences.
Start 50 new child/youth-friendly worshipping communities (or congregations) including services in school	
Develop 50 new sports/active ministry activities that meet regularly	
Growing Leaders Support the vocations team to commission 300 leaders and helpers of all ages (with at least 30% under 25 years old) to share the Gospel with children and young people. We will do this by:	
Creating a culture of vocational discernment so that many more can hear a call to work with the young (DoV)	All sessions of the Children's Ministry ALM electives were successfully delivered in 2024. The Children's Work Adviser also delivered a session on All Age Worship for the Worship Leading elective. The Children's Ministry Conference and Youth Leader Conference were both successful and received very positive feedback. Officers have delivered sessions 'And then came Christmas' and 'Reaching the Next Generation' as part of the Urban Evangelist training course; M:Power. The IME2 training for curates has seen sessions delivered by officers across this year bringing into focus the Diocesan vision priority of 'Inspiring Children & Young People'. The team have offered training to support churches in welcoming those with additional needs and training which supports their Equity, Diversity and Justice strategy. Dr Krish Kandiah OBE, visited the diocese twice in 2024 and offered EDJ training for anyone in parish roles, including those involved in children and youth ministry. The Gathering, continues to run in partnership with other youth work organisations and charities, and seeks to support, equip and encourage youth leaders from across Lancashire in their ministry. This provision has invested in and grown a community of people who are committed to working with this age group in the local church. Safeguarding continues to be highlighted in training as appropriate and the Children and Youth Ministry Self-Assessment Tool immediately highlights to the user the importance of safeguarding and where to go for support and guidance should they need it. The team
Developing varied training programmes for those new to this work or in need of refreshment, including basic training and more in-depth training as part of lay leadership development (Children/Youth Team/DoV)	
Ensuring that everyone who works with children and young people knows their safeguarding responsibilities (in partnership with DSO)	
Liturgically commissioning new and existing leaders and helpers, at Confirmation Services where possible	
Holding a Service of Celebration and Re-commissioning for those who minister to the young	

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	seek to model good practice by putting more robust systems in place to ensure volunteers at Board of Education events have valid DBS Certificates and have completed mandatory safeguarding training. In the Autumn of 2024, the Board of Education leadership team participated in Vocations Training to familiarise themselves with the vocational discernment process and how this is relevant to their roles.
To develop and implement a project that is designed to grow work with 11-17 years.	The development of a new children's and youth strategy to support growth of under 18's ministry has been developed and a successful application to the national church for funding saw the 'Ignite' project begin to take shape in the Autumn of 2024 with the appointment of the Project Manager. The project seeks to employ 30 Children and / or Youth Leaders in parishes across the diocese with the aim of more than doubling the number of children and young people in churches. The Ignite Project has appointed two members of staff and 2025 will see the momentum grow. Also see Launchpad and Youthscape Essentials notes above.

Schools	
Aspiration for schools by Dec 2024	Actions of the DBE
Our schools to be built around the key Christian values and qualities of <u>love, hope, grace and service</u> and a Vision rooted in the Bible	Reference is made to the DBE vision in all training materials and emphasis is placed on the Biblical root of the vision. Strong emphasis on the creation and living out of a theologically rooted vision runs through all induction training materials. The 'Be Prepared for SIAMS and Self Evaluation' courses took place each term via zoom and face to face and were very well attended. Bespoke training has been delivered in both Primary and High schools across the Diocese. A comprehensive CPD Programme for both Primary and High schools have been accessed by most schools in the Diocese. Associate advisers continue with pastoral calls and SLA visits The number of schools inspected for SIAMS in 2024 was 34. Every school had an outcome of J1 and was found to be living up to its foundation as a church school. The theologically rooted Christian vision was found to be a strength in every school. Consultancy visits to high schools including tailored resources, Chaplaincy and Religious Education networks took place through the year. Governor CPD stresses the importance of governors living out the school and diocesan Vision in fulfilling their roles.

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Embody a vision shaped by the personal faith and commitment of their leaders	Headteachers Conference took place at the Dunkenhalgh Hotel Clayton– le- Moors. Attendance was high and all 3 Bishops were present. Headteacher meetings continued via zoom and face to face as in previous years. These have been well attended. A Deputy Headteacher and Headteacher induction programme has taken place including input on Christian vision and courageous Christian leadership, Governance and SIAMS All ECT induction training has been well attended A programme of Retreats and Quiet Days has taken place DBE Services Christian Leadership programme ran again this year in collaboration with other dioceses and is oversubscribed annually. Active engagement with National Networks, and Local Networks continues (NASACRE, CEFEL, Local SACRE) to support leaders at all levels on their faith journeys.
To embody a vision rooted in the bible	The Head Teachers Conference launched the foundation scripture for the year. All material produced for primary schools Collective Worship and RE are clearly rooted in scripture. All courses refer to scripture and emphasise that what drives our work is underpinned by biblical text with Jesus as role model. Primary School Collective Worship - Worship Together 'God's Big Story' video content is focused on a different Bible story each week. The video highlights where the story can be found in the Bible and how it all connects to God's Big Story.
Enable and encourage a praying and worshipping community where distinctly Christian celebrations are integral to the learning experiences of all within the school community	Worship together across the Diocese video resources are continuing to be produced for key events in the church year. Schools' resources for the Bishops' Harvest Appeal 2024 was produced. The 2024 Year 6 Leavers service at the cathedral were well attended and we were delighted that Chip Kendal led the worship alongside Bishop Philip. New resources have been shared with schools via Head Teachers meetings and emails. DBE Team members have frequently been invited to lead celebration services in schools. The Enhancing Children's Spirituality course supports teachers to offer a wide range of opportunities to support children's spiritual development by focusing on a range of spiritual styles and preferences, (e.g. Word, Emotion, Action, Symbol.)
Ensure Religious Education is at the heart of the curriculum and is a core subject	Our Questful RE syllabus website now has over 3000 users. Community schools in Blackburn with Darwen are all engaged and working well with the DBE team. The number of primary schools in Chester and Carlisle Dioceses using Questful has increased. Syllabus units have been updated and bespoke films produced. RE coordinator Cluster meetings continued throughout 2024 via zoom and face to face

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	The Primary RE Coordinators conference took place at the Dunkenhall Hotel. Lat Blaylock was the speaker. SIAMS Inspection reports indicate that RE in schools is challenging and creative. It is rigorous and of high quality. Illuminating Pathways has been moved to a new website along with the guiding light worship resources. This makes resources accessible to all. The curriculum has been supplied to other dioceses following requests from them for additional resource for RE and worship
Recognise the presence of God in the uniqueness of each individual and in each person's specific talents and gifts.	Significant development work on equality, diversity and justice has continued. A suite of courses was designed, revised, and delivered centrally and in schools In 2024 the second EDJ conference was delivered twice attended by over 120 schools. Keynote speakers included Professor Paul Miller and Dr Krish Kandiah.
Develop a broad community open to the world in which we live, which seeks to change it for the better	Multicultural Christianity resources in the RE syllabus have significantly increased and resources for the teaching about World Faiths and World views has continued to grow. Many of our Primary schools have received positive publicity due to their social action. Schools are encouraged to take part in the Global Neighbours and Arch-Bishop Award initiatives. All Equity, Diversity, and Justice courses emphasize the need for all adults and children to become courageous advocates who stand up for what is right and what is just to change the world. They also stress the biblical directive underpinning EDJ work.
Celebrate success and treat failure with compassion	Engagement with schools using social media has increased, and being regularly used to praise success. Schools are sent letters of congratulations following inspections and visits are made to school in difficult circumstances. Staff regularly attend celebration events in schools. Schools celebrate and share examples of best practice by delivering inputs at BoE workshops.
Support their alumni in finding ways to continue their faith journey, and to provide a pathway or signpost for those alumni looking to re-engage with faith	Worship materials and RE Curriculum content support schools in fulfilling these points
Be strong and sustainable presences in their community with a structure that best serves the needs of the children and young people	Recognition given to schools achieving The Christian Aid Global Neighbours Award and for schools with ABYT Schemes
Seek to work in collaboration with churches in delivering <i>Vision 2026</i>	The Headteachers and Incumbents conference held in March 2024 focused on the role of headteacher and incumbent a spiritual leaders transforming and supporting the community. A suite of primary and secondary conferences and training continues to encourage connection and worship and work together between churches and schools.

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	The DBF Choir Church initiative has also created better connections between churches and schools across the diocese.
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School Buildings	
Ensure that school buildings are developed and maintained to best meet the needs of pupils	The School Condition Allocation (SCA) program has been successfully managed this year in collaboration with DBE Services. However, escalating expenses throughout the year have limited the scope of projects that could be implemented. Despite these challenges, a comprehensive capital works plan was developed and executed to address school requirements. Consistent with previous years, the demand for improvements exceeded the available funding by approximately threefold.
Seek opportunities for expansion of existing church schools or new church school provision	Regular meetings take place with the school place planning team in Lancashire and detailed conversations took place with Blackburn with Darwen over future pupil number projections.
Ensure the correct treatment of school assets when schools close or relocate	The Diocesan Board of Education (DBE) is actively managing several ongoing cases related to church school properties, with a particular focus on addressing historical inaccuracies in land treatment. This area represents a significant workload for the DBE, as they strive to rectify past errors and establish clear ownership records. In an effort to solidify legal ownership, the DBE has initiated the process of registering multiple titles with the Land Registry for various school properties. This step is crucial in ensuring that the ownership of church school land is properly documented and legally recognised. Concurrently, the DBE is conducting extensive research into the trusts and land associated with church schools. This comprehensive investigation aims to create a complete and accurate picture of the school estate, including precise details of land ownership. This thorough approach will help clarify any ambiguities and provide a solid foundation for future management of church school properties.
Chaplaincy	
Key Objectives for 2024	Actions of the DBE
We want to help students in our universities to be disciplined, nurtured and challenged in their faith, encouraged to share their faith, and develop to lead others in discipleship, witness and service.	An ordained full time chaplain was appointed to the University of Cumbria in the summer 2024, the appointment is one day a week supporting The Priory Church Lancaster. She has made a good start and is re-establishing the ministry that had dwindled over the gap in service and pandemic.
We want to help chaplains that enable the people of God in our High Schools and Universities to live out the Christian life and witness to the presence of Jesus	The role of Chaplain at Lancaster University was appointed to in September 2024. The role has been made part time as an interim arrangement. The post holder is ordained and also a part time incumbent. He has quickly established a ministry amongst students and holds a Eucharist once a week. He is making networks across the Christian and other faith communities on campus and has
We want to help young people transition from a school place of worship to engagement in a Church of England multigenerational worshipping community that is accessible to the young	

	become a central member of the chaplaincy student support there. The role of Chaplain at UCLAN and student support at Preston Minster has operated well and has been covered by a maternity leave for several months in 2024. The Church are exploring the way forward for this role with The Bishop of Lancaster.
--	--

In 2025 and 2026 the objectives will be focused and reported on in the following areas in the accounts

A) Expanding Youth and Children's Work through the IGNITE Project

- The IGNITE project represents a significant step change in our approach to ministry for children and young people, both within and beyond the parishes receiving funding. Our primary focus for 2025-2026 will be to further develop, effectively communicate, and implement the strategy for the IGNITE project. This initiative promises to have a transformative impact on our ability to inspire and engage young people across the diocese.

B) Enhancing Children and Youth Work

- Continue to support the creation and renewal of toddler groups that share the Gospel through a training and equipping programme
- Continue and expand the Youth Hub initiative and further develop and promote the Launchpad programme for youth ministry
- Develop varied training programmes for those involved in children's and youth work, including annual conferences

C) Supporting Schools

- Develop new curriculum resources and training programs to support high-quality RE and collective worship in church schools.
- Encourage greater engagement between church schools and local parishes to strengthen the connection between school and church communities, including worship opportunities.
- In line with EDJ strategy be a prophetic voice on behalf of schools, challenging issues that schools face, such as SEND provision, diversity, Social Care support, and Senior Leader Wellbeing.

D) Strengthening Chaplaincy Services

- Expand the provision of chaplaincy services in higher and further education institutions across the diocese.
- Explore new ways to support the spiritual development of students and staff in these settings, potentially incorporating innovative approaches developed through IGNITE.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2024

Public Benefit Statement

The Board exists under the Diocesan Board of Education Measure (2021). The Measure sets out the core purpose of the Board of Education, which is to

- promote or assist in the promotion of education in the diocese that is consistent with the faith and practice of the Church of England;
- promote or assist in the promotion of religious education and religious worship in schools in the diocese;
- promote or assist in the promotion of church schools in the diocese;
- promote co-operation between itself and other persons concerned with education in the diocese.

In addition, the Board of Education support youth and children's work across church in the diocese.

The public benefit of our work is seen in the support and flourishing of church schools that provide education for all within a Christian ethos. Blackburn Diocesan Board of Education (BDBE) supports the promotion of Christian faith within universities and other educational institutions and also supports schools to engage in their communities and to build projects that create, improve and unify the local community. Our support for schools also ensures the provision of buildings which can be used by parishes and outside bodies for the benefit of all. The trustees have referred to Charity Commission guidance on public benefit and consider the entity is compliant.

Our support for Youth and Children's Work across the Diocese touches the lives of thousands of people, many of whom are not regular church attenders and supports churches in their work with the children and young people of local communities.

ACTIVITIES AND PERFORMANCE

Main Achievements of the Year

FINANCE REVIEW

Financial Performance

During the year to 31 December 2024 the Charity made a net surplus of £102k against a surplus of £396k in 2023.

Principal Funding Sources

There is an annual grant agreed in advance by the Blackburn Diocesan Board of Finance Limited as agreed by the Diocesan Synod. A grant of service is provided in addition for the provision of finance. The Board is also in receipt of funds allocated from the BDBF Restricted Funds. Total funding from these sources for the year ended 31 December 2024 is £308,154 (2023: £324,061).

Service level agreements to provide support services to schools £222,985 (2023: £268,638).

Total interest and dividends income is £512,000 (2023: £409,000) representing 39% of total income (2023: 29%). This is due to investing in Property Shares in CCLA to generate income.

The Blackburn Diocesan Board of Finance grants represented around 23% of the total income of the charity for the year, equally 17% of the income came from service level agreements.

During the year a gift aid donation of £5,000 (2023: £153,808) was received from DBE Services Ltd.

Significant expenditure

Additional school support is provided by staff and consultants for the development and delivery of religious education, school vision and ethos and collective worship. This may be in the form of direct support for schools or running training courses and events for the schools. During the year £360,590 of school and governor support (2023: £421,945) was spent on directly undertaking activities in this area.

Youth and children's work occur both in schools and parishes. Youth and children's work directly undertaken activities cost £168,313 (2023: £169,137).

The charitable company also supports university chaplains and this support amounted to £56,683 (2023: £59,426) of activities directly undertaken.

Balance Sheet Position

Net assets at 31 December 2024 are £6,236,000 (2023: £6,134,000) which is made up of designated funds of £2,816,000, restricted funds of £685,000, endowment funds of £94,000 and unrestricted funds of £2,641,000.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2024

Within the balance sheet, are the following assets and liabilities relating to Barchester. (See page 29). Cash on deposit and at bank is held in separate bank accounts as client funds.

	£000
Debtors less than 1year	484
Debtors greater than 1 year	126
Cash on deposit	5,125
Cash at bank	160
Creditors less than 1 year	(5,895)
	-

Investment policy

The charity utilises the CBF fund with CCLA for investments.

This ensures ethical investment, as investments are held in companies which have high standards of corporate governance and act in a responsible way towards stakeholders.

Unrestricted and restricted funds are invested to balance income, liquidity and the reimbursement of capital. The investment policy for long-term funds is aimed primarily at generating a sustainable income with due regard to the need for preservation of capital value.

Reserves policy

The total funds of the charitable company as at 31 December 2024 are £6,236,000, of which £685,000 are restricted and £94,000 are endowment funds.

The reserves of the company provide working capital for the activities of the Board. The Board also requires funds to be available to provide assistance to schools for their contribution to building projects and to ensure continued operation if income is disrupted.

The trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission. They have agreed to set a reserves figure equivalent of 20% of predicted income for SCA and DFC expenditure costs on behalf of schools £1,356,000 and three to six months budgeted running costs for 2024, £467,675 (six months). The total approved level of reserves is £1,823,675.

The total value of free reserves (general reserves less assets used in the charity, designated funds and any pension adjustment) is £2,121,000. The level of free reserves is £297,325 above the approved level. The directors at their summer meeting will review free reserves and designated funds along with plans for the future.

The level of designated funds at the year-end is £2,816,000 (2023: £2,990,000). Material designated funds include the New Opportunity Fund at £342,834 for school buildings support and the Elmslie Fund at £471,627 for educational purposes in the Blackpool area.

Financial assistance and grant making policy

Organisations must make applications to the Board of Education Executive. The Executive considers these in the light of their benefit for promoting Christian education within the Diocese. Consideration is also given to the financial circumstances of the organisation applying.

Grants were 7% of total expenditure.

Related parties

Blackburn Diocesan Board of Finance is a registered charity and the financial arm of the diocesan synod. It provides a grant to support the work of the Diocesan Board of Education and to enable the Diocesan Board of Education to undertake children and youth work.

Cidari is the diocesan multi academy trust which owes £139,608 to the Diocesan Board of Education for the initial start-up of the trust.

DBE Services Ltd is owned by six dioceses, one of which is Blackburn Diocesan Board of Education and it provides total property maintenance to schools and manages the school condition grants.

Directors – the chair of the board David Picken is also a director of the Diocesan Board of Finance. Canon Stephen Whittaker is a director of the Diocesan Board of Education and is the diocesan secretary of the Diocesan Board of Finance.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2024

PRINCIPLE RISKS AND UNCERTAINTIES

The trustees of the charitable company have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. There is no internal audit function as it is not considered an efficient use of the resources of the charity.

They include:

- A strategic plan and annual budget approved by the trustees;
- Regular consideration by the Board of Education of financial results and variance from budgets;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

During the year the trustees have further developed their risk management process to assess and document business risks and implement risk management strategies. This involved assessing the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. This process has drawn on the on-going consideration of business risk, which already forms a significant aspect of the trustees' duties.

An annual meeting has been put in place to review the risks of the Blackburn Diocesan Board of Education.

During the year consultants and advisers have been engaged to assist in the management of on-going work where there has been identified need.

The key risks, which may impact on the charitable company, are:

Key risks	Mitigations
Loss of grant funding from the DBF;	The company holds sufficient reserves to cope with funding shortages and would be able to restructure the business to manage such a reduction
Reduction in income from SLAs to a level not sufficient to cover running costs;	The company holds sufficient reserves to cope with funding shortages and would be able to restructure the business to manage such a reduction
A tight labour market leading to staff shortages;	Effective recruitment campaigns and reviews of employment benefits hope to tackle this need
An increase in statutory duties that cannot be recharged to schools.	Use of reserves and clarity in SLA agreements to reduce risks.

Impact on risk and risk management

The company risk register already contained income losses and actions associated with them and has been updated to include loss of income from the DBF. The company continues to be strong and anticipates that even with no DBF grant and reduction in investments and income, costs can be managed to ensure continued viability.

STRUCTURE GOVERNANCE AND MANAGEMENT

The Board of Education is a statutory body under the Diocesan Boards of Education Measure 2021. This requires every diocese to have a Board of Education which has responsibility for overseeing the work of Church Schools and being responsible for managing Education Charitable Trusts. The Board of Education was incorporated in November 1955 and is a company limited by guarantee.

Those persons who are normally referred to as members of the Board of Education are in company law the Directors of the Board and Trustees in charity law.

The Trustees present their report and audited financial statements for the year ended 31 December 2024. The Trustees and the Trustees' Report constitute the Directors and Directors' Report for Companies Act purposes.

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities SORP (Second Edition, effective 1 January 2019) and applicable accounting standards FRS102.

Organisation

The Board of Education, as defined in statute, has overall control of the activities of the Company. The Board operates with four sub-committees. The finance, staffing and resources committee is responsible for all financial matters across the work of the Board of Education. The schools work is split over two committees with school Christian ethos development considered by the Distinctiveness Committee and the other aspects of work considered by the School Strategy Committee. Parish support work is considered by the Children's and Youth Committee. The Board reports to the Diocesan Synod annually and the Director of Education also reports to the Bishop's Council.

Method of Appointment of Trustees

The trustees are appointed in the following way:

The Chair of the Board is nominated by the Diocesan Bishop. At least 4 but not more than 5 members are appointed by the Bishop, at least 4 but not more than 5 members are elected by Diocesan Synod and at least 4 but not more than 5 members are co-opted by the DBE

The trustees elected by synod are elected every three years.

Induction and Training of Trustees

On induction there is a meeting with prospective trustees to explain their roles and responsibilities. They are advised of the structure of the Blackburn Diocesan Board of Education and associated companies.

Trustee training is provided as a need is identified.

Remuneration of key management personnel

The Board is responsible for setting the pay for the key members of staff and any annual increments are agreed by the Chair of the Board.

Custodian Trustee

The charitable company is the custodian trustee for all Voluntary Aided Church of England Schools in the Benefice area (Diocese of Blackburn) except in cases where it is the actual trustee either by right of the trustee document or following an order under S86 of the 1944 Education Act.

Under the 2021 Diocesan Board of Education Measure, the governing body or (in the case of an Academy) the proprietor of a church school which is on land in which a freehold or leasehold interest is held on trust for the purposes of a church school must obtain the consent of the DBE before entering into an agreement or arrangement in connection with an alteration to or repair the premises of the school.

TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of The Blackburn Diocesan Board of Education for the purpose of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year.

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 affairs of the charitable company and of incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe methods and principles in the Charities SORP 2019 (FS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company 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 on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT OF DISCLOSURE TO THE AUDITORS

So far as the trustees are aware:

- a. there is no relevant audit information of which the charitable company's auditor is unaware, and
- b. the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

APPOINTMENT OF AUDITOR

The appointment of the auditors to the BDBE will be proposed at the Annual General Meeting.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2024

ADMINISTRATIVE DETAIL

The Blackburn Diocesan Board of Education Limited (by guarantee) hereafter referred to as the "charitable company" is a registered company and is registered with the Charity Commission. The company was incorporated on 30 November 1955.

The trustees, who are also directors for the purposes of company law, present their trustees' report, together with the audited financial statements, for the year ended 31 December 2024.

This report constitutes the Strategic Report and the Directors' Report required under the Companies Act 2006.

Charity Registration number 1020101

Company registration number 557954

Company Secretary Mr I Parks

Directors/Trustees

Mr JMP Hewitt	
Miss J Snape	
Mr R Jones	
Rev Canon A Holliday	
Rev P R M Venables	
Mrs A C Abernethy	
Rev Canon David Arnold	
Mrs D L Metcalfe	
Venerable D A Picken	
Rev S Lloyd	
Rev C Abbott	
Ms Y Arshad	
Rt Revd P North	
Mr S Whittaker	
Ms E Gregory-Witham	(Appointed 1 January 2025)
Mr P Duckworth	(Appointed 1 January 2025)
Rev C D Anderton	(Appointed 1 January 2025)
Mrs J Hackett	(Appointed 1 January 2025)

Appointments are made under the Diocesan Board of Education Measure 2021

Advisers

Solicitors	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES
Bankers	National Westminster Bank 35 King William Street Blackburn BB1 7DJ
Insurers	Ecclesiastical Insurance Group Beaufort House Brunswick Road Gloucester, GL1 1JZ
Investment Advisors	CCLA Investment Management Ltd Senator House, 85 Queen Victoria Street London EC4V 4ET
Registered Auditor	BHP LLP 1 Waterside Place, Basin Square, Birmingham Rd Chesterfield, S41 7FH
Registered Address	Diocesan Office Clayton House Walker Office Park Blackburn BB1 2QE

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2024

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

By order of the board



The Venerable David Picken

Chair of the Board of Education

Blackburn Diocesan Board of Education Limited
Clayton House
Walker Office Park
BLACKBURN
BB1 2QE

9 June 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLACKBURN DIOCESAN BOARD OF EDUCATION

Opinion

We have audited the financial statements of The Blackburn Diocesan Board of Education (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with directors and other management, and from our commercial knowledge and experience of the ecclesiastical sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charities Act

2011, Companies Act 2006, taxation legislation, data protection, employment and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

BHP LLP

Nicola O'Sullivan (Senior statutory auditor)
for and on behalf of

BHP LLP

One Waterside Place
Basin Square
Brimington Road
Chesterfield
S41 7FH

Date: 19/08/2025 GMT

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2024

		Unrestricted					
	Note	General Fund £000	Designated Fund £000	Restricted Funds £000	Endowment Funds £000	Total 2024 £000	Total 2023 £000
Income and endowments from:							
Donations and legacies	3	308	-	12	-	320	637
Charitable activities	3	456	-	26	-	482	484
Other trading activities	3	2	-	-	-	2	2
Investments	3	467	41	9	-	517	563
Total		1,233	41	47	-	1,321	1,686
Expenditure on:							
Raising funds	4	2	-	-	-	2	2
Charitable activities	5	1,098	63	98	-	1,259	1,390
Total		1,100	63	98	-	1,261	1,392
Net income/(expenditure) before investment gains		133	(22)	(51)	-	60	294
Net gains on investments	9	40	-	-	2	42	102
Net income/(expenditure)		173	(22)	(51)	2	102	396
Transfer between funds	13	134	(152)	18	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes	2	-	-	-	-	-	-
Net movement in funds		307	(174)	(33)	2	102	396
Total funds brought forward	13	2,334	2,990	718	92	6,134	5,738
Total funds carried forward	13	2,641	2,816	685	94	6,236	6,134

All activities derive from continuing activities.

The notes on pages 29 to 43 form part of these financial statements.

Details of comparative figures by fund are disclosed in note 21.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2024

INCOME AND EXPENDITURE ACCOUNT *for the year ended 31 December 2024*

	2024 £000	2023 £000
Total income	1,321	1,686
Total expenditure	(1,261)	(1,392)
Operating surplus for the year	60	294
Net gains on investments	42	102
Actuarial loss defined benefit scheme	-	-
Net income for the year	102	396

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2024

BALANCE SHEET at 31 December 2024

	Note	2024 £000	2023 £000
Fixed assets			
Tangible assets	8	520	508
Investments	9	2,316	2,274
		<u>2,836</u>	<u>2,782</u>
Current assets			
Debtors (amounts receivable after more than One year £275,000 (2023: £323,000))	10	1,059	2,116
Cash on deposit	11	7,810	7,299
Cash at bank and in hand	11	1,071	3,109
		<u>9,940</u>	<u>12,524</u>
Creditors: amounts falling due within one year	12	<u>(6,405)</u>	<u>(9,033)</u>
Net current assets		3,535	3,491
Total assets less current liabilities		<u>6,371</u>	<u>6,273</u>
Creditors: amounts falling due after more than one year	12	(135)	(139)
Net assets		<u>6,236</u>	<u>6,134</u>
Fund balances			
Endowment funds:	13	94	92
(including investment revaluation reserve of £66,384 (2023:£64,268))			
Restricted income funds	13	685	718
(including investment revaluation reserve of £32,087 (2023:£31,252))			
Unrestricted income funds:			
General funds (including revaluation reserve of £943,000 (2023:£906,998))	13	2,641	2,334
Designated funds (including revaluation reserve of £nil (2023:£nil))	13	2,816	2,990
		<u>6,236</u>	<u>6,134</u>

The notes on pages 29 to 43 form part of these financial statements.

These financial statements were approved by the board of directors and were signed on its behalf on
9 June 2025 by:

The Venerable David Picken
Chair of the Board of Education

The Blackburn Diocesan Board of Education is a company limited by guarantee registered in England and
Wales (no 557954)

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2024

CASH FLOW STATEMENT

for the year ended 31 December 2024

	2024 £000	2023 £000
Cash (outflow)/ inflow from operating activities		
Net (expenditure)/income	102	396
Net (gains)/losses on investments	(42)	(102)
Depreciation	27	26
Dividends and interest income	(517)	(563)
(Increase)/Decrease in debtors current assets	1,009	106
Decrease/(Increase) in debtors long term assets	48	48
(Decrease)/Increase in creditors current liabilities	(2,636)	(2,557)
(Decrease)/Increase in creditors long term liabilities	4	4
Net cash (outflow) / inflow	(2,005)	(2,642)
Cash from investing activities		
Dividends and interest income	517	563
Purchase of tangible fixed assets	(39)	(6)
Net cash inflow/(outflow)	478	557
(Decrease) in cash in the year	(1,527)	(2,085)
Cash and cash equivalents at the beginning of the year	10,408	12,493
Cash and cash equivalents at the end of the year	8,881	10,408
Analysis of cash and cash equivalents		
	2024 £000	2023 £000
Cash on deposit	7,810	7,299
Cash at bank and in hand	1,071	3,109
	8,881	10,408

The charitable company does not have any debt and as such no reconciliation of net debt note has been presented.

NOTES TO THE FINANCIAL STATEMENTS
(forming part of the financial statements)

9 Accounting policies

Basis of preparation and going concern

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included on a market value basis, and in accordance with the Companies Act 2006, the Charities SORP (Second Edition, effective 1 January 2019) and applicable accounting standards FRS102. The charitable company manages its activities in line with income received. As a consequence, the Trustees believe the charitable company is well placed to successfully manage its risks. After making enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future and the trustees do not believe there to be any material uncertainties and as such believe the going concern basis remains appropriate. The Trustees believe they have sufficient reserves to allow time to adjust should grant funding for other operations reduce. Accordingly, they continue to adopt the going concern basis in preparing the Trustees' report and financial statements. The Trustees believe that the charitable company is a public benefit entity.

The principal accounting policies and estimation techniques are as follows.

Functional currency

These financial statements are rounded to the nearest £000.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed below.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Fixed assets and depreciation

Assets with a value in excess of £500 are capitalised. Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold property	2% per annum
Re-modelling	3.33% per annum
Computers	25% per annum
Fixtures and fittings	5 - 10% per annum
Office equipment	25% per annum

The charitable company will perform annual impairment testing of assets on which depreciation is not provided in accordance with FRS 102 to determine whether residual disposal values of these assets in aggregate continue to exceed carrying value.

Fixed asset investments

Fixed asset investments are included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Debtors

Debtors are stated at amounts receivable less any provision for uncertain recoverability.

Deferred Payment Arrangements

Deferred Payment Arrangements are agreements to defer payment of the governors' liabilities on buildings projects under the Barchester Scheme.

Creditors

Creditors are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Creditors are recognised at the amount that the Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Income:

Grants received and donations

All grants and donations are recorded as income when receivable. Where grants have conditions relating to future accounting periods they are treated as deferred income and recognised in those accounting periods. Other donations are recorded as income when receivable.

Grants received from the government on behalf of the Governors of schools are not recorded as income in these accounts as they are treated as being the income of the Governors of the schools. School Condition grants are no longer allocated to individual schools. This money is "paid to eligible bodies responsible for maintaining school buildings" who are the Governors. The grant is calculated using a formula largely based on the number of pupils in VA schools and the relative condition of each school building as assessed through a government survey. For the Board of Education, the allocation of funding and the prioritisation of projects is managed by and through DBE Services who involve an independent advisor to advise on the assessment of the bids. Funding is allocated on an agreed set of principles with the highest priority being keeping all schools open, warm and safe. The Board of Education has relatively little discretion in which projects to fund as this is determined by the state of the buildings.

Fees and Chaplaincy income

Fees received are recognised on an accruals basis in the period to which they relate.

Service level agreement income

From April 1999 schools have been invoiced for the support services provided by the Board of Education. Prior to this school support contributions were voluntary. Income is recognised on an accruals basis.

Arrangement fee income

Arrangement fees are payable on loans arranged for schools by the Board of Education. The arrangement fee is deferred over the life of the loan.

Investment income

Interest and dividends are recognised on an accruals basis.

Grant from Blackburn Diocesan Board of Finance

The annual grant is agreed in advance by the Blackburn Diocesan Board of Finance Limited as agreed by the Diocesan Synod. A grant of service is provided in addition to cash for the provision of finance.

Expenditure:

Grants payable

Grants payable are debited to expenditure when the charitable company has a constructive obligation to pay.

Barchester Scheme Building work

The Board of Education has traditionally been involved in helping voluntary aided church school governing bodies with projects involving major funding streams from the Department for Education (DfE). This entails paying contractors' and professional fee invoices on behalf of the governing body concerned, claiming the appropriate grant (90%) from the DfE, and collecting the governors' (and sometimes the local authority) contributions. The Board might also have agreed deferred payments arrangements to the governors (10%) to such projects. The gross turnover of such activity can amount to considerable sums, where a major new build is concerned.

The payment of such invoices is not accounted for as expenditure of the Board. Normally, the Board has received grant funding or the governors' contribution in advance, but where this is not the case it is shown as the making of short-term cash-flow deferred payments for the governing bodies concerned. These are repaid when the appropriate DfE grant and governors' contributions are received. Essentially the Board is acting as the agent of the appropriate governing body in these transactions.

The Board also acts as an agent with DfE arrangements for making 'voluntary aided school annual devolved formula capital grants' available to schools in advance of project spend or approval.

During 2024 the total expenditure was £9,305,937 (2023: £11,445,729). This expenditure has not been recognised in the financial statements of the company in line with FRS 102.23.4.

Cost of Activities

The cost of running each department of the Board is recognised on an accruals basis.

Governance and support costs

Governance costs consist of the audit fee and the cost of preparing the accounts.

Board of Education administration support costs are recognised on an accruals basis. Support costs are apportioned on a basis consistent with the use of resources.

Taxation

The Blackburn Diocesan Board of Education Limited (by guarantee) is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in independently administered funds. The amount charged in the statement of financial activities represents the contributions payable to the scheme in respect of the accounting period.

Some of the charitable company's staff are members of the Church Workers Pension Fund. The costs charged as expenditure represent the charitable company's contributions payable in respect of the accounting period, in accordance with FRS102.

Two employees are members of the Church of England Funded Pension Scheme. At 31 December 2024 the Board of Education is responsible for its own liabilities on this scheme and as such the liability is held on the balance sheet. There is no liability at 31.12.24

Fund accounting

Funds held by the charitable company are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds

This is capital, held in perpetuity to create income for specified purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Where a grant or donation is received to fund a capital item or where an asset is donated, if there is an obligation relating to the future use or retention of the relevant asset, the balance relating to that asset is held within restricted funds as long as that restriction exists. Where there is no such restriction, the income relating to the purchase of capital items is transferred to unrestricted funds in the Statement of Financial Activities.

Realised gains on schools

Realised gains on schools represent amounts which accrue to the Board of Education from the sale of church schools' land or buildings and which have been received in the period.

Unrealised gains / losses on investments

Unrealised gains and losses on investments represent the aggregate change in market value of investments since the previous balance sheet date.

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Realised gains / losses on investments

Realised gains or losses on investments relate to actual gains or losses arising in the period on disposal.

10 Remuneration of trustees

No trustee has received remuneration from the Board of Education during the year (2023: £nil).

Travel expenses were reimbursed to one trustee during the year, these amounted to £1,335 (2023: £2,098).

Staff numbers and costs

The average number of people employed during the year was 10 (2023: 15).

The average number of full-time equivalent persons employed by the charitable company during the year, analysed by category, was as follows:

	Number of employees	
	2024	2023
Director of Education		
Deputy and Assistant Directors	1	1
Principal Schools Adviser	1	1
Schools Improvement Officers	1	1
Youth and Children's Chaplains/ Officers	3	5
Administration and Secretarial	4	7
	10	15

The aggregate payroll costs of these employees were as follows:

	2024	2023
	£000	£000
Wages and salaries	476	525
Social security costs	44	43
Other pension costs	69	74
	589	642

During the year one employee received a salary in excess of £60,000. In 2023 there were no employees in the salary band £60,000 to £70,000, with £nil pension contributions.

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 charitable company. During 2024 they were:

Chief Executive officer	Iain Parks
Deputy Director	Sally Schofield

Remuneration, pensions and expenses for these employees amounted to £176,894 (2023: £102,409).

Pension schemes

Church of England Funded Pension Scheme (CEFPS)

Blackburn Diocesan Board of Education participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, which were £10,474 in 2024 (2023: £19,280), plus any figures arising from contributions in respect of the Scheme's deficit (see below). The 2021 valuation showed the Scheme to be fully funded and as such following the valuation results agreed in 2023, the deficit contributions paid were £0 (2023: £0).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates from 2013 in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was fully funded.

The deficit recovery contributions under the recovery plan in force at each 31 December were as follows:

	% of pensionable stipends
31 December 2021	7.1% payable from January 2021 to December 2022
31 December 2022	Nil
31 December 2023	Nil
31 December 2024	Nil

An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from April 2022, and remained in place until December 2022.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

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Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2024 is nil. The movement in the balance sheet liability over 2023 and over 2024 is set out in the table below.

	2024 £000	2023 £000
Balance sheet liability at 1 January	-	-
Deficit contribution paid	-	-
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	-	-
Balance sheet liability at 31 December	-	-

* Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

The legal structure of the scheme is such that if another Responsible Body fails, Blackburn Diocesan Board of Education could become responsible for paying a share of that Responsible Body's pension liabilities.

11 Analysis of Income

	General Fund £000	Designated Fund £000	Restricted Fund £000	Endowment Funds £000	Total 2024 £000	Total 2023 £000
Donations and legacies						
Donations	-	-	12	-	12	310
Diocesan Board of Finance General Funds	308	-	-	-	308	324
External organisations	-	-	-	-	-	3
	<u>308</u>	<u>-</u>	<u>12</u>	<u>-</u>	<u>320</u>	<u>637</u>

	General Fund £000	Designated Fund £000	Restricted Fund £000	Endowment Funds £000	Total 2024 £000	Total 2023 £000
Income from Charitable activities						
Fees and chaplaincy income	10	-	-	-	10	-
Sale of publications and courses	122	-	-	-	122	141
Service level agreements	269	-	-	-	269	266
Rent	55	-	26	-	81	77
	<u>456</u>	<u>-</u>	<u>26</u>	<u>-</u>	<u>482</u>	<u>484</u>

	General Fund £000	Designated Fund £000	Restricted Fund £000	Endowment Funds £000	Total 2024 £000	Total 2023 £000
Other trading activities						
DBE Services Fees	2	-	-	-	2	2
	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>

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	General Fund £000	Designated Fund £000	Restricted Fund £000	Endowment Funds £000	Total 2024 £000	Total 2023 £000
Investment income						
DBE Services gift aid donation (17% owned)	5	-	-	-	5	154
Dividends	440	41	9	-	490	376
Interest	22	-	-	-	22	33
	<u>467</u>	<u>41</u>	<u>9</u>	<u>-</u>	<u>517</u>	<u>563</u>

12 Fund Raising Costs

	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2024 £000	Total 2023 £000
Fundraising trading	2	-	-	2	2
	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>

All fundraising trading costs are unrestricted.

13 Charitable Activities

Activity or Programme	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2024 £000	Total 2023 £000
Cost of charitable activities:					
<i>School and governor support</i>	361	-	303	664	710
<i>Higher and further education</i>	42	14	36	92	100
<i>Children's work</i>	74	-	63	137	111
<i>Youth work</i>	91	3	77	171	169
<i>Central - designated</i>	-	27	-	27	48
<i>School buildings support</i>	65	49	54	168	252
Charitable activities subtotal	<u>633</u>	<u>93</u>	<u>533</u>	<u>1,259</u>	<u>1,390</u>

None of the grants were to individuals.

	General Fund £000	Designated Fund £000	Restricted Fund £000	Endowment Fund £000	Total 2024 £000	Total 2023 £000
<i>School and governor support</i>	313	48	-	-	361	422
<i>Higher and further education</i>	42	-	-	-	42	59
<i>Children's work</i>	74	-	-	-	74	67
<i>Youth work</i>	91	-	-	-	91	103
<i>Central</i>	527	-	49	-	576	512
<i>School buildings support</i>	51	15	49	-	115	227
	<u>1,098</u>	<u>63</u>	<u>98</u>	<u>-</u>	<u>1,259</u>	<u>1,390</u>

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6 Net income/(expenditure) for the year

	2024 £000	2023 £000
These are stated after charging: Auditors remuneration	16	19
Total	16	19

7 Realised gains on schools

The Church of England Primary School at Out Rawcliffe was closed in July 2013 and the Board is currently in the process of establishing the exact terms regarding closure and use of the sale proceeds of the original Trust Deed. If this is not available, the Board will follow due process in establishing how the proceeds from the sale of the school should be used or distributed.

8 Tangible fixed assets

	Freehold Buildings £000	Fixtures, fittings and other equipment £000	Total £000
Cost			
At beginning of year	625	93	718
Additions	19	20	39
Disposals	-	-	-
At end of year	644	113	757
Depreciation			
At beginning of year	132	78	210
Charge for year	18	9	27
Elim on disposal	-	-	-
At end of year	150	87	237
Net book value			
At 31 December 2024	494	26	520
At 31 December 2023	493	15	508

14 Investments

Unlisted securities
Central Board of Finance
Church of England

	Investment Fund £000	Fixed interest securities fund £000	Property Fund £000	Total UK investments £000
Market valuation				
At 31 December 2023	1,451	190	633	2,274
Increase/(Decrease) in market value	33	6	3	42
At 31 December 2024	1,484	196	636	2,316
Historic cost	1,145	224	700	2,069

Included within Total UK Investments is a 17% holding in DBE Services Limited, a non-listed company and a related party. The Board of Education holds 12 shares in DBE Services Limited valued at £12 (2023: £12).

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15 Debtors

	2024 £000	2023 £000
Amounts receivable within one year		
Deferred payments on school building projects	484	1,436
Deferred Payment Arrangements	7	6
Amount owed from related party (Cidari)	-	40
Other debtors	119	124
Loans	1	1
Prepayments	12	6
Accrued income	135	125
Amounts due from Diocesan Board of Finance	25	52
Amounts due from DBE Services Ltd	1	2
Amounts due from Whalley Abbey	-	1
Debtors: amounts receivable within one year	784	1,793
Amounts receivable after more than one year		
Deferred Payment Arrangements	126	133
Loans	9	10
Amount owed from related party (Cidari)	140	180
Debtors: amounts receivable after more than one year	275	323

	Instalments due in one year		Instalments payable due in two and five years		Instalments due in five years or more		Total	
	2024 £000	2023 £000	2024 £000	2023 £000	2024 £000	2023 £000	2024 £000	2023 £000
Deferred Payment Arrangements	7	6	81	21	45	112	133	139
Loans	1	1	4	4	5	6	10	11
Total	8	7	85	25	50	118	143	150

16 Deposits and cash at bank and in hand

	2024 £000	2023 £000
Bank (Current Account and Deposits)	1,071	3,109
Deposits with Central Board of Finance Church of England	7,810	7,299
	8,881	10,408

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17 Creditors

	2024 £000	2023 £000
Amounts falling due within one year		
Receipts in advance on behalf of boards of school governors	3,148	2,917
Monies held on behalf of schools in relation to Devolved Formula Capital (DFC)	2,014	3,094
Monies held on behalf of schools in relation to SCA Funding	733	1,896
Monies held on behalf of schools in relation to PSDS Funding	-	583
Other creditors	398	435
Accruals	25	44
Deferred income	87	64
Creditors falling due within one year	6,405	9,033
Amounts falling due after more than one year		
Education trust funds	135	139
Creditors falling due after more than one year	135	139
Deferred Income:		
At beginning of year	63	
Recognised in year	(63)	
Deferred income 2024	87	
At end of year	87	

Deferred income is recognised as follows:

Deferred income arises from the school SLA agreements

	Recognised in one year		Recognisable between two and five years		Recognisable after five years		Total	
	2024 £000	2023 £000	2024 £000	2023 £000	2024 £000	2023 £000	2024 £000	2023 £000
Deferred income	87	63	-	-	-	-	87	63

18 Funds

	Unrestricted				Total
	General fund £000	Designated fund £000	Restricted fund £000	Endowment fund £000	£000
At beginning of year	2,334	2,990	718	92	6,134
Surplus/(deficit) of income over expenditure in the year	133	(22)	(51)	-	60
Investment gains in the year	40	-	-	2	42
Transfers between funds	134	(152)	18	-	-
At end of year	2,641	2,816	685	94	6,236

The General Fund consists of those amounts available for the general purposes of the charitable company.

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	At 1 January 2024 £000	Income £000	Expenditure £000	Net investment gains, losses and transfers £000	At 31 December 2024 £000
Designated funds					
Sponsoring academies	365	-	-	(100)	265
Elmslie Fund	462	25	(15)	-	472
New Opportunity Fund	327	16	-	-	343
Church Workers Pension Deficit	53	-	-	(53)	-
Admissions & Appeals	126	-	(27)	(40)	59
Appointments	49	-	(8)	(11)	30
Vision 2026	429	-	-	-	429
Statutory Governance	101	-	(13)	(25)	63
Schools causing concern	194	-	-	-	194
Digital Resources	84	-	-	(23)	61
Underwriting DBF grant	700	-	-	-	700
Youth Development	100	-	-	-	100
SEND	-	-	-	100	100
	<u>2,990</u>	<u>41</u>	<u>(63)</u>	<u>(152)</u>	<u>2,816</u>
Restricted funds					
Residential Income Fund	44	5	-	-	49
Education Trust Funds	363	4	(3)	-	364
Common Fund	281	12	(48)	-	245
Other restricted funds	30	26	(47)	18	27
	<u>718</u>	<u>47</u>	<u>(98)</u>	<u>18</u>	<u>685</u>
Endowment funds					
Residential Endowment Fund	92	-	-	2	94

The specific purposes for which the designated and restricted funds are to be applied is as follows:

The Sponsoring Academies fund - to support the sponsoring of academies.

The Elmslie fund is used for the work of the youth chaplain at Blackpool St George CE School.

New Opportunity Fund - for school buildings support.

Church Workers Pension Deficit – designated for use against deficits on the defined benefit pension scheme for some employed staff.

Admissions, Appointments and Appeals – designated to cover the cost of statutory expenditure for where there is no direct source of income.

Vision 2026 – a designated fund has been created to enable churches and schools to fund initiatives and projects that seek to deliver the objectives of the diocese vision 2026.

Statutory Governance – this fund is to be used to underwrite the Board of Education's statutory duties for governance in schools.

Schools causing concern – schools falling into difficulty often require financial support and assistance this fund will enable the diocese to work in partnership with local authorities to support schools as they seek to improve.

Digital Resources – for the production of digital resources for the Board of Education and staffing to meet the target of significantly increasing digital reach.

DBF Grant – for the underwriting of the DBF Grant.

Youth Development Fund - for the support of chaplaincy work.

SEND – to deliver the Board of Education SEND strategy, supporting schools with support of those with SEND.

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The Residential Endowment and Income Fund are used to support Youth Work activities.

Educational Trust Fund – the revaluation reserve on funds held in creditors awaiting final decision on ownership of the investment.

The Common Fund was set up by schools make voluntary donations to support capital work in schools.

19 Share capital

The charitable company is limited by guarantee, registered in England and does not have authorised or allotted share capital. The liability of each member of the Board may not exceed £1.

20 Analysis of net assets between funds

	Tangible fixed assets £000	Investments £000	Net current assets £000	Net current liabilities £000	Creditors falling due after more than one year £000	Total £000
Unrestricted Funds	520	2,185	3,262	(510)	-	5,457
Restricted Fund (restricted)	-	37	6,678	(5,895)	(135)	685
Endowment fund	-	94	-	-	-	94
	<u>520</u>	<u>2,316</u>	<u>9,940</u>	<u>(6,405)</u>	<u>(135)</u>	<u>6,236</u>

21 Commitments

There were no commitments in 2024 nor 2023.

22 Related party transactions

The company is related to Blackburn Diocesan Board of Finance Ltd who provides significant funding by way of a grant. At the year-end the balance due to this company was £44,760 (2023: £1,700). Grants received in the year from this company amounted to £308,154 (2023: £324,061) and grants paid to this company amounted to £27,154 (2023: £19,274). Recharges in the year were £30,406 (2023: £27,867).

The company is related to DBE Services Ltd by virtue of owning 17% of the share capital. There was £2,400 due from DBE Services Ltd (2023 £2,400) at the year end and recharges in the year were £14,437 (2023: £9,018).

The company is related to Cidari Multi-Academy Trust which was set up by both the DBE and DBF to look after Church of England schools converting to academies within the diocese. As at 31 December 2024 £179,608 (2023: £219,608) was due from this company and recharges in the year were £183 (2023: £10,006).

23 Financial instruments

	2024 £000	2023 £000
Financial assets measured at fair value	<u>2,316</u>	<u>2,274</u>
Financial assets measured at amortised cost	<u>9,940</u>	<u>12,524</u>
Financial liabilities measured at amortised cost	<u>-</u>	<u>-</u>
Financial liabilities measured at fair value	<u>-</u>	<u>-</u>

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24 Prior year comparative Statement of Financial Activities

	Unrestricted				2023
	General Fund £000	Designated Fund £000	Restricted Funds £000	Endowment Funds £000	Total £000
Income and endowments from:					
Donations and legacies	327	-	310	-	637
Charitable activities	461	-	23	-	484
Other trading activities	2	-	-	-	2
Investments	511	36	16	-	563
Total	1,301	36	349	-	1,686
Expenditure on:					
Raising funds	2	-	-	-	2
Charitable activities	1,199	52	139	-	1,390
Total	1,201	52	139	-	1,392
Net income/(expenditure) before Investment gains	100	(16)	210	-	294
Net gains/(losses) on investments	94	-	-	8	102
Net income/(expenditure)	194	(16)	210	8	396
Transfer between funds	139	(103)	(36)	-	-
Actuarial (losses) on defined benefit pension schemes	-	-	-	-	-
Net movement in funds	333	(119)	174	8	396
Total funds brought forward	2,001	3,109	544	84	5,738
Total funds carried forward	2,334	2,990	718	92	6,134

25 Prior year Charitable Activities

Activity or Programme	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2023 £000	Total 2022 £000
Cost of charitable activities:					
School and governor support	422	-	288	710	664
Higher and further education	60	(1)	41	100	134
Children's work	65	1	45	111	110
Youth work	98	4	67	169	158
Central - designated	-	48	-	48	16
School buildings support	67	139	46	252	88
Charitable activities subtotal	712	191	487	1,390	1,170

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26 Prior year Funds

	Unrestricted		Restricted	Endowment	Total
	General fund	Designated fund	fund	fund	
	£000	£000	£000	£000	£000
At beginning of year	2,001	3,109	544	84	5,738
Surplus/(deficit) of income over expenditure in the year	100	(16)	210	-	294
Investment gains in the year	94	-	-	8	102
Transfers between funds	139	(103)	(36)	-	-
At end of year	2,334	2,990	718	92	6,134

The General Fund consists of those amounts available for the general purposes of the charitable company.

	At 1 January 2023 £000	Income £000	Expenditure £000	Net investment gains, losses and transfers £000	At 31 December 2023 £000
Designated funds					
Sponsoring academies	365	-	-	-	365
Elmslie Fund	451	21	(10)	-	462
New Opportunity Fund	345	15	(33)	-	327
Church Workers Pension Deficit	53	-	-	-	53
Admissions & Appeals	167	-	-	(41)	126
Appointments & Appeals	59	-	-	(10)	49
Vision 2026	438	-	(9)	-	429
Statutory Governance	126	-	-	(25)	101
Schools causing concern	194	-	-	-	194
Digital Resources	111	-	-	(27)	84
Underwriting DBF grant	700	-	-	-	700
Youth Development	100	-	-	-	100
	3,109	36	(52)	(103)	2,990
Restricted funds					
Residential Income Fund	40	4	-	-	44
Education Trust Funds	35	299	-	29	363
Common Fund	389	11	(131)	12	281
Other restricted funds	80	35	(8)	(77)	30
	544	349	(139)	(36)	718
Endowment funds					
Residential Endowment Fund	84	-	-	8	92

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27 Prior year Analysis of net assets between funds

	Tangible fixed assets £000	Investments £000	Net current assets £000	Creditors falling due after more than one year £000	Total £000
Unrestricted Funds	508	2,145	2,671	-	5,324
Restricted Fund (restricted)	-	37	820	(139)	718
Endowment fund (restricted)	-	92	-	-	92
	<u>508</u>	<u>2,274</u>	<u>3,491</u>	<u>(139)</u>	<u>6,134</u>

Accounts

The Blackburn Diocesan Board of Education

Trustees' annual report and financial statements

Company limited by guarantee (no 557954)

Registered charity (no 1020101)

31 December 2023

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VISION STATEMENT

*Serve Christ.
Share the Gospel.
Support, Equip and Educate*

Healthy Churches Transforming Communities

LEGAL OBJECTS

- To promote or assist in the promotion of education in the Diocese of Blackburn ("the diocese") being education which is consistent with the faith and practice of the Church of England.
- To promote or assist in the promotion of religious education and religious worship in schools in the diocese.
- To promote or assist in the promotion of church schools in the diocese and to advise the governors of such schools, and trustees of church educational endowments and any other body or person concerned on any matter affecting church schools in the diocese; to promote co-operation between its Board of Management ("the board") and bodies or persons concerned in any respect with education in the diocese.
- To discharge within the diocese the functions assigned to Diocesan Boards of Education by section 3 to 8 and 11 of the Diocesan Boards of Education Measure 1991 or by any amending legislation.
- To discharge within the diocese such other functions relating to the furtherance of church education as may be assigned to the board by the diocesan synod, other than functions relating to church schools or church educational endowments.
- To do all such things as are incidental or conducive to the attainment of the aforesaid objects, including acceptance of the trusteeship of any trusts and the investment of any moneys not immediately required for its purpose in or upon such investments securities as the board may think fit.

STRATEGIC REPORT

STRATEGIC AIMS AND OBJECTIVES FOR THE YEAR

- The support of Church of England schools in all areas of their activities. In particular:
 - ❖ Development and delivery of religious education and collective worship
 - ❖ Protection of the Church of England's interests in academy conversions in Blackburn Diocese
 - ❖ Maintenance of church school buildings belonging to trustees of Church of England schools
 - ❖ Protection of the interests of the trustees of Church of England schools
- The development of youth and children's work in Parishes and Schools across the Diocese of Blackburn.
- The support and development of Christian Spirituality in secular institutions of higher and further education.
- The provision of Chaplaincy support to church colleges and church-based universities.

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Public Benefit Statement

The Board exists under the Diocesan Board of Education Measure (2021). The Measure sets out the core purpose of the Board of Education, which is to

- promote or assist in the promotion of education in the diocese that is consistent with the faith and practice of the Church of England;
- promote or assist in the promotion of religious education and religious worship in schools in the diocese;
- promote or assist in the promotion of church schools in the diocese;
- promote co-operation between itself and other persons concerned with education in the diocese.

In addition, the Board of Education support youth and children's work across church in the diocese

The public benefit of our work is seen in the support and flourishing of church schools that provide education for all within a Christian ethos. Blackburn Diocesan Board of Education (BDBE) supports the promotion of Christian faith within universities and other educational institutions and also supports schools to engage in their communities and to build projects that create, improve and unify the local community. Our support for schools also ensures the provision of buildings which can be used by parishes and outside bodies for the benefit of all. The trustees have referred to Charity Commission guidance on public benefit and consider the entity is compliant.

Our support for Youth and Children's Work across the Diocese touches the lives of thousands of people, many of whom are not regular church attenders and supports churches in their work with the children and young people of local communities.

ACTIVITIES AND PERFORMANCE

Main Achievements of the Year

Objectives set until 2024 for the Board of Education:

Prayer for the work of the Board	
Objectives	DBE Actions
Encouraging a 'pray first culture' at diocesan and parish level to uphold children and young people and the specific ministries working with them	Prayer has continued to be the first activity on the agenda at all courses, conferences, and meetings. All School Advisers pray with the Head Teachers they visit. Prayer is included in training sessions for Early Careers Teachers and in the content of CPD on Collective Worship and Enhancing Children's Spirituality. The Developing Outdoor Prayer Spaces course supports school leaders to develop creative and inspirational spaces for prayer in schools. The Advent and Lent Quiet Days provide senior leaders with the opportunity to pause, reflect and to listen to God's voice. Prayer continues to be a strong feature in many of our resources, with examples of written prayers being provided as well as suggestions for how children and young people can be encouraged to pray themselves. A key focus of the Youth Leader Conference this year was around how we can pray for young people, growing a culture of prayer in our churches for under 18's, as well as how we can support and help young people grow in their own personal prayer life. This was aided by Josh Green from 24/7 Prayer inputting across the day. We have also been sharing their 'Origins' resource to youth groups to help to develop their prayer life.
Writing prayers for the young to be used in intercessions, services and events	
Encourage dedicated time and energy to the pursuit of hearing God's heart and waiting on Him	
Encouraging prayer sponsors in parishes where congregation members pray directly for individual children and young people	
Equipping young people with the confidence to pray	

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	This focus builds on the narrative in recent years of encouraging and helping to equip parishes to start their journey in youth ministry by intentionally praying for young people in their local community, as well as in their church. For Thy Kingdom Come, there was a focus on encouraging prayer for and with under 18's across our social media platforms, and we have continued to engage with the National Toddler Group Month of Prayer in June. This was recognised with Sarah Earnshaw (Children's Adviser) being invited to attend the launch event at the Houses of Parliament.
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Overall objectives	To see growth of 11–17-year-olds (worshipping community statistics) of 1030 by 2026 To see 25% growth in new disciples between the ages of 5-11 years (worshipping community statistics) To see 50% increase in toddler groups that share the gospel To see double the number of boys in worshipping communities
Key Objectives to be achieved by Dec 2024	Actions
<i>Making Disciples</i> We will support the making disciples team to resource and equip local churches to:	
Make more Sunday services child/youth-friendly	Those participating in the Authorised Lay Ministry (ALM) training course and choosing the elective for Worship Leading have received input from the children and youth team on All Age Worship. A session on 'Children and Worship' was also included in the children's work elective which was well attended this year. The children and youth advisers were invited to deliver training to curates in the diocese as part of their IME2 training, focusing on ministry with children and young people. This training encouraged curates to complete the Children and Youth Ministry Self-Assessment Tool for the parish in which they were training, to help them review current practices and highlight potential areas for development, with a view to considering what they might do once they become incumbents. Launchpad and Learning Community, plus the addition of Youthscape Essentials, have sought to equip and challenge parish clergy and youth leaders in how they can make worship services more accessible for young people, as well as leading provision for their age group that supports their faith journey. The children and youth advisers continue to offer to meet with new clergy soon after they have settled into post. These visits are a useful opportunity to see a snapshot of what is happening in a parish. Clergy are provided with a pack containing vision and strategy documents, resource samples and guidance for working with their church schools.

Improve preparation and follow-up for confirmation, retaining confirmation candidates as part of the church's worshipping community	A 'how to follow up confirmation' crib sheet has been created and the Parish Renewal team are using this in addition to the youth and children's team. This has been a valuable resource given the conversations that have taken place in previous years. The main confirmation resources that are used by parishes have been purchased and have been made available in the reference library in Clayton House should clergy or youth leader wish to explore new or alternative confirmation preparation resources. A number of churches have been supported in the process of exploring Admission to Holy Communion before Confirmation and have now been authorized by the Bishop.
Equip 50 parishes to set up small youth groups that develop faith	Launchpad and Learning Community continue to support parishes in relaunching or starting and establishing youth provisions in a local parish context. In addition, the Youthscape Essentials course has been delivered to offer another option for volunteer youth leader training. The diocesan youth team have offered bespoke support to youth leaders and clergy who have come to them independent of these training and equipping opportunities. In October 2023 the Youth Leader Conference took place in Lancaster and saw a growth in number of over 20 people; 60 youth leaders attended in total. This offered support, input and encouragement to youth leaders from across the diocese in how to meet young people where they are, how to go start something new with young people and how to grow a culture of prayer in their local church, as well as addressing other training needs.
Support parishes in providing events and experiences that encourage children and young people in their faith	In March 2023 the children and youth team ran Abide: Fearless, our annual youth event, where we saw a growth in the number of young people and their youth leaders attending from across Lancashire. Using St Michael's High School in Chorley as a venue was a real success and allowed us to create the kind of spaces required to enable young people to explore what it looks like to live out their Christian Faith fearlessly where they are; school, college, home & locally to them. We have heard many positive stories regarding the impact this has had on youth groups, both those that launched post the event and those that were already established prior to attending the event. Again this year we supported the locally run Schools Ventures Residential for Chorley Primary schools at the Anderton Outdoor Activity Centre. Partnering with CPAS and local clergy to lead these experiences has created great opportunities for children to explore their beliefs connected to the Easter story and grow in faith. The youth team supported the Waddow Youth Camp led by Bishop Philip during May half-term. This was predominately attended by young people from an Anglo-Catholic background and was a valuable connection to continue to grow relationships after churches attended Abide with their young people earlier in the year. In July, officers organised and ran activities for Children in the Churches Together marquee at the Royal Lancashire Agricultural Show. This year these activities were focused around the theme of tackling modern day slavery. Despite the poor weather conditions limiting the show as a whole, this provision along with the present of the Godly Play Bus, offered a fantastic point of contact for those who do not

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	attend a local church to receive hospitality and explore the theme from a faith perspective. After the return of national festivals in 2022, we signposted youth groups to Walsingham Youth Pilgrimage, DTI, Satellites, Limitless, New Day, and Nefyn Camps this summer, as well as the array of camps offered by CPAS and Scripture Union across the summer months.
• Launching significantly more digital content to promote faith development for children and young people, to train leaders and promote church events and activities. This will include: ○ Youtube content ○ Podcasts ○ Social media interactive resources	2023 saw the continuation of the second series of the 'Youth Work State of Mind' Podcast with the intention of equipping youth leaders in the diocese and beyond. The team have taken steps to develop Youth Work State of Mind Instagram, building on traction from the Youth Leader Conference and The Gathering to develop and grow the platform as a space for the Christian youth work community to connect, be encouraged and inspired. 2023 saw us engaging once again with the National Toddler Group Month of Prayer as we posted daily prayer activities for Under 5's on social media which received fantastic engagement. These have since been collated into a booklet which is available via our resources area as a download, allowing those not on social media to access these activities and use them. A showcase video featuring the 'School Heritage Days' at St Andrew's Cleveleys was filmed in the Summer and was published on our YouTube channel in September. A second showcase video featuring the Forest Church at St Leonard's Balderstone was recorded in October and published in December. A second series of our podcast for 3-7 year olds, Follow the Son with accompanying resources was written and recorded in 2023. A video was also created which demonstrates how Bible Podlets (our Bible Study and Discussion Podcast for Primary Aged Children) can be used in a group setting to encourage children's workers to consider using it for this purpose. This is Abide on Instagram, TikTok & YouTube continue to grow and gain traction as we seek to build upon the Abide events and to support the faith development of young people directly through the content created. Following conferences and events we have continued to upload suitable content to the Train, Equip, Inspire YouTube account for support and training purposes.
• Produce more parish resources for work with children and young people	Pick n Mix, our seasonal youth ministry resource is in the process of being rewritten and developed into 'app style' content and so this year we have added three reworked volumes of Pick n Mix which are available for churches to access for free. This work is ongoing and there is also brand new content around the themes of Stewardship being written ready for release in 2024. The ever-popular Weekly@ lectionary-based materials for churches to use with children's groups and all age congregations continue to be written with the support of guest writers. A one-off special was also created to help churches to celebrate the King's Coronation in May. Weekly@ Summer (Got Your Ticket) was created to help children to explore what being a Christian looks like in different countries around the world, helping

	children to understand that Christianity is a global faith. A new addition to our suite of digital resources for 2023 was a collection of Sensory Stories for Easter and Christmas, for churches to use with children with additional needs. These have been developed in collaboration with the school's team and with the help of Additional Needs Specialist, Lynn McCann.
Create new or renewed toddler groups that share the gospel as part of their work	A Toddler Group Ministry Training session was delivered in Summer 2023 which formed part of the Children's Ministry Elective of the ALM Course, but this could also be accessed by anyone who wished to attend. Off the back of this, several churches have approached the team for further support in developing a vision and strategy for toddler group ministry and for practical advice on how to start one from scratch. The Children's work Adviser connected with Hannah Persaud from the National Growing Faith Foundation to offer advice regarding establishing a national support network for Toddler Group leaders. The first of these online sessions took place in September and will continue to be offered regularly for anyone wishing to participate. In June, in recognition of the work she has done to grow, develop and encourage engagement in the National Toddler Group Month of Prayer, the Children's Adviser was invited to a special launch event and reception at the Palace of Westminster.
Engage with boy friendly ministry	A training session on how we make our Children's Ministry appealing for boys was delivered in Summer 2023 which formed part of the Children's Ministry Elective of the ALM Course, but this could also be accessed by anyone who wished to attend. This training was well attended and well received. In addition, we delivered the ALM youth elective in Autumn 2023 to six youth leaders, and this training included signposting churches to sports ministry options. Sports Ministry and Sports Ministry resources continue to be highlighted in mailings and via social media. St Andrew's Church, Livesey is one example of a parish who have engage with this for the first time and ran a successful Ambassador's Football Holiday club in August 2023. KICK supported Abide by running the Football and Active spaces which gave parishes the chance to see how sports ministry could run in a local parish context. To develop this further, for 2024 both KICK and Ambassadors Football have been approached to be involved in the event. Learning Community sessions and training have sought to raise awareness and help parishes consider how they might better engage with boys through their ministry to young people.
Being Witnesses We will support the being witnesses team to resource and equip local churches to:	
Plant 50 local congregations which reach out to families and young people	Officers connect with the Being Witnesses team as necessary and planting new congregations work

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Start 50 new child/youth-friendly worshipping communities (or congregations) including services in school	continues to be ongoing – as and when support is sought. Officers have made specific efforts to support the Choir Church project this year. Child and young person friendly worshipping community work is ongoing. Supporting parishes around sports and activity-based ministry is ongoing with KICK and Ambassadors football inputting to events and conferences.
Develop 50 new sports/active ministry activities that meet regularly	
Growing Leaders Support the vocations team to commission 300 leaders and helpers of all ages (with at least 30% under 25 years old) to share the Gospel with children and young people. We will do this by:	
Creating a culture of vocational discernment so that many more can hear a call to work with the young (DoV)	All sessions of the Children's and Youth Ministry ALM electives were successfully delivered in 2023. The Children's Work Adviser also delivered a session on All Age Worship for the Worship Leading elective. The Children's Ministry Conference and Youth Leader Conference were both successful and received very positive feedback. Officers have delivered sessions 'And then came Christmas' and 'Reaching the Next Generation' as part of the Urban Evangelist training course; M:Power. The IME2 training for curates has seen sessions delivered by officers across this year bringing into focus the Diocesan vision priority of 'Inspiring Children & Young People'. Due to the barriers that have been faced in trying to organize a diocesan commissioning service, officers have been tasked by the Inspiring Children and Young People Committee to develop commissioning materials for parishes to use in the new academic year (2024/25) with children's and youth leaders – potentially in time for Education Sunday in September. The team have offered training to support churches in welcoming those with additional needs and training which supports their Equity, Diversity and Justice strategy. In September, an event titled 'Enriching Children's Ministry with Resources to Support Diversity and Inclusion' was offered to churches and it was advertised that Dr Krish Kandiah OBE, would be visiting the diocese early in 2024. The team are considering ways to grow their training offering in these areas going forward. The Gathering, continues to run in partnership with other youth work organisations and charities, and seeks to support, equip and encourage youth leaders from across Lancashire in their ministry. This provision has invested in and grown a community of people who are committed to working with this age group in the local church. Safeguarding continues to be highlighted in training as appropriate and the Children and Youth Ministry Self-Assessment Tool immediately highlights to the user the importance of safeguarding and where to go for support and guidance should they need it. The team seek to model good practice by putting more robust systems in place to ensure volunteers at Board of Education events have valid DBS Certificates and have completed mandatory safeguarding training.
Developing varied training programmes for those new to this work or in need of refreshment, including basic training and more in-depth training as part of lay leadership development (Children/Youth Team/DoV)	
Ensuring that everyone who works with children and young people knows their safeguarding responsibilities (in partnership with DSO)	
Liturgically Commissioning new and existing leaders and helpers, at Confirmation Services where possible	
Holding a Service of Celebration and Re-commissioning for those who minister to the young	

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To develop and implement a project that is designed to grow work with 11-17 years.	See Launchpad, Youthscape Essentials and Learning community notes above. The development of a new children's and youth strategy to support growth of under 18's ministry has been worked on with a view to an application to national church in early 2024 for funding. Should the application be successful, the beginnings of that project will begin to take shape later in 2024.
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School	
Key Objectives for 2024	DBE Actions
Our schools to be built around the key Christian values and qualities of <u>love, hope, grace and service</u> and a Vision rooted in the Bible	Reference is made to the National and DBE vision in all Induction training materials. Key Christian values and their Biblical roots are included in all training related to the Christian Vision of the school. The key focus of the new SIAMS Framework 2023 is the Christian vision of the school being lived out. This has led to an increase of the content of SIAMS training being focused on the ways in which the school's Christian vision influences every aspect of the life of the school. The SIAMS reports clearly record that the impact of the Christian vision of the schools is very strong. Associate advisers continue with pastoral calls and SLA visits. How schools are living out their Vision and values is a feature of Initial Visit discussions. Prayer requests are discussed with Headteachers, and advisors regularly pray for senior leaders, staff, and the children. Consultancy visits to high schools including tailored resources, Chaplaincy and Religious Education networks took place through the year.
Embody a vision shaped by the personal faith and commitment of their leaders	The Head Teachers conference 2023 focused on the theology of Christian leadership and vision. Each module of the conference was well attended. The Induction programme for new Headteachers and Deputy Headteachers provides opportunities for school leaders to explore their own faith journey and consider how faith impacts on their leadership. The Head teacher and senior leaders networks focus on servant leadership, faith and prayer. Governor CPD explores the distinctive nature of Church school governance and the importance of faith and prayer in fulfilling the governor role. The DBE has a policy that all applicants for the position of Headteacher and Deputy Headteacher in Diocesan schools must have a faith reference. All the "Called to" training opportunities (inc. Called to Serve, Flourishing Schools, Academic and Rigorous) and Direct Learning training programmes have been delivered and a new Headteacher Induction Booklet and mentor scheme is in place. This was a series of High School trainings. A programme of Retreats and Quiet Days has taken place DBE Services Christian Leadership programme ran again this year in collaboration with other dioceses and is oversubscribed annually

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To embody a vision rooted in the bible	All material produced for primary schools Collective Worship and RE is clearly rooted in scripture. All courses are underpinned by biblical text and make reference to scripture and explore how the content of the course is connected to scripture. The new Worship Together online series of Collective worship videos exploring God's Big Story is extremely popular. Viewing exceeds 150 every week.
Enable and encourage a praying and worshipping community where distinctly Christian celebrations are integral to the learning experiences of all within the school community	New resources created to support schools in celebrating the Coronation of King Charles. Emphasising the distinctly Christian elements of the ritual and traditions. Bishop's Harvest Appeal 2023, emphasis of Christian Celebrations via social media, and new collective worship materials using traditional Christmas Carols and Easter Hymns as a starting point. The DBE have created significant resources for the National Initiative 'Faith at Home' to support Key Christian Festivals and days of national significance Active engagement with National Networks, and Local Networks continues (NASACRE, CEEFEL, Local SACRE, CEFL's International Diversity Network) facilitating prayer and worship on a wider platform beyond Blackburn.
Ensure Religious Education is at the heart of the curriculum and is a core subject	Questful RE is now used by Church schools in the Blackburn, Chester, Carlisle and Liverpool Dioceses. Blackburn and Darwen SACRE adopted Questful RE as the LA Agreed Syllabus. There are over 3000 user accounts accessed regularly. The syllabus has been reviewed and updated throughout the year with new resources and bespoke films being added. SIAMS reports consistently that the standard of achievement in RE is high and RE is considered to be a core subject in the curriculum. Cluster meetings and conferences are very well attended indicating that schools give priority to the subject. Illuminating Pathways has been moved to a new website along with the guiding light worship resources. This makes resources accessible to all and removes the dependency on a third-party supplier. The curriculum has been supplied to other dioceses following requests from them for additional resource for RE and worship
Recognise the presence of God in the uniqueness of each individual and in each person's specific talents and gifts	Significant development work on equity, diversity and justice (EDJ) to ensure that all stakeholders are treated with dignity and respect and become the person God created them to be. A suite of courses was designed and delivered. Between 2022 and 2024, 240 delegates have attended the EDJ conferences, 73 schools have received in-school training on EDJ, and 36 schools have taken part in EDJ workshops run by DBE. 3 Headteachers are mentors for CEFL's Leaders like Us Programme which supports senior leaders from UK minority Ethnic backgrounds into Headship. 1 senior leader was a participant on the programme.
Develop a broad community open to the world in which we live, which seeks to change it for the better	DBE encourages schools to use resources such as Picture News to enable children to engage with wider issues in the world. There is a strong emphasis in all our schools on equipping pupils with the skills of courageous advocacy to deepen their understanding and knowledge of injustice and encouraging them to be agents of change in the world.

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	SIAMS expects all church schools to be involved in social action as evidence that they are living out the Christian Vision of the school. Questful RE includes the investigation of Christianity as a worldwide faith
Celebrate success and treat failure with compassion	Engagement with schools using social media has increased, with Twitter regularly used to praise success Successful schools are regularly invited to share their good practice with other schools by providing inputs at DBE training courses. Schools are sent letters of congratulations following inspections and visits are made to school in difficult circumstances. Staff regularly attend celebration events in schools.
Support their alumni in finding ways to continue their faith journey, and to provide a pathway or signpost for those alumni looking to re-engage with faith	Worship materials and RE Curriculum content support schools in fulfilling these points
Be strong and sustainable presences in their community with a structure that best serves the needs of the children and young people	Schools continue to 'go the extra mile' in serving their children, families and local communities. Many schools proactively take part in local projects. Increasingly schools are helping families to access information and help regarding housing, benefits, health care etc. This also includes the increase of support that schools need to provide for pupils with SEND needs. Schools involved in the Disadvantaged and Poverty Action Research Programme are developing bespoke strategies to support the needs of their children, families and the community.
Seek to work in collaboration with churches in delivering <i>Vision 2026</i>	DBE continues to encourage schools and churches to worship and work together. Many schools regularly attend mid-week worship in churches with their local congregations. Schools and churches together run holiday clubs and have set up after school family worship sessions. The new 'Living Well Together: Developing Church School and Community Links' course will support schools to strengthen their relationship with church and community.

School Buildings	
Key Objectives for 2024	DBE Actions
Ensure that school buildings are developed and maintained to best meet the needs of pupils	The SCA system has been run effectively this year alongside a partner company DBE Services. Much of the projects delivered are essential works to ensure schools remain open and meet Health and Safety Regulations. A full programme of capital work has been planned and delivered to meet school needs. As in previous years, the level of need outweighed the funding envelope by around three times the amount with much of this continues to be essential works and very few 'nice to have' projects.
Seek opportunities for expansion of existing church schools or new church school provision	Regular meetings take place with the school place planning team in Lancashire and detailed conversations took place with Blackburn with Darwen over future pupil number projections. This has been highlighted for three of our schools to expand in 2024/25 and the board has been actively engaging with delivery of these projects
Ensure the correct treatment of school assets when schools close or relocate	A number of live cases continue to be handled by the DBE and is an area of significant work. These are often cases of historic incorrect treatment of land. The DBE has sought to register a number of titles with the Land Registry for school properties

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	The DBE continues to research trusts and land of church school to build a complete picture of the school estate and ownership of land
--	---

Chaplaincy	
Key Objectives for 2024	DBE Actions
We want to help young people accept the salvation offered through Jesus' death on the cross and embark on a lifelong journey as a disciple	Young people are being connected with and encouraged to understand who Jesus is through active chaplaincy. This is happening and we are working closely and have good relationships with all 3 universities: UCLAN, Lancaster University, University of Cumbria
We want to help students in our universities to be discipled, nurtured and challenged in their faith, encouraged to share their faith, and develop to lead others in discipleship, witness and service.	UCLAN and Preston Minster are working well at this. The shared chaplaincy model began there first. The first year was a success but the post holder moved to take up a job in Manchester with a church. We were involved in recruiting the replacement and she has begun in post September 23 and made a successful start.
We want to help chaplains that enable the people of God in our High Schools and Universities to live out the Christian life and witness to the presence of Jesus	Chaplaincy for Lancaster Universities was reimagined to the shared model that matches UCLAN/Preston Minster early in 2023 and a new style was introduced where the university chaplain is line managed by a local church thus having a peer group and reducing the previous silo situation. Two large local churches of differing tradition, with good student populations, were approached and agreed to host the chaplain for the two universities. The vision sees the chaplains supporting each other spiritually and physically – covering for absence, helping at busy times etc. Two recruitment rounds for the chaplain at the University of Cumbria have led to a successful appointment and she takes up the role in September. The role is based at Lancaster Priory. Lancaster University is yet to appoint after two rounds of recruitment. The process is ongoing together with St Thomas Lancaster Nb. The post at Lancaster University became vacant in 2023 thus allowing this symbiotic relationship
We want to help young people transition from a school place of worship to engagement in a Church of England multigenerational worshipping community that is accessible to the young	School chaplaincy is still supported. Regular half termly sessions for Worship coordinators are organised by the Diocesan Youth Advisor. The DBE was involved in the recruitment for the chaplain to Archbishop Temple Highschool. The strategy being employed: hosting the chaplain role within large local Anglican churches is modelled on the university chaplaincy at Dundee. The transition is thus organic with links built in between chaplains at the universities and local churches. It is envisaged that this will ease the transition between school and university setting churches. The Minster Preston, Lancaster Priory, St Thomas Lancaster. The understanding is that the chaplains signpost to whichever churches are most appropriate not only recommending their link church always bearing the ease of transition in mind

Future Objectives

The objectives for the board of education remain as above until 2024

The Blackburn Diocesan Board of Education

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POST BALANCE SHEET EVENTS

In August 2024 there was adverse publicity for an associated charity around a historic safeguarding issue previously reported to the charity commission. This has been reported again to the charity commission due to the risk of the reputational harm from the publicity.

In August 2024, a non-recent safeguarding disclosure involving an employee deployed at an associated charity came to light, resulting in a police investigation. This incident has been reported to the Charity Commission due to the potential reputational harm stemming from any publicity. The company is cooperating fully with all relevant authorities and has taken appropriate measures to address the situation in accordance with established safeguarding protocols.

FINANCE REVIEW

Financial Performance

During the year to 31 December 2023 the Charity made a net surplus of £396k against a deficit of £278k in 2022, this is due to a gain on investments in the year of £102k and the release of a creditor regarding the sale of Out Rawcliffe school of £299K.

Principal Funding Sources

There is an annual grant agreed in advance by the Blackburn Diocesan Board of Finance Limited as agreed by the Diocesan Synod. A grant of service is provided in addition for the provision of finance. The Board is also in receipt of funds allocated from the BDBF Restricted Funds. Total funding from these sources for the year ended 31 December 2023 is £324,061 (2022: £359,360).

Service level agreements to provide support services to schools £268,638 (2022: £278,862).

Total interest and dividends income is £409,000 (2022: £153,000) representing 29% of total income (2022: 12%). This is due to investing in Property Shares in CCLA to generate income.

The Blackburn Diocesan Board of Finance grants represented around 23% of the total income of the charity for the year, equally 19% of the income came from service level agreements and interest and dividend income was 29%.

During the year a gift aid donation of £153,808 (2022: £144,321) was received from DBE Services Ltd.

Significant expenditure

The charitable company employs staff to support schools in their maintenance and building projects. During the year £28,437 (2022: £40,117) was spent on directly undertaking activities in this area which includes generating voluntary income.

Additional school support is provided by staff and consultants for the development and delivery of religious education, school vision and ethos and collective worship. This may be in the form of direct support for schools or running training courses and events for the schools. During the year £421,945 of school and governor support (2022: £443,340) was spent on directly undertaking activities in this area.

Youth and children's work occur both in schools and parishes. Youth and children's work directly undertaken activities cost £169,137 (2022: £181,453).

The charitable company also supports university chaplains and this support amounted to £59,426 (2022: £89,591) of activities directly undertaken.

Balance Sheet Position

Net assets at 31 December 2023 are £6,134,000 (2022: £5,738,000) which is made up of designated funds of £2,990,000, restricted funds of £718,000, endowment funds of £92,000 and unrestricted funds of £2,334,000.

Within the balance sheet, are the following assets and liabilities relating to Barchester. (See page 28). Cash on deposit and at bank is held in separate bank accounts as client funds.

	£000
Debtors less than 1 year	1,436
Debtors greater than 1 year	133
Cash on deposit	4,525
Cash at bank	2,396
Creditors less than 1 year	(8,490)
	-

Investment policy

The charity utilises the CBF fund with CCLA for investments.

This ensures ethical investment, as investments are held in companies which have high standards of corporate governance and act in a responsible way towards stakeholders.

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Unrestricted and restricted funds are invested to balance income, liquidity and the reimbursement of capital. The investment policy for long-term funds is aimed primarily at generating a sustainable income with due regard to the need for preservation of capital value.

Reserves policy

The total funds of the charitable company as at 31 December 2023 are £6,134,000, of which £718,000 are restricted and £92,000 are endowment funds.

The reserves of the company provide working capital for the activities of the Board. The Board also requires funds to be available to provide assistance to schools for their contribution to building projects and to ensure continued operation if income is disrupted.

The trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission. They have agreed to set a reserves figure equivalent of 20% of predicted income for SCA and DFC expenditure costs on behalf of schools £1,335,000 and three to six months budgeted running costs for 2023, £580,341 (six months). The total approved level of reserves is £1,915,341.

The total value of free reserves (general reserves less assets used in the charity and designated fund and any pension adjustment) is £1,826,000. The level of free reserves is £89,341 below the approved level. The directors at their summer meeting will review free reserves and designated funds along with plans for the future.

The level of designated funds at the year end is £2,990,000 (2022: £3,109,000). Material designated funds include the New Opportunity Fund at £340,798 for school buildings support and the Elmslie Fund at £470,706 for educational purposes in the Blackpool area.

Financial assistance and grant making policy

Organisations must make applications to the Board of Education Executive. The Executive considers these in the light of their benefit for promoting Christian education within the Diocese. Consideration is also given to the financial circumstances of the organisation applying.

Grants were 14% of total expenditure.

Related parties

Blackburn Diocesan Board of Finance is a registered charity and the financial arm of the diocesan synod. It provides a grant to support the work of the Diocesan Board of Education and to enable the Diocesan Board of Education to undertake children and youth work.

Cidari is the diocesan multi academy trust which owes £179,608 to the Diocesan Board of Education for the initial start-up of the trust.

DBE Services Ltd is owned by six dioceses, one of which is Blackburn Diocesan Board of Education and it provides total property maintenance to schools and manages the school condition grants.

Directors – the chair of the board David Picken is also a director of the Diocesan Board of Finance. Canon Stephen Whittaker is a director of the Diocesan Board of Education and is the diocesan secretary of the Diocesan Board of Finance.

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PRINCIPLE RISKS AND UNCERTAINTIES

The trustees of the charitable company have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. There is no internal audit function as it is not considered an efficient use of the resources of the charity.

They include:

- A strategic plan and annual budget approved by the trustees;
- Regular consideration by the Board of Education of financial results and variance from budgets;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

During the year the trustees have further developed their risk management process to assess and document business risks and implement risk management strategies. This involved assessing the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. This process has drawn on the on-going consideration of business risk, which already forms a significant aspect of the trustees' duties.

An annual meeting has been put in place to review the risks of the Blackburn Diocesan Board of Education.

During the year consultants and advisers have been engaged to assist in the management of on-going work where there has been identified need.

The key risks, which may impact on the charitable company, are:

Key risks	Mitigations
Loss of grant funding from the DBF;	The company holds sufficient reserves to cope with funding shortages and would be able to restructure the business to manage such a reduction
Reduction in income from SLAs to a level not sufficient to cover running costs;	The company holds sufficient reserves to cope with funding shortages and would be able to restructure the business to manage such a reduction
A tight labour market leading to staff shortages;	Effective recruitment campaigns and reviews of employment benefits hope to tackle this need
An increase in statutory duties that cannot be recharged to schools.	Use of reserves and clarity in SLA agreements to reduce risks.

Impact on risk and risk management

The company risk register already contained income losses and actions associated with them and has been updated to include loss of income from the DBF. The company continues to be strong and anticipates that even with no DBF grant and reduction in investments and income, costs can be managed to ensure continued viability.

STRUCTURE GOVERNANCE AND MANAGEMENT

The Board of Education is a statutory body under the Diocesan Boards of Education Measure 2021. This requires every diocese to have a Board of Education which has responsibility for overseeing the work of Church Schools and being responsible for managing Education Charitable Trusts. The Board of Education was incorporated in November 1955 and is a company limited by guarantee.

Those persons who are normally referred to as members of the Board of Education are in company law the Directors of the Board and Trustees in charity law.

The Trustees present their report and audited financial statements for the year ended 31 December 2023. The Trustees and the Trustees' Report constitute the Directors and Directors' Report for Companies Act purposes.

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities SORP (Second Edition, effective 1 January 2019) and applicable accounting standards FRS102.

The Blackburn Diocesan Board of Education

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Organisation

The Board of Education, as defined in statute, has overall control of the activities of the Company. The Board operates with four sub-committees. The finance, staffing and resources committee is responsible for all financial matters across the work of the Board of Education. The schools work is split over two committees with school Christian ethos development considered by the Distinctiveness Committee and the other aspects of work considered by the School Strategy Committee. Parish support work is considered by the Children's and Youth Committee. The Board reports to the Diocesan Synod (Membership of the Diocesan Synod is also the membership of the Diocesan Board of Finance) annually and the Director of Education also reports to the Bishop's Council.

Method of Appointment of Trustees

The trustees are appointed in the following way:

The Chair of the Board is nominated by the Diocesan Bishop. At least 4 but not more than 5 members appointed by the Bishop, at least 4 but not more than 5 members elected by Diocesan Synod and at least 4 but not more than 5 members co-opted by the DBE

The trustees elected by synod are elected every three years.

Induction and Training of Trustees

On induction there is a meeting with prospective trustees to explain their roles and responsibilities. They are advised of the structure of the Blackburn Diocesan Board of Education and associated companies.

Trustee training is provided as a need is identified.

Remuneration of key management personnel

The Board is responsible for setting the pay for the key members of staff and any annual increments are agreed by the Chair of the Board.

Custodian Trustee

The charitable company is the custodian trustee for all Voluntary Aided Church of England Schools in the Benefice area (Diocese of Blackburn) except in cases where it is the actual trustee either by right of the trustee document or following an order under S86 of the 1944 Education Act.

Under the 2021 Diocesan Board of Education Measure, the governing body or (in the case of an Academy) the proprietor of a church school which is on land in which a freehold or leasehold interest is held on trust for the purposes of a church school must obtain the consent of the DBE before entering into an agreement or arrangement in connection with an alteration to or repair the premises of the school.

TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 presume that the charitable company will continue its activities.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements For the year ended 31 December 2023

Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT OF DISCLOSURE TO THE AUDITORS

So far as the Directors are aware:

- a. there is no relevant audit information of which the charitable company's auditors are unaware, and
- b. we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

APPOINTMENT OF AUDITOR

The appointment of the auditors to the BDBE will be proposed at the Annual General Meeting.

ADMINISTRATIVE DETAIL

The Blackburn Diocesan Board of Education Limited (by guarantee) hereafter referred to as the "charitable company" is a registered company and is registered with the Charity Commission. The company was incorporated on 30 November 1955.

The trustees, who are also directors for the purposes of company law, present their trustees' report, together with the audited financial statements, for the year ended 31 December 2023.

This report constitutes the Strategic Report and the Directors' Report required under the Companies Act 2006.

Charity Registration number 1020101

Company registration number 557954

Company Secretary	Mr I Parks	Appointed 1 September 2023
Directors/Trustees	Mr JMP Hewitt Miss J Snape Mr R Jones Rev Canon A Holliday Rev P R M Venables Mrs A C Abernethy Rev Canon David Arnold Mrs D L Metcalfe Venerable D A Picken Rev S Lloyd Rev C Abbott Ms Y Arshad Rt Revd P North Mr S Whittaker	Appointed 25 April 2023 (Ex officio) Appointed 1 September 2023

Appointments are made under the Diocesan Board of Education Measure 2021

Advisers

Solicitors	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES
Bankers	National Westminster Bank 35 King William Street Blackburn BB1 7DJ
Insurers	Ecclesiastical Insurance Group Beaufort House Brunswick Road Gloucester, GL1 1JZ

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Investment Advisors	CCLA Investment Management Ltd Senator House, 85 Queen Victoria Street London EC4V 4ET
Registered Auditor	Haysmacintyre LLP 10 Queen Street Place London, EC4R 1AG
Registered Address	Diocesan Office Clayton House Walker Office Park Blackburn BB1 2QE

By order of the board



The Venerable David Picken

Chair of the Board of Education

Blackburn Diocesan Board of Education Limited
Clayton House
Walker Office Park
BLACKBURN
BB1 2QE

16 September 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLACKBURN DIOCESAN BOARD OF EDUCATION

Opinion

We have audited the financial statements of The Blackburn Diocesan Board of Education for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

The Blackburn Diocesan Board of Education

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- the information given in the Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and the Charities Act 2011 and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and concluded that the risk was low. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and

The Blackburn Diocesan Board of Education

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- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Adam Halsey

(Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditors

Date: 30 September

2024

10 Queen Street Place
London EC4R 1AG

The Blackburn Diocesan Board of Education

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STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2023

		Unrestricted					
	Note	General Fund £000	Designated Fund £000	Restricted Funds £000	Endowment Funds £000	Total 2023 £000	Total 2022 £000
Income and endowments from:							
Donations and legacies	3	327	-	310	-	637	374
Charitable activities	3	461	-	23	-	484	513
Other trading activities	3	2	-	-	-	2	2
Investments	3	511	36	16	-	563	297
Total		1,301	36	349	-	1,686	1,186
Expenditure on:							
Raising funds	4	2	-	-	-	2	2
Charitable activities	5	1,199	52	139	-	1,390	1,170
Total		1,201	52	139	-	1,392	1,172
Net income/(expenditure) before Investment gains		100	(16)	210	-	294	14
Net (losses)/ gains on investments	9	94	-	-	8	102	(293)
Net income/(expenditure)		194	(16)	210	8	396	(279)
Transfer between funds	13	139	(103)	(36)	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes	2	-	-	-	-	-	1
Net movement in funds		333	(119)	174	8	396	(278)
Total funds brought forward	13	2,001	3,109	544	84	5,738	6,016
Total funds carried forward	13	2,334	2,990	718	92	6,134	5,738

All activities derive from continuing activities.

The notes on pages 27 to 42 form part of these financial statements.

Details of comparative figures by fund are disclosed in note 23.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements

For the year ended 31 December 2023

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 December 2023

	2023 £000	2022 £000
Total income	1,686	1,186
Total expenditure	(1,392)	(1,172)
Operating profit/(deficit) for the year	294	14
Net (losses)/gains on investments	102	(293)
Actuarial loss defined benefit scheme	-	1
Net (expenditure)/income for the year	396	(278)

The Blackburn Diocesan Board of Education

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BALANCE SHEET

at 31 December 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	8	508	528
Investments	9	2,274	2,170
		<u>2,782</u>	<u>2,698</u>
Current assets			
Debtors (amounts receivable after more than One year £323,000 (2022: £371,000))	10	2,116	2,272
Cash on deposit	11	7,299	3,994
Cash at bank and in hand	11	3,109	8,499
		<u>12,524</u>	<u>14,765</u>
Creditors: amounts falling due within one year	12	<u>(9,033)</u>	<u>(11,590)</u>
Net current assets		3,491	3,175
Total assets less current liabilities		<u>6,273</u>	<u>5,873</u>
Creditors: amounts falling due after more than one year	12	(139)	(135)
Net assets		<u>6,134</u>	<u>5,738</u>
Fund balances			
Endowment funds:	13	92	84
(including investment revaluation reserve of £64,268 (2022:£56,256))			
Restricted income funds	13	718	544
(including investment revaluation reserve of £31,252 (2022:£29,979))			
Unrestricted income funds:			
General funds (including revaluation reserve of £906,998 (2022:£781,720))	13	2,334	2,001
Designated funds (including revaluation reserve of £nil (2022:£nil))	13	2,990	3,109
		<u>6,134</u>	<u>5,738</u>

The notes on pages 27 to 42 form part of these financial statements.

These financial statements were approved by the board of directors and were signed on its behalf on
16 September 2024 by:

The Venerable David Picken
Chair of the Board of Education

The Blackburn Diocesan Board of Education is a company limited by guarantee registered in England and Wales (no 557954)

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
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CASH FLOW STATEMENT

for the year ended 31 December 2023

	2023 £000	2022 £000
Cash (outflow)/ inflow from operating activities		
Net (expenditure)/income	396	(278)
Net (gains)/losses on investments	(102)	303
Depreciation	26	25
Dividends and interest income	(563)	(297)
(Increase)/Decrease in debtors current assets	106	575
Decrease/(Increase) in debtors long term assets	48	39
(Decrease)/Increase in creditors current liabilities	(2,557)	226
(Decrease)/Increase in creditors long term liabilities	4	(12)
Net cash (outflow) / inflow	(2,642)	581
Cash from investing activities		
Dividends and interest income	563	297
Purchase of tangible fixed assets	(6)	(10)
Purchase of investments	-	-
Net cash inflow/(outflow)	557	287
Increase/(Decrease) in cash in the year	(2,085)	868
Cash and cash equivalents at the beginning of the year	12,493	11,625
Cash and cash equivalents at the end of the year	10,408	12,493
Analysis of cash and cash equivalents		
	2023 £000	2022 £000
Cash on deposit	7,299	3,994
Cash at bank and in hand	3,109	8,499
	10,408	12,493

The charitable company does not have any debt and as such no reconciliation of net debt note has been presented.

NOTES TO THE FINANCIAL STATEMENTS
(forming part of the financial statements)

1 Accounting policies

Basis of preparation and going concern

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included on a market value basis, and in accordance with the Companies Act 2006, the Charities SORP (Second Edition, effective 1 January 2019) and applicable accounting standards FRS102. The charitable company manages its activities in line with income received. As a consequence, the Trustees believe the charitable company is well placed to successfully manage its risks. After making enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future and the trustees do not believe there to be any material uncertainties and as such believe the going concern basis remains appropriate. The Trustees believe they have sufficient reserves to allow time to adjust should grant funding for other operations reduce. Accordingly, they continue to adopt the going concern basis in preparing the Trustee's report and financial statements. The Trustees believe that the charitable company is a public benefit entity.

The principal accounting policies and estimation techniques are as follows.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed below.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Fixed assets and depreciation

Assets with a value in excess of £500 are capitalised. Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold property	2% per annum
Re-modelling	3.33% per annum
Computers	25% per annum
Fixtures and fittings	5 - 10% per annum
Office equipment	25% per annum

The charitable company will perform annual impairment testing of assets on which depreciation is not provided in accordance with FRS 102 to determine whether residual disposal values of these assets in aggregate continue to exceed carrying value.

Fixed asset investments

Fixed asset investments are included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Debtors

Debtors are stated at amounts receivable less any provision for uncertain recoverability.

Deferred Payment Arrangements

Deferred Payment Arrangements are agreements to defer payment of the governors' liabilities on buildings projects under the Barchester Scheme.

Creditors

Creditors are stated at amounts payable.

Income:

Grants received and donations

All grants and donations are recorded as income when receivable. Where grants have conditions relating to future accounting periods they are treated as deferred income and recognised in those accounting periods. Other donations are recorded as income when receivable.

Grants received from the government on behalf of the Governors of schools are not recorded as income in these accounts as they are treated as being the income of the Governors of the schools. School Condition grants are no longer allocated to individual schools. This money is "paid to eligible bodies responsible for maintaining school buildings" who are the Governors. The grant is calculated using a formula largely based on the number of pupils in VA schools and the relative condition of each school building as assessed through a government survey. For the Board of Education, the allocation of funding and the prioritisation of projects is managed by and through DBE Services who involve an independent advisor to advise on the assessment of the bids. Funding is allocated on an agreed set of principles with the highest priority being keeping all schools open, warm and safe. The Board of Education has relatively little discretion in which projects to fund as this is determined by the state of the buildings.

Fees and Chaplaincy income

Fees received are recognised on an accruals basis in the period to which they relate.

Service level agreement income

From April 1999 schools have been invoiced for the support services provided by the Board of Education. Prior to this school support contributions were voluntary. Income is recognised on an accruals basis.

Arrangement fee income

Arrangement fees are payable on loans arranged for schools by the Board of Education. The arrangement fee is deferred over the life of the loan.

Investment income

Interest and dividends are recognised on an accruals basis.

Grant from Blackburn Diocesan Board of Finance

The annual grant is agreed in advance by the Blackburn Diocesan Board of Finance Limited as agreed by the Diocesan Synod. A grant of service is provided in addition to cash for the provision of finance.

Expenditure:

Grants payable

Grants payable are debited to expenditure when the charitable company has a constructive obligation to pay.

Barchester Scheme Building work

The Board of Education has traditionally been involved in helping voluntary aided church school governing bodies with projects involving major funding streams from the Department for Education (DfE). This entails paying contractors' and professional fee invoices on behalf of the governing body concerned, claiming the appropriate grant (90%) from the DfE, and collecting the governors' (and sometimes the local authority) contributions. The Board might also have agreed deferred payments arrangements to the governors (10%) to such projects. The gross turnover of such activity can amount to considerable sums, where a major new build is concerned.

The payment of such invoices is not accounted for as expenditure of the Board. Normally, the Board has received grant funding or the governors' contribution in advance, but where this is not the case it is shown as the making of short-term cash-flow deferred payments for the governing bodies concerned. These are repaid when the appropriate DfE grant and governors' contributions are received. Essentially the Board is acting as the agent of the appropriate governing body in these transactions.

The Board also acts as an agent with DfE arrangements for making 'voluntary aided school annual devolved formula capital grants' available to schools in advance of project spend or approval.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements For the year ended 31 December 2023

During 2023 the total expenditure was £11,445,729 (2022: £7,914,196). This expenditure has not been recognised in the financial statements of the company in line with FRS 102.23.4.

Cost of Activities

The cost of running each department of the Board is recognised on an accruals basis.

Governance and support costs

Governance costs consist of the audit fee and the cost of preparing the accounts.

Board of Education administration support costs are recognised on an accruals basis. Support costs are apportioned on a basis consistent with the use of resources.

Taxation

The Blackburn Diocesan Board of Education Limited (by guarantee) is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in independently administered funds. The amount charged in the statement of financial activities represents the contributions payable to the scheme in respect of the accounting period.

Some of the charitable company's staff are members of the Church Workers Pension Fund. The costs charged as expenditure represent the charitable company's contributions payable in respect of the accounting period, in accordance with FRS102.

Three employees are members of the Church of England Funded Pension Scheme. At 31 December 2023 the Board of Education is responsible for its own liabilities on this scheme and as such the liability is held on the balance sheet. There is no liability at 31.12.23

Fund accounting

Funds held by the charitable company are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds

This is capital, held in perpetuity to create income for specified purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Where a grant or donation is received to fund a capital item or where an asset is donated, if there is an obligation relating to the future use or retention of the relevant asset, the balance relating to that asset is held within restricted funds as long as that restriction exists. Where there is no such restriction, the income relating to the purchase of capital items is transferred to unrestricted funds in the Statement of Financial Activities.

Realised gains on schools

Realised gains on schools represent amounts which accrue to the Board of Education from the sale of church schools' land or buildings and which have been received in the period.

Unrealised gains / losses on investments

Unrealised gains and losses on investments represent the aggregate change in market value of investments since the previous balance sheet date.

Realised gains / losses on investments

Realised gains or losses on investments relate to actual gains or losses arising in the period on disposal.

2 Remuneration of trustees

No trustee has received remuneration from the Board of Education during the year (2022: £nil).

Expenses reimbursed to trustees during the year amounted to £2,098 (2022: £nil).

Staff numbers and costs

The average number of people employed during the year was 15 (2022: 18).

The average number of full-time equivalent persons employed by the charitable company during the year, analysed by category, was as follows:

	Number of employees	
	2023	2022
Director of Education		-
Deputy and Assistant Directors	1	1
Principal Schools Adviser	1	2
Schools Improvement Officers	1	1
Youth and Children's Chaplains/ Officers	5	6
Administration and Secretarial	7	8
	15	18

The aggregate payroll costs of these employees were as follows:

	2023	2022
	£000	£000
Wages and salaries	525	498
Social security costs	43	44
Other pension costs	74	97
	642	639

During the year no employee received a salary in excess of £60,000. In 2022 there was one employee in the salary band £60,000 to £70,000, with £nil pension contributions.

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 charitable company. During 2023 they were:

Chief Executive officer	Iain Parks
Deputy Director	Sally Schofield

Remuneration, pensions and expenses for these employees amounted to £102,409 (2022: £89,976).

Pension schemes

Group Personal Pension Plan

Blackburn Diocesan Board of Education (DBS) participates in the Pension Builder Scheme section of CWPf for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Employer and the other participating employers.

CWPf has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic, and,
 - b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending upon investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2023: £6,529, 2022: £22,633).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019.

For the Pension Builder Classic section, the 2019 valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2024, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 5% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2023. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the 2019 valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2022. Calculations for this are currently under way.

The legal structure of the scheme is such that if another employer fails, Blackburn Diocesan Board of Education (DBS) could become responsible for paying a share of the failed employer's pension liabilities.

Church of England Funded Pension Scheme (CEFPS)

Blackburn Diocesan Board of Education participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, which were £19,280 in 2023 (2022: £21,015), plus any figures arising from contributions in respect of the Scheme's deficit (see below). The 2021 valuation showed the Scheme to be fully funded and as such in 2023, following the valuation results being agreed, the deficit contributions paid were £0 (2022: £0).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates from 2013 in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was fully funded.

The deficit recovery contributions under the recovery plan in force at each 31 December were as follows:

	% of pensionable stipends
31 December 2021	7.1% payable from January 2021 to December 2022
31 December 2022	Nil
31 December 2023	Nil

An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from April 2022, and remained in place until December 2022.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

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Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2023 is nil. The movement in the balance sheet liability over 2022 and over 2023 is set out in the table below.

	2023 £000	2022 £000
Balance sheet liability at 1 January	-	4
Deficit contribution paid	-	(3)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	-	(1)
Balance sheet liability at 31 December	-	-

* Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. No assumptions are needed for December 2023 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

	December 2023 £000	December 2022 £000	December 2021 £000
Discount rate	n/a	n/a	0.0%
Price inflation	n/a	n/a	n/a
Increase to total pensionable payroll	n/a	n/a	-1.5%

The legal structure of the scheme is such that if another Responsible Body fails, Blackburn Diocesan Board of Education could become responsible for paying a share of that Responsible Body's pension liabilities.

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Annual Report and Financial Statements

For the year ended 31 December 2023

3 Analysis of Income

	2023 £000	2022 £000
Donations and legacies		
Donations	310	12
Diocesan Board of Finance General Funds	324	359
External organisations	3	3
	<u>637</u>	<u>374</u>
Income from charitable activities		
Fees and Chaplaincy income	-	9
Sale of publications and courses	141	140
Service level agreements	266	279
Rent	77	85
	<u>484</u>	<u>513</u>
Other trading activities		
DBE Services Fees	2	2
Investment income		
DBE Services gift-aid donation (17% owned)	154	144
Dividends	376	147
Interest	33	6
	<u>563</u>	<u>297</u>

4 Fund Raising Costs

	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2023 £000	Total 2022 £000
Fundraising trading	2	-	-	2	2
Total Fund-Raising Costs	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>

5 Charitable Activities

Activity or Programme	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2023 £000	Total 2022 £000
Cost of charitable activities:					
<i>School and governor support</i>	422	-	288	710	664
<i>Higher and further education</i>	60	(1)	41	100	134
<i>Children's work</i>	65	1	45	111	110
<i>Youth work</i>	98	4	67	169	158
<i>Central - designated</i>	-	48	-	48	16
<i>School buildings support</i>	67	139	46	252	88
Charitable activities subtotal	<u>712</u>	<u>191</u>	<u>487</u>	<u>1,390</u>	<u>1,170</u>

The Blackburn Diocesan Board of Education

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6 Net expenditure for the year

	2023 £000	2022 £000
These are stated after charging: Auditors remuneration	19	13
Total	19	13

7 Realised gains on schools

The Church of England Primary School at Out Rawcliffe was closed in July 2013 and the Board is currently in the process of establishing the exact terms regarding closure and use of the sale proceeds of the original Trust Deed. If this is not available, the Board will follow due process in establishing how the proceeds from the sale of the school should be used or distributed.

8 Tangible fixed assets

	Buildings £000	Fixtures, fittings and other equipment £000	Total £000
Cost			
At beginning of year	625	87	712
Additions	-	6	6
Disposals	-	-	-
At end of year	625	93	718
Depreciation			
At beginning of year	114	70	184
Charge for year	18	8	26
Elim on disposal	-	-	-
At end of year	132	78	210
Net book value			
At 31 December 2023	493	15	508
At 31 December 2022	511	17	528

9 Investments

Unlisted securities
Central Board of Finance
Church of England

	Investment Fund £000	Fixed interest securities fund £000	Property Fund £000	Total UK investments £000
Market valuation				
At 31 December 2022	1,326	180	664	2,170
Increase/(Decrease) in market value	125	10	(31)	104
At 31 December 2023	1,451	190	633	2,274
Historic cost	1,145	224	700	2,069

Included within Total UK Investments is a 17% holding in DBE Services Limited, a non-listed company and a related party. The Board of Education holds 12 shares in DBE Services Limited valued at £12 (2022: £12).

The Blackburn Diocesan Board of Education

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10 Debtors

	2023 £000	2022 £000
<i>Amounts receivable within one year</i>		
Deferred payments on school building projects	1,436	1,414
Deferred Payment Arrangements	6	6
Amount owed from related party (Cidari)	40	40
Other debtors	124	307
Loans	1	1
Prepayments	6	16
Accrued income	125	42
Amounts due from Diocesan Board of Finance	52	75
Amounts due from DBE Services Ltd	2	-
Amounts due from Whalley Abbey	1	-
Debtors: amounts receivable within one year	1,793	1,901
<i>Amounts receivable after more than one year</i>		
Deferred Payment Arrangements	133	140
Loans	10	11
Amount owed from related party (Cidari)	180	220
Debtors: amounts receivable after more than one year	323	371

	Instalments due in one year		Instalments payable due in two and five years		Instalments due in five years or more		Total	
	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000
Deferred Payment Arrangements	6	6	21	74	112	66	139	146
Loans	1	1	4	4	6	7	11	12
Total	7	7	25	78	118	73	150	158

11 Deposits and cash at bank and in hand

	2023 £000	2022 £000
Bank (Current Account and Deposits)	3,109	8,499
Deposits with Central Board of Finance Church of England	7,299	3,994
	10,408	12,493

The Blackburn Diocesan Board of Education

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12 Creditors

	2023 £000	2022 £000
<i>Amounts falling due within one year</i>		
Receipts in advance on behalf of boards of school governors	2,917	3,376
Monies held on behalf of schools in relation to Devolved Formula Capital (DFC)	3,094	3,946
Monies held on behalf of schools in relation to SCA Funding	1,896	2,187
Monies held on behalf of schools in relation to PSDS Funding	583	1,155
Other creditors	435	845
Accruals	44	13
Deferred income	64	68
Creditors falling due within one year	9,033	11,590
<i>Amounts falling due after more than one year</i>		
Education trust funds	139	135
Defined benefit pension liability	-	-
Creditors falling due after more than one year	139	135
<i>Deferred Income:</i>		
At beginning of year	68	
Recognised in year	(68)	
Deferred income 2023	63	
At end of year	63	

Deferred income is recognised as follows:

	Recognised in one year		Recognisable between two and five years		Recognisable after five years		Total	
	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000
Deferred income	63	68	-	-	-	-	63	68

13 Funds

	Unrestricted				Total
	General fund	Designated fund	Restricted fund	Endowment fund	
	£000	£000	£000	£000	£000
At beginning of year	2,001	3,109	544	84	5,738
Surplus/(deficit) of income over expenditure in the year	100	(16)	210	-	294
Investment gains in the year	94	-	-	8	102
Transfers between funds	139	(103)	(36)	-	-
At end of year	2,334	2,990	718	92	6,134

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The General Fund consists of those amounts available for the general purposes of the charitable company.

	At 1 January 2023 £000	Income £000	Expenditure £000	Net investment gains, losses and transfers £000	At 31 December 2023 £000
Designated funds					
Sponsoring academies	365	-	-	-	365
Elmslie Fund	451	21	(10)	-	462
New Opportunity Fund	345	15	(33)	-	327
Church Workers Pension Deficit	53	-	-	-	53
Admissions & Appeals	167	-	-	(41)	126
Appointments	59	-	-	(10)	49
Vision 2026	438	-	(9)	-	429
Statutory Governance	126	-	-	(25)	101
Schools causing concern	194	-	-	-	194
Digital Resources	111	-	-	(27)	84
Underwriting DBF grant	700	-	-	-	700
Youth Development	100	-	-	-	100
	<u>3,109</u>	<u>36</u>	<u>(52)</u>	<u>(103)</u>	<u>2,990</u>
Restricted funds					
Residential Income Fund	40	4	-	-	44
Education Trust Funds	35	299	-	29	363
Common Fund	389	11	(131)	12	281
Other restricted funds	80	35	(8)	(77)	30
	<u>544</u>	<u>349</u>	<u>(139)</u>	<u>(36)</u>	<u>718</u>
Endowment funds					
Residential Endowment Fund	84	-	-	8	92

The specific purposes for which the designated and restricted funds are to be applied is as follows:

The Youth Development fund - for the support of chaplaincy work.

The Academies fund - to support the sponsoring of academies.

The Elmslie fund is used for the work of the youth chaplain at Blackpool St George CE School.

The New Opportunity Fund - for school buildings support.

The Residential Endowment and Income Fund are used to support Youth Work activities.

The Common Fund was set up by schools make voluntary donations to support capital work in schools.

Church workers pension deficit – designated for use against deficits on the defined benefit pension scheme for some employed staff.

Admissions, Appointments and Appeals – designated to cover the cost of statutory expenditure for where there is no direct source of income.

Educational Trust Fund – the revaluation reserve on funds held in creditors awaiting final decision on ownership of the investment.

Vision 2026 – a designated fund has been created to enable churches and schools to fund initiatives and projects that seek to deliver the objectives of the diocese vision 2026.

Statutory Governance – this fund is to be used to underwrite the Board of Education's statutory duties for governance in schools.

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Schools causing concern – schools falling into difficulty often require financial support and assistance this fund will enable the diocese to work in partnership with local authorities to support schools as they seek to improve.

Digital Resources – for the production of digital resources for the Board of Education and staffing to meet the target of significantly increasing digital reach.

DBF Grant – for the underwriting of the DBF Grant.

14 Share capital

The charitable company is limited by guarantee, registered in England and does not have authorised or allotted share capital. The liability of each member of the Board may not exceed £1.

15 Analysis of net assets between funds

	Tangible fixed assets £000	Investments £000	Net current assets £000	Creditors falling due after more than one year £000	Total £000
Unrestricted Funds	508	2,145	2,671	-	5,324
Restricted Fund (restricted)	-	37	820	(139)	718
Endowment fund (restricted)	-	92	-	-	92
	<u>508</u>	<u>2,274</u>	<u>3,491</u>	<u>(139)</u>	<u>6,134</u>

16 Commitments

There were no commitments in 2023.

17 Related party transactions

The company is related to Blackburn Diocesan Board of Finance Ltd who provides significant funding by way of a grant. At the year-end the balance due to this company was £1,700 (2022: £170,070). Grants received in the year from this company amounted to £324,061 (2022: £359,360) and grants paid to this company amounted to £19,274 (2022: £9,375). Recharges in the year were £27,867 (2022: £24,314).

The company is related to DBE Services Ltd by virtue of owning 17% of the share capital. There was £2,400 due from DBE Services Ltd (2022 £nil) at the year end and recharges in the year were £9,018 (2022: £11,009).

The company is related to Cidari Multi-Academy Trust which was set up by both the DBE and DBF to look after Church of England schools converting to academies within the diocese. As at 31 December 2023 £219,608 (2022: £259,608) was due from this company and recharges in the year were £10,006 (2022: £10,492).

18 Financial instruments

	2023 £000	2022 £000
Financial assets measured at fair value	<u>2,274</u>	<u>2,170</u>
Financial assets measured at amortised cost	<u>12,524</u>	<u>15,360</u>
Financial liabilities measured at amortised cost	<u>-</u>	<u>-</u>
Financial liabilities measured at fair value	<u>-</u>	<u>-</u>

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19 Prior year comparative Statement of Financial Activities

	Unrestricted				2022
	General Fund £000	Designated Fund £000	Restricted Funds £000	Endowment Funds £000	Total £000
Income and endowments from:					
Donations and legacies	362	-	12	-	374
Charitable activities	490	-	23	-	513
Other trading activities	2	-	-	-	2
Investments	282	11	4	-	297
Total	1,136	11	39	-	1,186
Expenditure on:					
Raising funds	2	-	-	-	2
Charitable activities	1,139	16	15	-	1,170
Total	1,141	16	15	-	1,172
Net income/(expenditure) before Investment gains	(5)	(5)	24	-	14
Net gains/(losses) on investments	(277)	-	(5)	(11)	(293)
Net income/(expenditure)	(282)	(5)	19	(11)	(279)
Transfer between funds	(536)	535	1	-	-
Actuarial (losses) on defined benefit pension schemes	1	-	-	-	1
Net movement in funds	(817)	530	20	(11)	(278)
Total funds brought forward	2,818	2,579	524	95	6,016
Total funds carried forward	2,001	3,109	544	84	5,738

20 Prior year Fund Raising Costs

	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2022 £000	Total 2021 £000
Fundraising trading	2	-	-	2	2
Total Fund-Raising Costs	2	-	-	2	2

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21 Prior year Charitable Activities

Activity or Programme	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2022 £000	Total 2021 £000
Cost of charitable activities:					
<i>School and governor support</i>	443	-	221	664	482
<i>Higher and further education</i>	89	1	44	134	135
<i>Children's work</i>	72	2	36	110	80
<i>Youth work</i>	103	4	51	158	206
<i>Central - designated</i>	7	9	-	16	-
<i>School buildings support</i>	64	-	24	88	240
Charitable activities subtotal	778	16	376	1,170	1,143

22 Prior year Funds

	Unrestricted			Endowment	Total
	General fund £000	Designated fund £000	Restricted fund £000	fund £000	£000
At beginning of year	2,818	2,579	524	95	6,016
Surplus/(deficit) of income over expenditure in the year	(5)	(5)	24	-	14
Investment gains in the year	(277)	-	(5)	(11)	(293)
Transfers between funds	(536)	535	1	-	-
Actuarial loss on pension scheme	1	-	-	-	1
At end of year	2,001	3,109	544	84	5,738

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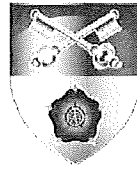
The General Fund consists of those amounts available for the general purposes of the charitable company.

	At 1 January 2022 £000	Income £000	Expenditure £000	Net investment gains, losses and transfers £000	At 31 December 2022 £000
Designated funds					
Sponsoring academies	365	-	-	-	365
Elmslie Fund	454	6	(9)	-	451
New Opportunity Fund	347	5	(7)	-	345
Church Workers Pension Deficit	53	-	-	-	53
Admissions & Appeals	206	-	-	(39)	167
Appointments & Appeals	70	-	-	(11)	59
Vision 2026	608	-	-	(170)	438
Statutory Governance	150	-	-	(24)	126
Schools causing concern	194	-	-	-	194
Digital Resources	132	-	-	(21)	111
Underwriting DBF grant	-	-	-	700	700
Youth Development	-	-	-	100	100
	<u>2,579</u>	<u>11</u>	<u>(16)</u>	<u>535</u>	<u>3,109</u>
Restricted funds					
Residential Income Fund	38	4	-	(2)	40
Education Trust Funds	49	-	-	(14)	35
Common Fund	373	12	-	4	389
Other restricted funds	64	23	(15)	8	80
	<u>524</u>	<u>39</u>	<u>(15)</u>	<u>(4)</u>	<u>544</u>
Endowment funds					
Residential Endowment Fund	95	-	-	(11)	84

23 Prior year Analysis of net assets between funds

	Tangible fixed assets £000	Investments £000	Net current assets £000	Creditors falling due after more than one year £000	Total £000
Unrestricted Funds	528	2,051	2,531	-	5,110
Restricted Fund (restricted)	-	35	644	(135)	544
Endowment fund (restricted)	-	84	-	-	84
	<u>528</u>	<u>2,170</u>	<u>3,175</u>	<u>(135)</u>	<u>5,738</u>

Accounts



THE BLACKBURN
DIOCESAN BOARD
OF EDUCATION

The Blackburn Diocesan Board of Education

Trustees' annual report and financial statements

Company limited by guarantee (no 557954)

Registered charity (no 1020101)

31 December 2022

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VISION STATEMENT

*Serve Christ.
Share the Gospel.
Support, Equip and Educate*

Healthy Churches Transforming Communities

LEGAL OBJECTS

- To promote or assist in the promotion of education in the Diocese of Blackburn ("the diocese") being education which is consistent with the faith and practice of the Church of England.
- To promote or assist in the promotion of religious education and religious worship in schools in the diocese.
- To promote or assist in the promotion of church schools in the diocese and to advise the governors of such schools, and trustees of church educational endowments and any other body or person concerned on any matter affecting church schools in the diocese; to promote co-operation between its Board of Management ("the board") and bodies or persons concerned in any respect with education in the diocese.
- To discharge within the diocese the functions assigned to Diocesan Boards of Education by section 3 to 8 and 11 of the Diocesan Boards of Education Measure 1991 or by any amending legislation.
- To discharge within the diocese such other functions relating to the furtherance of church education as may be assigned to the Board by the diocesan synod, other than functions relating to church schools or church educational endowments.
- To do all such things as are incidental or conducive to the attainment of the aforesaid objects, including acceptance of the trusteeship of any trusts and the investment of any moneys not immediately required for its purpose in or upon such investments securities as the Board may think fit.

STRATEGIC REPORT

STRATEGIC AIMS AND OBJECTIVES FOR THE YEAR

- The support of Church of England schools in all areas of their activities. In particular:
 - ❖ Development and delivery of religious education and collective worship
 - ❖ Protection of the Church of England's interests in academy conversions in Blackburn Diocese
 - ❖ Maintenance of church school buildings belonging to trustees of Church of England Schools
 - ❖ Protection of the interests of the trustees of Church of England Schools
- The development of youth and children's work in Parishes and Schools across the Diocese of Blackburn.
- The support and development of Christian Spirituality in secular institutions of higher and further education.
- The provision of Chaplaincy support to church colleges and church-based universities.

The Blackburn Diocesan Board of Education

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Public Benefit Statement

The Board exists under the Diocesan Board of Education Measure (2021). The Measure sets out the core purpose of the Board of Education, which is to

- promote or assist in the promotion of education in the diocese that is consistent with the faith and practice of the Church of England;
- promote or assist in the promotion of religious education and religious worship in schools in the diocese;
- promote or assist in the promotion of church schools in the diocese;
- promote co-operation between itself and other persons concerned with education in the diocese.

In addition, the Board of Education support youth and children's work across church in the diocese

The public benefit of our work is seen in the support and flourishing of church schools that provide education for all within a Christian ethos. Blackburn Diocesan Board of Education (BDBE) supports the promotion of Christian faith within universities and other educational institutions and also supports schools to engage in their communities and to build projects that create improve and unify the local community. Our support for schools also ensures the provision of buildings which can be used by parishes and outside bodies for the benefit of all. The trustees have referred to Charity Commission guidance on public benefit and consider the entity is compliant.

Our support for Youth and Children's Work across the Diocese touches the lives of thousands of people, many of whom are not regular church attenders and supports churches in their work with the children and young people of local communities.

ACTIVITIES AND PERFORMANCE

Main Achievements of the Year

Objectives set until 2024 for the Board of Education:

Prayer for the work of the Board	
Objectives	DBE Actions
Encouraging a 'pray first culture' at diocesan and parish level to uphold children and young people and the specific ministries working with them	Prayer has become more visible and intentional at many events and so meetings and training sessions start and end with prayer. Also, during events such as the Children's Ministry Conference, each keynote speaker is prayed with before they begin to present in addition to other times of prayer throughout the day.
Writing prayers for the young to be used in intercessions, services and events	
Encourage dedicated time and energy to the pursuit of hearing God's heart and waiting on Him	Prayer continues to be a strong feature in many of our resources, with examples of written prayers being provided as well as suggestions for how children can be encouraged to pray themselves.
Encouraging prayer sponsors in parishes where congregation members pray directly for individual children and young people	Resources for children which help churches to engage in Thy Kingdom Come were once again shared via our normal communication channels. A key message in all conversations and learning community training around growing and start youth ministry is to grow a culture of praying for and with young people in parishes, and that this is the first action that a church should take.
Equipping young people with the confidence to pray	

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Children and Youth	
Overall objectives	To see growth of 11–17-year-olds (worshipping community statistics) of <u>1,030</u> by 2026 To see 25% growth in new disciples between the ages of 5-11 years (worshipping community statistics) To see 50% increase in toddler groups that share the gospel To see double the number of boys in worshipping communities
Key Objectives to be achieved by Dec 2024	Actions
<i>Making Disciples</i> We will support the DBF making disciples team to resource and equip local churches to:	
Make more Sunday services child/youth-friendly	Following the lifting of COVID-19 restrictions, officers had opportunity to meet with the majority of clergy in the Diocese in Spring 2022 at the Clergy Study Days. This helped to clear the backlog of outstanding visits and by the end of the year, officers had resumed meeting with clergy new to the diocese and all had been introduced to how the Board of Education can support them in their ministry with children, youth and schools. The Children and Youth Ministry Self-Assessment Tool (replacing the Child Friendly Church Award) was launched this year. This is a questionnaire that has been designed for churches to use in order to review their current practices and highlight potential areas for development. New Clergy visits are back up and running and at the time of writing all clergy due to be met in 2022 have been introduced to the work and ministry of the Board of Education. Launchpad and Learning community continue to challenge and equip clergy and youth teams about not only launching youth ministry but also how to make Sunday services more accessible for teenagers.
Improve preparation and follow-up for confirmation, retaining confirmation candidates as part of the church's worshipping community	Having taken the time to research preparation materials many clergy and parish preparation leaders are confident with what they are leading and the majority are significantly focused on confirmees growing as disciples of Jesus. The biggest area of support sought in this area is around how and what to do to follow up confirmations, which has led to several conversations about the parish context and how they can start to grow youth ministry following confirmation.
Equip 50 parishes to set up small youth groups that develop faith	Learning Community continues to support parishes in renewing, launching and establishing youth ministry both following Launchpad engagement and those who have connected with the youth team independently. The 2022/23 cohort has been accompanied by a Lancaster focused Learning Community following Launchpad taking place in the Autumn. Additionally, October 2022 saw the first 'Youth Leader Conference' run. This both offered equipping for all youth leaders in the diocese, and offered specific sessions for the 2022/23 learning community cohort.

Support parishes in providing events and experiences that encourage children and young people in their faith	In April, officers supported a trial mid-week CPAS School Venture Camp for Chorley Schools and their linked churches. This led to a written proposal document to explore whether School Venture Residentials can be promoted further as a tool for parishes and schools to encourage children in their faith. This continues to be explored with CPAS. In July, officers organised and ran activities for children in the Churches Together marquee at the Royal Lancashire Show which were themed around the Christian response to climate change. Although this wasn't something happening directly at Parish level, the ideas and resources used at the Lancashire Show have since been used by parishes for their own events. 2022 saw Walsingham Youth Pilgrimage return in the summer, as well as Satellites, Limitless Festival and DTI launching for the first time following Soul Survivor finishing in 2019 and a few years of cancellation due to covid. This gave us opportunity to signpost leaders to these events, as well as some others, and to engage with them about their experiences through our social media channels. March 2022 also saw Abide: The Gathering taking place at Archbishop Temple School. It was fantastic to see 105 young people plus their leaders coming together to worship, explore living out their faith in 2022 and having loads of fun for the first time in a good few years. This was also a space when we saw the impact of the Learning Community work with a number of new groups coming to the event or the event being used as a take off point for new church youth groups.
- Launching significantly more digital content to promote faith development for children and young people, to train leaders and promote church events and activities. This will include: - Youtube content - Podcasts - Social media interactive resources	At the beginning of the year, a new podcast was released for children aged 3-7 years called Follow the Son, which encourages children to get into good habits of starting and ending the day with God. An accompanying mailing has been created alongside this Podcast, containing additional activities which link in with each episode. Later in 2022, series 3 of our popular Bible study and discussion podcast for primary aged children, Bible Podlets, was developed and released in October. Both of these resources have attracted significant attention, not just in the Diocese of Blackburn, but also globally, and have attracted around 50k listens to date. 30 prayer activity posts linking in with the National Toddler Group Month of Prayer were posted on the Board of Education's Social Media Accounts in June which again received excellent engagement. These were collated into a downloadable booklet for people to be able to access as a resource afterwards via the Resources Area of the Board of Education website. The 'showcase' video featuring St Thomas' Preschool was released early in 2022 and a further showcase video featuring the Children's Soul Choir at Buckshaw Village Church was recorded and released in December. More of these 'How to' showcase videos are planned for 2023. Youth Work State of Mind returned in the autumn term for a new series of the podcast. This series is being broadcast live on Youtube, as well as an audio version in the week to follow. Youth Work State of Mind Instagram does well with showing our work with youth leaders and young people.

	'This is Abide' platforms have continued to grow consistently throughout 2021. Much of this was footage taken from the event as well as specific 'fun features' that the team created. The difficulty in recruiting a content creator in the summer meant this progress stalled in the Autumn. It has been interesting how each platform, even with similar content has a stumbly different angle. This is particular clear when comparing the audience reach of Instagram and TikTok. Training videos have been added to the Train, Equip, Inspire youtube following sessions run as part of the learning community.
Produce more parish resources for work with children and young people	The suite of children's work resources on the website has grown to include materials which highlight how Christmas is celebrated by Christians around the world, linking in with our EDJ strategy, plus new Lent and Easter resources. The Weekly@ Lectionary Resource continues to be well used by our parishes. Due to challenges in finding Guest Writers, some of this work has returned to being written in house, however some work continues to be outsourced where possible. The Weekly@ Summer resource, 'A Messy Starting Point' was produced, with six sessions exploring how we can connect with God during the messy times in our life. Officers also connected with the wider diocesan team to create a page of downloadable resources to help to introduce the concept of the Vine community to children and families by exploring John 15. Pick N Mix resources have continued to be updated and relaunched in 'app style format' and work on will continue with this process in 2023.
Create new or renewed toddler groups that share the gospel as part of their work	A training session was offered for those needing help with their Toddler Group Ministry, however this did not go ahead due to not enough uptake. Several churches received 1:1 support and guidance regarding starting up and developing their toddler groups. Toddler Group Ministry was references in other training that was delivered over the course of the year where appropriate. Although, not in a local context, in recognition of the work that the children's adviser has been involved in for Under 5s, she was invited by Care for the Family to deliver a workshop at the Playtime National Conference which was held at the All Nations Centre in Cardiff in September 2022.
Engage with boy friendly ministry	A training session was offered for those needing help with engaging with boy friendly Ministry, however this did not go ahead due to not enough uptake. This topic is referenced regularly during other general training, acknowledging that boys spiritual preferences may look different to girls and sharing information on ideas for more active forms of children's ministry. Building on the traction KICK found with primary schools following the Headteacher conference we have sought to connect local churches where KICK are coaching in schools so that conversations might begin in those parishes to see if there was opportunities to see this grow into ministry in the life of the church. Planning for Abide in

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	2023 the team contacted both Ambassadors Football and KICK in the hope that they might provide coaching and run the active and football spaces at the event, giving them a showcase opportunity for local youth leaders and clergy.
Being Witnesses We will support the DBF being witnesses team to resource and equip local churches to:	
Plant 50 local congregations which reach out to families and young people	Officers connect with the Being Witnesses team as necessary and planting new congregations work continues to be ongoing - as and when support is sought.
Start 50 new child/youth-friendly worshipping communities (or congregations) including services in school	Child and Youth Friendly Congregations work is ongoing
Develop 50 new sports/active ministry activities that meet regularly	Initiatives which help churches to grow and develop sports/active ministry are signposted to as and when support is sought. Planting congregations work ongoing - as and when support is sought. KICK involved in Abide 2023 and supporting them in making connections with local churches where they are delivering in their local primary school. Supported the Youth Church at St Christophers' High School.
Growing Leaders Support the DBF vocations team to commission 300 leaders and helpers of all ages (with at least 30% under 25 years old) to share the Gospel with children and young people. We will do this by:	
Creating a culture of vocational discernment so that many more can hear a call to work with the young (DoV)	The 'Step by Step' Children's Ministry Conference this year was a great success and despite the pandemic, only saw a slight drop in attendance. Online engagement was offered as well as face-to-face, and although uptake for this was quite low, it facilitated some people's attendance who would otherwise, not have been able to participate.
Developing varied training programmes for those new to this work or in need of refreshment, including basic training and more in-depth training as part of lay leadership development (Children/Youth Team/DoV)	The Children's Adviser was involved in the M:Power training program, delivering sessions on 'And then came Christmas' and 'Reaching the Next Generation' for those seeking to become Urban Evangelists. Despite the Children's Work Elective of the ALM course not having enough participants to run, the All Age Worship session for the Worship Elective of the ALM course was delivered which the participants thoroughly enjoyed.
Ensuring that everyone who works with children and young people knows their safeguarding responsibilities (in partnership with DSO)	
Liturgically Commissioning new and existing leaders and helpers, at Confirmation Services where possible	The youth ALM elective was run in summer 2022, but the repositioned Autumn edition was postponed due to low uptake, though this was not surprising given it was recently run in the summer.
Holding a Service of Celebration and Re-commissioning for those who minister to the young	Other training opportunities came in the form of the workshop delivered at the Diocesan Conference, and delivery of sessions for the Start of Ministry session for Curates. Officers once again explored the possibility of organizing a Service of Celebration and Re-commissioning for those who minister to children and young people, however after pursuing several options, it had not been possible to

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	identify a suitable date and venue due to other diocesan commitments. Youth Leader Conference was a great day, offering support for youth leaders and church leaders wherever they are in terms of ministering with young people. Officers delivered the 'Reaching the next generations' session for M:Power. Partnering with ecumenical partners we have run The Gathering for youth leaders in Lancashire which has seen over 50% of those connecting with the gathering serving young people in Anglican churches. The Gathering is a time and space for youth leaders to connect, share and support one another in their ministries with young people.
To develop and implement a project that is designed to grow work with 11-17 years	The Youth Provision Learning Community welcomed its second cohort of parish youth teams in June 2022. The decision was taken to offer a specific learning community for the parishes whose clergy had undertaken the Launchpad course in Lancaster Deanery

Schools	
Aspiration for schools by Dec 2024	Actions of the DBE
Our schools to be built around the key Christian values and qualities of <u>love, hope, grace and service</u> and a Vision rooted in the Bible	Reference is made to the DBE vision in all training materials and emphasis placed on the Biblical root of the vision. The 'Be Prepared for SIAMS and Writing your SEAT' courses took place each term via zoom and face to face and were very well attended. Bespoke training has been delivered in both Primary and High schools across the Diocese. A comprehensive CPD Programme for both Primary and High schools has been accessed with increased take-up. Associate advisers continue with pastoral calls and SLA visits The number of schools inspected has been 13 with 6 Excellent grades and 7 Good grades achieved Consultancy visits to high schools including tailored resources, Chaplaincy and Religious Education networks took place through the year.
Embody a vision shaped by the personal faith and commitment of their leaders	Headteachers Conference took place in person at the Salmesbury Hotel and headteacher meetings continued via zoom and face to face as in previous years. These have been well attended. A Deputy Headteacher and Headteacher induction programme has taken place including input on Christian vision and courageous Christian leadership, Governance and SIAMS All NQT induction training has been well attended All the "Called to" training opportunities (inc. Called to Serve, Flourishing Schools, Academic and Rigorous) and Direct Learning training programmes have been delivered

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	and a new Headteacher Induction Booklet and mentor scheme is in place. A programme of Retreats and Quiet Days has taken place DBE Services Christian Leadership programme ran again this year in collaboration with other dioceses and is oversubscribed annually
To embody a vision rooted in the bible	All material produced for primary schools Collective Worship and RE are clearly rooted in scripture. All courses make reference to scripture and how the content of the course is connected to scripture. Worship Together Across the Diocese content is aligned with the Church Year and the new series 'Have you ever heard of ?' is introducing less well-known characters in the Bible was very popular
Enable and encourage a praying and worshipping community where distinctly Christian celebrations are integral to the learning experiences of all within the school community	Worship together across the Diocese video resources are continuing to be produced. Bishops Harvest materials for primary schools were produced and the 2022 Leavers service were also delivered New resources have been shared with schools via Head Teachers meetings and emails and new resources have been created and distributed along with resources for the celebration of the Queen's Platinum Jubilee and resources to support schools in September following her death. Bi-annual delivery on the IME2 programme for new clergy continues The DBE have created significant resources for the National Initiative 'Faith at Home' to support Key Christian Festival and days of national significance Active engagement with National Networks, and Local Networks continues (NASACRE, CEEFEL, Local SACRE)
Ensure Religious Education is at the heart of the curriculum and is a core subject	New Questful RE syllabus website has been launched and a series of conferences took place across the Diocese and in Penrith. Syllabus units have been updated, bespoke films recorded and schools have embraced the new format positively. RE coordinator Cluster meetings continued throughout 2022 via zoom and face to face The Primary RE Coordinators conference took place at the Marriot Hotel SIAMS Inspection reports indicate that RE in schools is of high quality. Illuminating Pathways has been moved to a new website along with the guiding light worship resources. This makes resources accessible to all and removes the dependency on a third-party supplier. The curriculum has been supplied to other dioceses following requests from them for additional resource for RE and worship

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Recognise the presence of God in the uniqueness of each individual and in each person's specific talents and gifts	Significant development work on equality, diversity and justice has continued. A suite of courses was designed and delivered. In 2022 over 100 of our schools attended the Equality Diversity and Justice Strategy launch conferences.
Develop a broad community open to the world in which we live, which seeks to change it for the better	Multicultural Christianity resources in the RE syllabus have significantly increased and resources for the teaching about World Faiths has also increased. Primary schools have proactively changed the way they promote social action and there is a greater emphasis on pupils developing the skills to be a courageous advocate. A training course exploring Courageous Advocacy has been introduced and was well attended.
Celebrate success and treat failure with compassion	Engagement with schools using social media has increased, with Twitter regularly used to praise success Schools are sent letters of congratulations following inspections and visits are made to school in difficult circumstances. Staff regularly attend celebration events in schools.
Support their alumni in finding ways to continue their faith journey, and to provide a pathway or signpost for those alumni looking to re-engage with faith	Worship materials and RE Curriculum content support schools in fulfilling these points
Be strong and sustainable presences in their community with a structure that best serves the needs of the children and young people	Recognition given to schools achieving The Christian Aid Global Neighbours Award and for schools with ABYT Schemes
Seek to work in collaboration with churches in delivering <i>Vision 2026</i>	A suite of primary and secondary conferences and training continues to encourage connection and worship and work together between churches and schools. The DBF Choir Church initiative has also created better connections between churches and schools across the diocese.

School Buildings	
Ensure that school buildings are developed and maintained to best meet the needs of pupils	The SCA system has been run effectively this year alongside a partner company DBE Services Costs have risen through the year leading to reduced ability to deliver the number of programmes that had been hoped for. A full programme of capital work has been planned and delivered to meet school needs. As in previous years, the level of need outweighed the funding envelope by around three times the amount.
Seek opportunities for expansion of existing church schools or new church school provision	Regular meetings take place with the school place planning team in Lancashire and detailed conversations took place with Blackburn with Darwen over future pupil number projections.
Ensure the correct treatment of school assets when schools close or relocate	A number of live cases continue to be handled by the DBE and is an area of significant work. These are often cases of historic incorrect treatment of land. The DBE has sought to register a number of titles with the Land Registry for school properties The DBE continues to research trusts and land of church school so to build a complete picture of the school estate and ownership of land

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2022

Chaplaincy	
Key Objectives for 2024	Actions of the DBE
We want to help young people accept the salvation offered through Jesus' death on the cross and embark on a lifelong journey as a disciple	Ongoing work with university institutions to support the delivery of chaplaincy
We want to help students in our universities to be disciples, nurtured and challenged in their faith, encouraged to share their faith, and develop to lead others in discipleship, witness and service.	The first year of a shared role of Chaplain at UCLAN and student support at Preston Minster has operated with great success, offering a model of how chaplaincy may develop in future.
We want to help chaplains that enable the people of God in our High Schools and Universities to live out the Christian life and witness to the presence of Jesus	The post at the University of Cumbria is became vacant and discussions are taking place about how best to support ministry in the university sector
We want to help young people transition from a school place of worship to engagement in a Church of England multigenerational worshipping community that is accessible to the young	

Future Objectives

The objectives for the board of education remain as above until 2024

FINANCE REVIEW

Financial Performance

During the year to 31 December 2022 the Charity made a loss of £278k against a gain of £106k in 2021, this is due to a loss on investments in the year of £293k.

Principal Funding Sources

There is an annual grant agreed in advance by the Blackburn Diocesan Board of Finance Limited as agreed by the Diocesan Synod. A grant of service is provided in addition for the provision of finance. The Board is also in receipt of funds allocated from the BDBF Restricted Funds. Total funding from these sources for the year ended 31 December 2022 is £359,360 (2021: £336,914).

Service level agreements to provide support services to schools £278,862 (2021: £278,090).

Total interest and dividends income is £153,000 (2021: £88,478) representing 12% of total income (2021: 8%). This is due to investing in Property Shares in CCLA to generate income.

The Blackburn Diocesan Board of Finance grants represented around 30% of the total income of the charity for the year, equally 24% of the income came from service level agreements and interest and dividend income was 12%.

During the year a gift aid donation of £144,321 (2021: £145,143) was received from DBE Services Ltd.

Significant expenditure

The charitable company employs staff to support schools in their maintenance and building projects. During the year £40,117 (2021: £38,764) was spent on directly undertaking activities in this area which includes generating voluntary income.

Additional school support is provided by staff and consultants for the development and delivery of religious education, school vision and ethos and collective worship. This may be in the form of direct support for schools or running training courses and events for the schools. During the year £443,340 of school and governor support (2021: £358,303) was spent on directly undertaking activities in this area.

Youth and children's work occur both in schools and parishes. Youth and children's work directly undertaken activities cost £181,453 (2021: £212,917).

The charitable company also supports university chaplains and this support amounted to £89,591 (2021: £101,628) of activities directly undertaken.

Balance Sheet Position

Net assets at 31 December 2022 are £5,738,000 (2021: £6,016,000) which is made up of designated funds of £3,109,000, restricted funds of £544,000 and endowment funds of £84,000 and unrestricted funds of £2,001,000.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements For the year ended 31 December 2022

Within the balance sheet, and held in separate bank accounts as client funds, are the assets and liabilities relating to Barchester.

	£000
Debtors less than 1 year	2,489
Debtors greater than 1 year	140
Cash on deposit	1,200
Cash at bank	7,801
Creditors less than 1 year	(11,630)
	-

Investment policy

The charity utilises the CBF fund with CCLA for investments.

This ensures ethical investment, as investments are held in companies which have high standards of corporate governance and act in a responsible way towards stakeholders.

Unrestricted and restricted funds are invested to balance income, liquidity and the reimbursement of capital. The investment policy for long-term funds is aimed primarily at generating a sustainable income with due regard to the need for preservation of capital value.

Reserves policy

The total funds of the charitable company as at 31 December 2022 are £5,738,000, of which £544,000 are restricted and £84,000 are endowment funds.

The reserves of the company provide working capital for the activities of the Board. The Board also requires funds to be available to provide assistance to schools for their contribution to building projects and to ensure continued operation if income is disrupted.

The trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission. They have agreed to set a reserves figure equivalent of 20% of predicted income for SCA and DFC expenditure costs on behalf of schools £1,048,000 and three to six months budgeted running costs for 2022, £532,889 (six months). The total approved level of reserves is £1,580,889.

The total value of free reserves (general reserves less assets used in the charity and designated fund and any pension adjustment) is £1,473,000. The level of free reserves is £107,889 below the approved level. The directors at their summer meeting will review free reserves and designated funds along with plans for the future in order to address the free reserves position.

The level of designated funds at the year end is £3,109,000 (2021: £2,579,000). Material designated funds include the New Opportunity Fund at £344,418 for school buildings support and the Elmslie Fund at £450,914 for educational purposes in the Blackpool area.

Financial assistance and grant making policy

Organisations must make applications to the Board of Education Executive. The Executive considers these in the light of their benefit for promoting Christian education within the Diocese. Consideration is also given to the financial circumstances of the organisation applying.

Grants were less than 1% of total expenditure.

PRINCIPLE RISKS AND UNCERTAINTIES

The trustees of the charitable company have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. There is no internal audit function as it is not considered an efficient use of the resources of the charity.

They include:

- A strategic plan and annual budget approved by the trustees;
- Regular consideration by the Board of Education of financial results and variance from budgets;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements For the year ended 31 December 2022

During the year the trustees have further developed their risk management process to assess and document business risks and implement risk management strategies. This involved assessing the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. This process has drawn on the on-going consideration of business risk, which already forms a significant aspect of the trustees' duties.

An annual meeting has been put in place to review the risks of the Blackburn Diocesan Board of Education.

During the year consultants and advisers have been engaged to assist in the management of on-going work where there has been identified need.

The key risks, which may impact on the charitable company, are:

Key risks	Mitigations
Loss of grant funding from the DBF;	The company holds sufficient reserves to cope with funding shortages and would be able to restructure the business to manage such a reduction
Reduction in income from SLAs to a level not sufficient to cover running costs;	The company holds sufficient reserves to cope with funding shortages and would be able to restructure the business to manage such a reduction
A tight labour market leading to staff shortages;	Effective recruitment campaigns and reviews of employment benefits hope to tackle this need
An increase in statutory duties that cannot be recharged to schools.	Use of reserves and clarity in SLA agreements to reduce risks.

Impact on risk and risk management

The company risk register already contained income losses and actions associated with them and has been updated to include loss of income from the DBF. The company continues to be strong and anticipates that even with no DBF grant and reduction in investments and income, costs can be managed to ensure continued viability.

STRUCTURE GOVERNANCE AND MANAGEMENT

The Board of Education is a statutory body under the Diocesan Boards of Education Measure 2021. This requires every diocese to have a Board of Education which has responsibility for overseeing the work of Church Schools and being responsible for managing Education Charitable Trusts. The Board of Education was incorporated in November 1955 and is a company limited by guarantee.

Those persons who are normally referred to as members of the Board of Education are in company law the Directors of the Board and Trustees in charity law.

The Trustees present their report and audited financial statements for the year ended 31 December 2022. The Trustees and the Trustees' Report constitute the Directors and Directors' Report for Companies Act purposes.

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities SORP (Second Edition, effective 1 January 2019) and applicable accounting standards FRS102.

Organisation

The Board of Education, as defined in statute, has overall control of the activities of the Company. The Board operates with four sub-committees. The finance, staffing and resources committee is responsible for all financial matters across the work of the Board of Education. The schools work is split over two committees with school Christian ethos development considered by the Distinctiveness Committee and the other aspects of work considered by the School Strategy Committee. Parish support work is considered by the Children's and Youth Committee. The Board reports to the Diocesan Synod (Membership of the Diocesan Synod is also the membership of the Diocesan Board of Finance) annually and the Director of Education also reports to the Bishop's Council.

Method of Appointment of Trustees

The trustees are appointed in the following way:

The Chair of the Board is nominated by the Diocesan Bishop. At least 4 but not more than 5 members appointed by the Bishop, at least 4 but not more than 5 members elected by Diocesan Synod and at least 4 but not more than 5 members co-opted by the DBE

The trustees are elected by synod are elected every three years.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements For the year ended 31 December 2022

Induction and Training of Trustees

On induction there is a meeting with prospective trustees to explain their roles and responsibilities. They are advised of the structure of the Blackburn Diocesan Board of Education and associated companies.

Trustee training is provided as a need is identified.

Remuneration of key management personnel

The Board is responsible for setting the pay for the key members of staff and any annual increments are agreed by the Chair of the Board.

Custodian Trustee

The charitable company is the custodian trustee for all Voluntary Aided Church of England Schools in the Benefice area (Diocese of Blackburn) except in cases where it is the actual trustee either by right of the trustee document or following an order under S86 of the 1944 Education Act.

Under the 2021 Diocesan Board of Education Measure, the governing body or (in the case of an Academy) the proprietor of a church school which is on land in which a freehold or leasehold interest is held on trust for the purposes of a church school must obtain the consent of the DBE before entering into an agreement or arrangement in connection with an alteration to or repair the premises of the school.

TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 presume that the charitable company will continue its activities.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT OF DISCLOSURE TO THE AUDITORS

So far as the Directors are aware:

- a. there is no relevant audit information of which the charitable company's auditors are unaware, and
- b. we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

APPOINTMENT OF AUDITOR

The re-appointment of Haysmacintyre LLP as auditors to the BDBE will be proposed at the Annual General Meeting.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2022

ADMINISTRATIVE DETAIL

The Blackburn Diocesan Board of Education Limited (by guarantee) hereafter referred to as the "charitable company" is a registered company and is registered with the Charity Commission. The company was incorporated on 30 November 1955.

The trustees, who are also directors for the purposes of company law, present their trustees' report, together with the audited financial statements, for the year ended 31 December 2022.

This report constitutes the Strategic Report and the Directors' Report required under the Companies Act 2006.

Charity Registration number 1020101

Company registration number 557954

Company Secretary Mr S Whittaker

Directors/Trustees
Mr JMP Hewitt
Miss J Snape
Mr R Jones
Rev Canon A Holliday
Rev P R M Venables
A C Abernethy
Rev Canon David Arnold
D L Metcalfe
Venerable D A Picken
Rev S Lloyd
Rev C Abbott
Ms Y Arshad

Chief Executive Officer Mr S Whittaker

Appointments are made under the Diocesan Board of Education Measure 2021

Advisers

Solicitors
Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Bankers
National Westminster Bank
35 King William Street
Blackburn
BB1 7DJ

Insurers
Ecclesiastical Insurance Group
Beaufort House
Brunswick Road
Gloucester, GL1 1JZ

Investment Advisors
CCLA Investment Management Ltd
Senator House, 85 Queen Victoria Street
London
EC4V 4ET

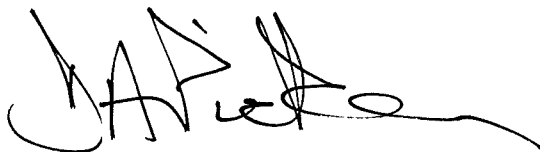
Registered Auditor
Haysmacintyre LLP
10 Queen Street Place
London, EC4R 1AG

Registered Address
Diocesan Office
Clayton House
Walker Office Park
Blackburn BB1 2QE

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2022

By order of the board

A handwritten signature in black ink, appearing to read 'D. Picken', with a long horizontal flourish extending to the right.

The Venerable David Picken

Chair of the Board of Education

Blackburn Diocesan Board of Education Limited
Clayton House
Walker Office Park
BLACKBURN
BB1 2QE

18 September 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLACKBURN DIOCESAN BOARD OF EDUCATION

Opinion

We have audited the financial statements of The Blackburn Diocesan Board of Education for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and the Charities Act 2011 and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and concluded that the risk was low. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements

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- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Adam Halsey

(Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditors

Date: 27 September

2023

10 Queen Street Place
London EC4R 1AG

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2022

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2022

		Unrestricted					
	Note	General Fund £000	Designated Fund £000	Restricted Funds £000	Endowment Funds £000	Total 2022 £000	Total 2021 £000
Income and endowments from:							
Donations and legacies	3	362	-	12	-	374	369
Charitable activities	3	490	-	23	-	513	422
Other trading activities	3	2	-	-	-	2	2
Investments	3	282	11	4	-	297	233
Total		1,136	11	39	-	1,186	1,026
Expenditure on:							
Raising funds	4	2	-	-	-	2	2
Charitable activities	5	1,139	16	15	-	1,170	1,143
Total		1,141	16	15	-	1,172	1,145
Net income/(expenditure) before Investment gains		(5)	(5)	24	-	14	(119)
Net (losses)/ gains on investments	10	(277)	-	(5)	(11)	(293)	225
Net income/(expenditure)	7	(282)	(5)	19	(11)	(279)	106
Transfer between funds	14	(536)	535	1	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes	2	1	-	-	-	1	-
Net movement in funds		(817)	530	20	(11)	(278)	106
Total funds brought forward	14	2,818	2,579	524	95	6,016	5,910
Total funds carried forward	14	2,001	3,109	544	84	5,738	6,016

All activities derive from continuing activities.

The notes on pages 25 to 40 form part of these financial statements.

Details of comparative figures by fund are disclosed in note 23.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2022

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 December 2022

	2022 £000	2021 £000
Total income	1,186	1,026
Total expenditure	(1,172)	(1,145)
Operating profit/(deficit) for the year	14	(119)
Net (losses)/gains on investments	(293)	225
Actuarial loss defined benefit scheme	1	-
Net (expenditure)/income for the year	(278)	106

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2022

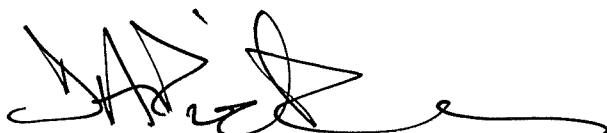
BALANCE SHEET

at 31 December 2022

	Note	2022 £000	2021 £000
Fixed assets			
Tangible assets	8	528	543
Investments	9	2,170	2,473
		<u>2,698</u>	<u>3,016</u>
Current assets			
Debtors (amounts receivable after more than One year £371,000 (2021: £410,000))	10	2,272	2,045
Cash on deposit	11	3,994	3,934
Cash at bank and in hand	11	8,499	7,691
		<u>14,765</u>	<u>13,670</u>
Creditors: amounts falling due within one year	12	<u>(11,590)</u>	<u>(10,523)</u>
Net current assets		3,175	3,147
Total assets less current liabilities		<u>5,873</u>	<u>6,163</u>
Creditors: amounts falling due after more than one year	12	(135)	(147)
Net assets		<u>5,738</u>	<u>6,016</u>
Fund balances			
Endowment funds:	14	84	95
(including investment revaluation reserve of £56,256 (2021:£67,463))			
Restricted income funds	14	544	524
(including investment revaluation reserve of £29,979 (2021:£38,540))			
Unrestricted income funds:			
General funds (including revaluation reserve of £781,720 (2021:£970,102))	14	2,001	2,818
Designated funds (including revaluation reserve of £nil (2021:£nil))	14	3,109	2,579
		<u>5,738</u>	<u>6,016</u>

The notes on pages 25 to 40 form part of these financial statements.

These financial statements were approved by the board of directors and were signed on its behalf on
18 September 2023 by:



The Venerable David Picken
Chair of the Board of Education

The Blackburn Diocesan Board of Education is a company limited by guarantee registered in England and Wales (no 557954)

The Blackburn Diocesan Board of Education

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CASH FLOW STATEMENT

for the year ended 31 December 2022

	2022 £000	2021 £000
Cash (outflow)/ inflow from operating activities		
Net (expenditure)/income	(278)	106
Net (gains)/losses on investments	303	(227)
Depreciation	25	25
Dividends and interest income	(297)	(233)
(Increase)/Decrease in debtors current assets	575	(1,233)
Decrease/(Increase) in debtors long term assets	39	36
Increase in creditors current liabilities	226	3,510
(Decrease)/Increase in creditors long term liabilities	(12)	(5)
Net cash (outflow) / inflow	581	1,979
Cash from investing activities		
Dividends and interest income	297	233
Purchase of tangible fixed assets	(10)	(3)
Purchase of investments	-	(700)
Net cash inflow/(outflow)	287	(470)
Increase/(Decrease) in cash in the year	868	1,509
Cash and cash equivalents at the beginning of the year	11,625	10,116
Cash and cash equivalents at the end of the year	12,493	11,625
Analysis of cash and cash equivalents		
	2022 £000	2021 £000
Cash on deposit	3,994	3,934
Cash at bank and in hand	8,499	7,691
	12,493	11,625

The charitable company does not have any debt and as such no reconciliation of net debt note has been presented.

NOTES TO THE FINANCIAL STATEMENTS

(forming part of the financial statements)

1 Accounting policies

Basis of preparation and going concern

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included on a market value basis, and in accordance with the Companies Act 2006, the Charities SORP (Second Edition, effective 1 January 2019) and applicable accounting standards FRS102. The charitable company manages its activities in line with income received. As a consequence, the Trustees believe the charitable company is well placed to successfully manage its risks. After making enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future and the trustees do not believe there to be any material uncertainties and as such believe the going concern basis remains appropriate. The Trustees have taken into account the effect of the Covid 19 pandemic on its operations which, will remain largely unchanged in relation to the work with schools. The Trustees believe they have sufficient reserves to allow time to adjust should grant funding for other operations reduce. Accordingly, they continue to adopt the going concern basis in preparing the Trustee's report and financial statements. The Trustees believe that the charitable company is a public benefit entity.

The principal accounting policies and estimation techniques are as follows.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and the assumptions used in determining the value of the pension scheme deficit and are discussed below.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Fixed assets and depreciation

Assets with a value in excess of £500 are capitalised. Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold property	2% per annum
Re-modelling	3.33% per annum
Computers	25% per annum
Fixtures and fittings	5 - 10% per annum
Office equipment	25% per annum

The charitable company will perform annual impairment testing of assets on which depreciation is not provided in accordance with FRS 102 to determine whether residual disposal values of these assets in aggregate continue to exceed carrying value.

Fixed asset investments

Fixed asset investments are included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Debtors

Debtors are stated at amounts receivable less any provision for uncertain recoverability.

Deferred Payment Arrangements

Deferred Payment Arrangements are agreements to defer payment of the governors' liabilities on buildings projects under the Barchester Scheme.

Creditors

Creditors are stated at amounts payable.

Income:

Grants received and donations

All grants and donations are recorded as income when receivable. Where grants have conditions relating to future accounting periods they are treated as deferred income and recognised in those accounting periods. Other donations are recorded as income when receivable.

Grants received from the government on behalf of the Governors of schools are not recorded in these accounts as they are treated as being the income of the Governors of the schools. One grant is no longer allocated to the school and is for conditioning funding. This money is "paid to eligible bodies responsible for maintaining school buildings" who are the Governors. The grant is calculated using a formula largely based on the number of pupils in VA schools and the relative condition of each school building as assessed through a government survey. For the Board of Education, the allocation of funding and the prioritisation of projects is managed by and through DBE Services who involve an independent advisor to advise on the assessment of the bids. Funding is allocated on an agreed set of principles with the highest priority being keeping all schools open, warm and safe. The Board of Education has relatively little discretion in which projects to fund as this is determined by the state of the buildings.

Fees and Chaplaincy income

Fees received are recognised on an accruals basis in the period to which they relate.

Service level agreement income

From April 1999 schools have been invoiced for the support services provided by the Board of Education. Prior to this school support contributions were voluntary. Income is recognised on an accruals basis.

Arrangement fee income

From 2009 arrangement fees are payable on loans arranged for schools by the Board of Education. The arrangement fee is deferred over the life of the loan.

Investment income

Interest and dividends are recognised on an accruals basis.

Grant from Blackburn Diocesan Board of Finance

The annual grant is agreed in advance by the Blackburn Diocesan Board of Finance Limited as agreed by the Diocesan Synod. A grant of service is provided in addition to cash for the provision of finance.

Expenditure:

Grants payable

Grants payable are debited to expenditure when the charitable company has a constructive obligation to pay.

Barchester Scheme Building work

The Board of Education has traditionally been involved in helping voluntary aided church school governing bodies with projects involving major funding streams from the Department for Education (DfE). This entails paying contractors' and professional fee invoices on behalf of the governing body concerned, claiming the appropriate grant (90%) from the DfE, and collecting the governors' (and sometimes the local authority) contributions. The Board might also have agreed deferred payments arrangements to the governors (10%) to such projects. The gross turnover of such activity can amount to considerable sums, where a major new build is concerned.

The payment of such invoices is not accounted for as expenditure of the Board. Normally, the Board has received grant funding or the governors' contribution in advance, but where this is not the case it is shown as the making of short-term cash-flow deferred payments for the governing bodies concerned. These are repaid when the appropriate DfE grant and governors' contributions are received. Essentially the Board is acting as the agent of the appropriate governing body in these transactions.

The Board also acts as an agent with DfE arrangements for making 'voluntary aided school annual devolved formula capital grants' available to schools in advance of project spend or approval.

During 2022 the total expenditure was £7,914,196 (2021: £10,763,032). This expenditure has not been recognised in the financial statements of the company in line with FRS 102.23.4.

Cost of Activities

The cost of running each department of the Board is recognised on an accruals basis.

Governance and support costs

Governance costs consist of the audit fee and the cost of preparing the accounts.

Board of Education administration support costs are recognised on an accruals basis. Support costs are apportioned on a basis consistent with the use of resources.

Taxation

The Blackburn Diocesan Board of Education Limited (by guarantee) is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in independently administered funds. The amount charged in the statement of financial activities represents the contributions payable to the scheme in respect of the accounting period.

Some of the charitable company's staff are members of the Church Workers Pension Fund. The costs charged as expenditure represent the charitable company's contributions payable in respect of the accounting period, in accordance with FRS102.

Three employees are members of the Church of England Funded Pension Scheme. At 31 December 2022 the Board of Education is responsible for its own liabilities on this scheme and as such the liability is held on the balance sheet. There is no liability at 31.12.22

Fund accounting

Funds held by the charitable company are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds

This is capital, held in perpetuity to create income for specified purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Where a grant or donation is received to fund a capital item or where an asset is donated, if there is an obligation relating to the future use or retention of the relevant asset, the balance relating to that asset is held within restricted funds as long as that restriction exists. Where there is no such restriction, the income relating to the purchase of capital items is transferred to unrestricted funds in the Statement of Financial Activities.

Realised gains on schools

Realised gains on schools represent amounts which accrue to the Board of Education from the sale of church schools' land or buildings and which have been received in the period.

Unrealised gains / losses on investments

Unrealised gains and losses on investments represent the aggregate change in market value of investments since the previous balance sheet date.

Realised gains / losses on investments

Realised gains or losses on investments relate to actual gains or losses arising in the period on disposal.

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included on a market value basis, and in accordance with the Companies Act 2006, the Charities SORP (Second Edition, effective 1 January 2019) and applicable accounting standards FRS102. The charitable company manages its activities in line with income received. As a consequence, the Trustees believe the charitable company is well placed to successfully manage its risks. After making enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The Trustees have taken into account the effect of the Covid 19 pandemic on its operations which, will remain largely unchanged in relation to the work with schools. The Trustees believe they have sufficient reserves to allow time to adjust should grant funding for other operations reduce. Accordingly, they continue to adopt the going concern basis in preparing the Trustee's report and financial statements. The Trustees believe that the charitable company is a public benefit entity.

The principal accounting policies and estimation techniques are as follows.

2 Remuneration of trustees

No trustee has received remuneration from the Board of Education during the year (2021: £nil).

Expenses reimbursed to trustees during the year amounted to £nil (2021: £nil).

Staff numbers and costs

The average number of people employed during the year was 18 (2021: 20).

The average number of full-time equivalent persons employed by the charitable company during the year, analysed by category, was as follows:

	Number of employees	
	2022	2021
Director of Education	-	1
Deputy and Assistant Directors	1	1
Principal Schools Adviser	2	2
Schools Improvement Officers	1	1
Youth and Children's Chaplains/ Officers	6	8
Administration and Secretarial	8	7
	18	20

The aggregate payroll costs of these employees were as follows:

	2022	2021
	£000	£000
Wages and salaries	498	561
Social security costs	44	50
Other pension costs	97	40
	639	651

During the year no employee received a salary in excess of £60,000, in the band £60,000 to £70,000 (2021: one). Pension contributions in respect of this employee were £nil (2021: £7,881).

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 charitable company. During 2022 they were:

Chief Executive officer	Stephen Whittaker
Deputy Director	Samuel Johnson

Remuneration, pensions and expenses for these employees amounted to £89,976 (2021: £154,612).

In addition to the above 18 employees (2021:20) the charitable company met some or all of the payroll costs of the following people who worked for the charitable company during the year but were paid by the Church Commissioners.

Number of persons

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	2022	2021
University/FE Chaplains	-	1
	-	1

The total payroll costs during the year met by the charitable company and related to these non-employees amounted to £nil (2021: £47,527).

Pension schemes

Group Personal Pension Plan

The Blackburn Diocesan Board of Education participates in a defined contribution pension scheme. The assets of the pension scheme are held separately from those of the Blackburn Diocesan Board of Education in an independently administered fund. The pension cost charge for the year represents contributions payable by the Blackburn Diocesan Board of Education to the fund.

The Blackburn Diocesan Board of Education participates in the Defined Benefits Scheme section of CWPf for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. This does not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year (2022: £22,633, 2021: £21,294 plus the figures in relation to the DBS deficit highlighted in the table below as being recognised in the SoFA, giving a total charge of £22,633 for 2022 (2021: £21,294).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board having taken advice from the Actuary.

A valuation of DBS is carried out once every three years. The most recently finalised valuation was carried out as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and £7.7m was notionally transferred from the employers' sub-pools to the Life Risk Section. This increased the employer contributions that would otherwise have been payable. The overall deficit in DBS was £11.3m.

The next actuarial valuation is due at 31 December 2022.

Following the 2019 valuation, the Employer entered into an agreement with the Church Workers Pension Fund to pay a contribution rate of 45.2% of pensionable salary and expenses of £3,200 per year.

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The movement in the provision is set out below:

	2022 £000	2021 £000
Balance sheet liability at 1 January	-	-
Deficit contribution paid	-	-
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	-	-
Balance sheet liability at 31 December	-	-

* Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	December 2022 £000	December 2021 £000	December 2020 £000
Discount rate	0.00%	0.00%	0.00%

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

Church of England Funded Pension Scheme (CEFPS)

Blackburn Diocesan Board of Education participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2022: £21,015, 2021: £65,835).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following the 31 December 2018 valuation, a deficit recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

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As at 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the table below. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is nil. The movement in the balance sheet liability over 2021 and over 2022 is set out in the table below.

	2022 £000	2021 £000
Balance sheet liability at 1 January	4	9
Deficit contribution paid	(3)	(5)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	(1)	-
Balance sheet liability at 31 December	-	4

* Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. In general, these are set by reference to the duration of the deficit recovery payments but as at 31 December 2021, under accounting rules the payments are not discounted since the remaining recovery plan is less than 12 months. No price inflation assumption is needed since pensionable stipends for the remainder of the recovery plan are already known.

	December 2022 £000	December 2021 £000	December 2020 £000
Discount rate	n/a	0.0%	0.2%
Price inflation	n/a	n/a	3.1%
Increase to total pensionable payroll	n/a	-1.5%	1.6%

The legal structure of the scheme is such that if another Responsible Body fails, Blackburn Diocesan Board of Education could become responsible for paying a share of that Responsible Body's pension liabilities.

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3 Analysis of Income

	2022 £000	2021 £000
Donations and legacies		
Donations	12	12
Diocesan Board of Finance General Funds	359	337
External organisations	3	20
	<u>374</u>	<u>369</u>
Income from charitable activities		
Fees and Chaplaincy income	9	19
Sale of publications and courses	140	51
Service level agreements	279	278
Rent	85	74
	<u>513</u>	<u>422</u>
Other trading activities		
DBE Services Fees	2	2
Investment income		
DBE Services gift-aid donation (17% owned)	144	145
Dividends	147	82
Interest	6	6
	<u>297</u>	<u>233</u>

4 Fund Raising Costs

	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2022 £000	Total 2021 £000
Fundraising trading	2	-	-	2	2
Total Fund-Raising Costs	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>

5 Charitable Activities

Activity or Programme	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2022 £000	Total 2021 £000
Cost of charitable activities:					
<i>School and governor support</i>	443		221	664	482
<i>Higher and further education</i>	89	1	44	134	135
<i>Children's work</i>	72	2	36	110	80
<i>Youth work</i>	103	4	51	158	206
<i>Central - designated</i>	7	9	-	16	-
<i>School buildings support</i>	64	-	24	88	240
Charitable activities subtotal	<u>778</u>	<u>16</u>	<u>376</u>	<u>1,170</u>	<u>1,143</u>

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6 Net expenditure for the year

	2022 £000	2021 £000
These are stated after charging: Auditors remuneration	13	10
Total	13	10

7 Realised gains on schools

The Church of England Primary School at Out Rawcliffe was closed in July 2013 and the Board is currently in the process of establishing the exact terms regarding closure and use of the sale proceeds of the original Trust Deed. If this is not available, the Board will follow due process in establishing how the proceeds from the sale of the school should be used or distributed. During 2016 £298,960 was received regarding this school and is currently being held as a liability on the balance sheet. Should any other diocesan schools be closed, and the premises be sold, then the Diocesan Board of Education would normally have a claim on some or all of the proceeds.

8 Tangible fixed assets

	Buildings £000	Fixtures, fittings and other equipment £000	Total £000
Cost			
At beginning of year	616	86	702
Additions	9	1	10
Disposals	-	-	-
At end of year	625	87	712
Depreciation			
At beginning of year	97	62	159
Charge for year	17	8	25
Elim on disposal	-	-	-
At end of year	114	70	184
Net book value			
At 31 December 2022	511	17	528
At 31 December 2021	519	24	543

9 Investments

	Investment Fund £000	Fixed interest securities fund £000	Property Fund £000	Total UK investments £000
Market valuation				
At 31 December 2021	1,513	208	752	2,473
Decrease in market value	(187)	(28)	(88)	(303)
At 31 December 2022	1,326	180	664	2,170
Historic cost	1,145	224	700	669

Unlisted securities
Central Board of Finance
Church of England

Included within Total UK Investments is a 17% holding in DBE Services Limited, a non-listed company and a related party. The Board of Education holds 12 shares in DBE Services Limited valued at £12 (2021: £12).

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10 Debtors

	2022 £000	2021 £000
<i>Amounts receivable within one year</i>		
Deferred payments on school building projects	1,414	1,250
Deferred Payment Arrangements	6	18
Cidari	40	30
Other debtors	307	125
Loans	1	1
Prepayments	16	8
Accrued income	42	24
Amounts due from Diocesan Board of Finance	75	178
Amounts due from DBE Services Ltd	-	1
Debtors: amounts receivable within one year	1,901	1,635
<i>Amounts receivable after more than one year</i>		
Deferred Payment Arrangements	140	138
Loans	11	12
Amount owed from related party (Cidari)	220	260
Debtors: amounts receivable after more than one year	371	410

	Instalments due in one year		Instalments payable due in two and five years		Instalments due in five years or more		Total	
	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000
Deferred Payment Arrangements	10	18	74	74	62	64	146	156
Loans	1	1	4	4	7	8	12	13
Total	11	19	78	78	69	72	158	169

11 Deposits and cash at bank and in hand

	2022 £000	2021 £000
Bank (Current Account and Deposits)	8,499	7,691
Deposits with Central Board of Finance Church of England	3,994	3,934
	12,493	11,625

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12 Creditors

	2022 £000	2021 £000
<i>Amounts falling due within one year</i>		
Receipts in advance on behalf of boards of school governors	3,376	4,553
Monies held on behalf of schools in relation to Devolved Formula Capital (DFC)	3,946	1,719
Monies held on behalf of schools in relation to SCA Funding	2,187	1,441
Monies held on behalf of schools in relation to PSDS Funding	1,155	2,078
Other creditors	845	637
Accruals	13	21
Deferred income	68	74
Creditors falling due within one year	11,590	10,523
<i>Amounts falling due after more than one year</i>		
Education trust funds	135	143
Defined benefit pension liability	-	4
Creditors falling due after more than one year	135	147
<i>Deferred Income:</i>		
At beginning of year	74	
Recognised in year	(74)	
Deferred income 2022	68	
At end of year	68	

Deferred income is recognised as follows:

	Recognised in one year		Recognisable between two and five years		Recognisable after five years		Total	
	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000
Deferred income	68	74	-	-	-	-	68	74

13 Funds

	Unrestricted				Total
	General fund £000	Designated fund £000	Restricted fund £000	Endowment fund £000	£000
At beginning of year	2,818	2,579	524	95	6,016
Surplus/(deficit) of income over expenditure in the year	(5)	(5)	24	-	14
Investment gains in the year	(277)	-	(5)	(11)	(293)
Transfers between funds	(536)	535	1	-	-
Actuarial loss on pension scheme	1	-	-	-	1
At end of year	2,001	3,109	544	84	5,738

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The General Fund consists of those amounts available for the general purposes of the charitable company.

	At 1 January 2022 £000	Income £000	Expenditure £000	Net investment gains, losses and transfers £000	At 31 December 2022 £000
Designated funds					
Sponsoring academies	365	-	-	-	365
Elmslie Fund	454	6	(9)	-	451
New Opportunity Fund	347	5	(7)	-	345
Church Workers Pension Deficit	53	-	-	-	53
Admissions & Appeals	206	-	-	(39)	167
Appointments	70	-	-	(11)	59
Vision 2026	608	-	-	(170)	438
Statutory Governance	150	-	-	(24)	126
Schools causing concern	194	-	-	-	194
Digital Resources	132	-	-	(21)	111
Underwriting DBF grant	-	-	-	700	700
Youth Development	-	-	-	100	100
	2,579	11	(16)	535	3,109
Restricted funds					
Residential Income Fund	38	4	-	(2)	40
Education Trust Funds	49	-	-	(14)	35
Common Fund	373	12	-	4	389
Other restricted funds	64	23	(15)	8	80
	524	39	(15)	(4)	544
Endowment funds					
Residential Endowment Fund	95	-	-	(11)	84

The specific purposes for which the designated and restricted funds are to be applied is as follows:

The Youth Development fund - for the support of chaplaincy work.

The Academies fund - to support the sponsoring of academies.

The Elmslie fund is used for the work of the youth chaplain at Blackpool St George CE School.

The New Opportunity Fund - for school buildings support.

The Residential Endowment and Income Fund are used to support Youth Work activities.

The Common Fund was set up by schools make voluntary donations to support capital work in schools.

Church workers pension deficit – designated for use against deficits on the defined benefit pension scheme for some employed staff.

Admissions, Appointments and Appeals – designated to cover the cost of statutory expenditure for where there is no direct source of income.

Educational Trust Fund – the revaluation reserve on funds held in creditors awaiting final decision on ownership of the investment.

Vision 2026 – a designated fund has been created to enable churches and schools to fund initiatives and projects that seek to deliver the objectives of the diocese vision 2026.

Statutory Governance – this fund is to be used to underwrite the Board of Education's statutory duties for governance in schools.

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Schools causing concern – schools falling into difficulty often require financial support and assistance this fund will enable the diocese to work in partnership with local authorities to support schools as they seek to improve.

Digital Resources – for the production of digital resources for the Board of Education and staffing to meet the target of significantly increasing digital reach.

DBF Grant – for the underwriting of the DBF Grant.

14 Share capital

The charitable company is limited by guarantee, registered in England and does not have authorised or allotted share capital. The liability of each member of the Board may not exceed £1.

15 Analysis of net assets between funds

	Tangible fixed assets £000	Investments £000	Net current assets £000	Creditors falling due after more than one year £000	Total £000
Unrestricted Funds	528	2,051	2,531	-	5,110
Restricted Fund (restricted)	-	35	644	(135)	544
Endowment fund (restricted)	-	84	-	-	84
	<u>528</u>	<u>2,170</u>	<u>3,175</u>	<u>(135)</u>	<u>5,738</u>

16 Commitments

There were no commitments in 2022.

17 Related party transactions

The company is related to Blackburn Diocesan Board of Finance Ltd who provides significant funding by way of a grant. At the year-end the balance due from this company was £170,070 (2021: £178,185). Grants received in the year from this company amounted to £359,360 (2021: £336,914) and grants paid to this company amounted to £9,375 (2021: £22,500). Recharges in the year were £24,314 (2021: £15,953).

The company is related to DBE Services Ltd by virtue of owning 17% of the share capital. There was £nil due from DBE Services Ltd (2021: £1,087) at the year end and recharges in the year were £11,009 (2021: £8,911).

The company is related to Cidari Multi-Academy Trust which was set up by both the DBE and DBF to look after Church of England schools converting to academies within the diocese. As at 31 December 2022 £259,608 (2021: £289,608) was due from this company and recharges in the year were £10,492 (2021: £9,887).

18 Financial instruments

	2022 £000	2021 £000
Financial assets measured at fair value	<u>2,170</u>	<u>2,473</u>
Financial assets measured at amortised cost	<u>15,360</u>	<u>14,511</u>
Financial liabilities measured at amortised cost	<u>-</u>	<u>-</u>
Financial liabilities measured at fair value	<u>-</u>	<u>-</u>

19 Prior year comparative Statement of Financial Activities

	Unrestricted				2021
	General Fund £000	Designated Fund £000	Restricted Funds £000	Endowment Funds £000	Total £000
Income and endowments from:					
Donations and legacies	357	-	12	-	369
Charitable activities	399	-	23	-	422
Other trading activities	2	-	-	-	2
Investments	229	-	4	-	233
Total	987	-	39	-	1,026
Expenditure on:					
Raising funds	2	-	-	-	2
Charitable activities	1,079	37	27	-	1,143
Total	1,081	37	27	-	1,145
Net income/(expenditure) before investment gains	(94)	(37)	12	-	(119)
Net gains/(losses) on investments	208	-	5	12	225
Net income/(expenditure)	114	(37)	17	12	106
Transfer between funds	136	(134)	(2)	-	-
Actuarial (losses) on defined benefit pension schemes	-	-	-	-	-
Net movement in funds	250	(171)	15	12	106
Total funds brought forward	2,568	2,750	509	83	5,910
Total funds carried forward	2,818	2,579	524	95	6,016

20 Prior year Fund Raising Costs

	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2021 £000	Total 2020 £000
Fundraising trading	2	-	-	2	2
Total Fund-Raising Costs	2	-	-	2	3

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21 Prior year Charitable Activities

Activity or Programme	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2021 £000	Total 2020 £000
Cost of charitable activities:					
<i>School and governor support</i>	358	-	124	482	408
<i>Higher and further education</i>	101	-	35	136	171
<i>Children's work</i>	60	-	20	80	90
<i>Youth work</i>	151	2	53	206	266
<i>Schools work - designated</i>					-
<i>School buildings support</i>	188	-	53	241	191
Charitable activities subtotal	<u>858</u>	<u>2</u>	<u>285</u>	<u>1,145</u>	<u>1,126</u>

22 Prior year Funds

	Unrestricted				Total
	General fund £000	Designated fund £000	Restricted fund £000	Endowment fund £000	£000
At beginning of year	2,568	2,750	509	83	5,910
Surplus/(deficit) of income over expenditure in the year	(94)	(37)	12	-	(119)
Investment gains in the year	208	-	5	12	225
Transfers between funds	136	(134)	(2)	-	-
Actuarial loss on pension scheme	-	-	-	-	-
At end of year	<u>2,818</u>	<u>2,579</u>	<u>524</u>	<u>95</u>	<u>6,016</u>

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The General Fund consists of those amounts available for the general purposes of the charitable company.

	At 1 January 2021 £000	Income £000	Expenditure £000	Net investment gains, losses and transfers £000	At 31 December 2021 £000
Designated funds					
Youth and Chaplaincy	43	-	-	(43)	-
Sponsoring academies	365	-	-	-	365
Elmslie Fund	477	-	(23)	-	454
New Opportunity Fund	357	-	(10)	-	347
Church Workers Pension Deficit	53	-	-	-	53
Clayton House	2	-	-	(2)	-
Admissions & Appeals	238	-	-	(32)	206
Appointments & Appeals	80	-	-	(10)	70
Vision 2026	608	-	-	-	608
Statutory Governance	173	-	-	(23)	150
Schools causing concern	198	-	(4)	-	194
Digital Resources	156	-	-	(24)	132
	<u>2,750</u>	<u>-</u>	<u>(37)</u>	<u>(134)</u>	<u>2,579</u>
Restricted funds					
Residential Income Fund	35	3	-	-	38
Education Trust Funds	49	-	-	-	49
Common Fund	361	12	-	-	373
Other restricted funds	64	25	(25)	-	64
	<u>509</u>	<u>40</u>	<u>(26)</u>	<u>6</u>	<u>524</u>
Endowment funds					
Residential Endowment Fund	83	12	-	-	95

23 Prior year Analysis of net assets between funds

	Tangible fixed assets £000	Investments £000	Net current assets £000	Creditors falling due after more than one year £000	Total £000
Unrestricted Funds	543	2,334	2,524	(4)	5,397
Restricted Fund (restricted)	-	44	623	(143)	524
Endowment fund (restricted)	-	95	-	-	95
	<u>543</u>	<u>2,473</u>	<u>3,147</u>	<u>(147)</u>	<u>6,016</u>

Accounts



THE BLACKBURN
DIOCESAN BOARD
OF EDUCATION

The Blackburn Diocesan Board of Education

Trustees' annual report and financial statements

Company limited by guarantee (no 557954)

Registered charity (no 1020101)

31 December 2021

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VISION STATEMENT

*Serve Christ.
Share the Gospel.
Support, Equip and Educate*

Healthy Churches Transforming Communities

LEGAL OBJECTS

- To promote or assist in the promotion of education in the Diocese of Blackburn ("the diocese") being education which is consistent with the faith and practice of the Church of England.
- To promote or assist in the promotion of religious education and religious worship in schools in the diocese.
- To promote or assist in the promotion of church schools in the diocese and to advise the governors of such schools, and trustees of church educational endowments and any other body or person concerned on any matter affecting church schools in the diocese; to promote co-operation between its Board of Management ("the board") and bodies or persons concerned in any respect with education in the diocese.
- To discharge within the diocese the functions assigned to Diocesan Boards of Education by section 3 to 8 and 11 of the Diocesan Boards of Education Measure 1991 or by any amending legislation.
- To discharge within the diocese such other functions relating to the furtherance of church education as may be assigned to the Board by the diocesan synod, other than functions relating to church schools or church educational endowments.
- To do all such things as are incidental or conducive to the attainment of the aforesaid objects, including acceptance of the trusteeship of any trusts and the investment of any moneys not immediately required for its purpose in or upon such investments securities as the Board may think fit.

STRATEGIC REPORT

STRATEGIC AIMS AND OBJECTIVES FOR THE YEAR

- The support of Church of England schools in all areas of their activities. In particular:
 - ❖ Development and delivery of religious education and collective worship
 - ❖ Protection of the Church of England's interests in academy conversions in Blackburn Diocese
 - ❖ Maintenance of church school buildings belonging to trustees of Church of England Schools
 - ❖ Protection of the interests of the trustees of Church of England Schools
- The development of youth and children's work in Parishes and Schools across the Diocese of Blackburn.
- The support and development of Christian Spirituality in secular institutions of higher and further education.
- The provision of Chaplaincy support to church colleges and church-based universities.

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Public Benefit Statement

The Board exists under the Diocesan Board of Education Measure (2021). The Measure sets out the core purpose of the Board of Education, which is to

- promote or assist in the promotion of education in the diocese that is consistent with the faith and practice of the Church of England;
- promote or assist in the promotion of religious education and religious worship in schools in the diocese;
- promote or assist in the promotion of church schools in the diocese;
- promote co-operation between itself and other persons concerned with education in the diocese.

In addition, the Board of Education support youth and children's work across church in the diocese

The public benefit of our work is seen in the support and flourishing of church schools that provide educational for all within a Christian ethos. Blackburn Diocesan Board of Education (BDBE) also supports the promotion of Christian faith within universities and other educational institutions. The BDBE also supports schools to engage in their communities and to build projects that create improve and unify the local community. Our support for schools also ensures the provision of buildings which can be used by parishes and outside bodies for the benefit of all. The trustees have referred to Charity Commission guidance on public benefit and consider the entity is compliant.

Our support for Youth and Children's Work across the Diocese touches the lives of thousands of people, many of whom are not regular church attenders and supports churches in their work with the children and young people of local communities.

ACTIVITIES AND PERFORMANCE

Main Achievements of the Year

Objectives set until 2024 for the Board of Education:

Prayer for the work of the Board	
Objectives	DBE Actions
Encouraging a 'pray first culture' at diocesan and parish level to uphold children and young people and the specific ministries working with them	Having launched 'But First Pray' in late 2020 to offer a more consistent and ongoing prayer initiative that seeks to encourage churches to lift children and young people up in prayer we have sought to regularly post prayer focuses on our social media throughout 2021 S2tT was launched and is being reshaped. There was a prayer focus for both leaders and young people through Thy Kingdom Come 2021.
Writing prayers for the young to be used in intercessions, services and events	
Encourage dedicated time and energy to the pursuit of hearing God's heart and waiting on Him	
Encouraging prayer sponsors in parishes where congregation members pray directly for individual children and young people	
Equipping young people with the confidence to pray	

Children and Youth	
Overall objectives	To see growth of 11–17-year-olds (worshipping community statistics) of 1030 by 2026 To see 25% growth in new disciples between the ages of 5-11 years (worshipping community statistics) To see 50% increase in toddler groups that share the gospel

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	To see double the number of boys in worshipping communities
Key Objectives to be achieved by Dec 2024	Actions
<i>Making Disciples</i> We will support the making disciples team to resource and equip local churches to: • Make more Sunday services child/youth-friendly	Due to covid restrictions and hesitancy as restrictions lifted new clergy visits haven't taken place in 2021. Staff are reviewing how these are carried out in the future. Work on parish engagement has stalled, but with Youth Learning Community having launched in 2021 and children and youth focused clergy study days, Archdeacons Visitations and the new self-assessment tool launching in 2022 this should give us a fuller picture of what has restarted or been launched after lockdowns. Due to covid-19 and the face of children's and youth ministry changing in light of it, it has not been possible to undertake this consultation process to establish young people's voice. Staff supported the IME2 training in 2021
• Improve preparation and follow-up for confirmation, retaining confirmation candidates as part of the church's worshipping community	A 'top ten' shortlist needs to be created from a large list of confirmation resources. With many confirmations having been paused because of Covid-19 this will be looked at in around Easter 2022
• Equip 50 parishes to set up small youth groups that develop faith	YPDP has taken a learning community approach in 2021. The initial cycle of this started in June 2021 and will end in March 2022. 13 parishes have consistently connected and contributed to this. The 'Leading your church into youth work' conference ran as an online day in April 2021. On reviewing the day it was decided that whilst a good day it didn't serve northern diocese where they were with their youth ministry and therefore all future plans were put on hold.
• Support parishes in providing events and experiences that encourage children and young people in their faith	The Diocesan Youth Camp that was due to take place in 2021 was replaced with an event resource pack to support youth leaders in organising their own 'weekend at home' camp themed event. Many large events were cancelled for the summer of 2021, but it is expected that next year we will be in a position to signpost churches to some of the alternative camps and residential trips on offer following the decision not to offer a Diocesan Youth Camp event in 2022.
• Launching significantly more digital content to promote faith development for children and young people, to train leaders and promote church events and activities. This will include: - o Youtube content	After recording a pilot of Youth Work State of Mind Podcast, staff adapted the format and recorded the first series which was released in Spring 2021. There are plans for a second season to be recorded in 2022. With the direction the youth work state of

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- o Podcasts - o Social media interactive resources	mind podcast walk and talk videos felt unneeded and have therefore come off the production list. We changed our young person facing social media to Abide creating 'This is Abide' on Instagram, Tik Tok and Youtube. Staff have worked on developing a new podcast 'Follow the Son' aimed at younger listeners (3-7 year olds). The podcast will offer a morning and an evening episode for each Bible story featured to help children get into the habit of starting and ending the day with God. Pilot episodes were recorded and some feedback was gathered before the rest of the episodes were written. Recording is due to take place in January 2022 with the launch planned for 26th February 2022 at the Children's Ministry Conference. 30 prayer activity posts based around the 'I am' statements of Jesus were posted on the Board of Education's Social Media Accounts in June which received excellent engagement. These were collated into a downloadable booklet for people to be able to access as a resource afterwards via the Board of Education website. The first showcase video was released in January 2020 and it was expected that more of these would be recorded and shared in 2020 and into 2021, however due to the COVID-19 pandemic many children's activities were not taking place so the development of further showcase videos was put on hold. In November 2021, recording at St Thomas' Preschool, Lancaster took place for the next showcase video, with the intention being that this would be released in January 2022. Following on from last year's digital Summer Holiday Club resource another set of 'You've Got the Power' materials was developed for families to use at home for Summer 2021 and made available to download for a small fee via the website.
• Produce more parish resources for work with children and young people	Fathom was released in January 2021 in response to what we were hearing from churches about young people navigating change and how that had been highlighted by Covid-19. The release went well and feedback from groups who have used it has been really positive. Pick n Mix went through a redesign and the beginnings of a complete rewrite for all resources has started with Christmas and Easter ready for 2021 and 2022. The resource is now fully digital and functions much like an app does. The Weekly@ materials continue to be created with the support of Guest Writers. In 2021, Weekly@ received a design overhaul and starting in January, we have included even more

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	adaptations and alternative suggestions, particularly for the response, games and activity sections so that there are ideas that can be used with groups meeting online or in socially distanced environments. Weekly@ Summer Builders was produced to explore the theme of building in the Old and New Testament. Plenty of suggestions for outdoor activities were included for groups preferring to meet outside. A brand new resource was created for Easter 2021, Easter Explorers, which encouraged churches to use their outdoor space to experience the Easter story in creative ways. The indoor / outdoor Easter/Summer activity sheets received reviews and minor updates and continued to be popular downloads offering faith-based activities for families to do together.
Create new or renewed toddler groups that share the gospel as part of their work	Work began on gathering information on existing toddler groups, but this was interrupted by the pandemic as groups were forced to close. The majority of groups did not re-open before the Summer as rules around social distancing made running toddler groups challenging. It was proposed that this action point is postponed to 2022 in order to give groups opportunity to re-establish themselves. A Toddler Group Ministry training session was delivered on Zoom The training made up part of the ALM Children's Work Elective and was very popular with 26 participants, although some were from outside the diocese.
Engage with boy friendly ministry	We have delivered ALM youth elective in Summer 2021 to 5 leaders in parishes. Signposting churches to sports ministry options. KICK London presented at Headteachers Conference with their initial North West operation starting with school coaching. Learning Community has consistently worked with 13 parishes throughout cycle one and these will all be invited to continue into cycle 2, but will continue to connect to the October conference day. Individual training has also been carried out with specific churches. The board made the decision to extend funding the now learning community until summer 2026, allowing for 5 cycles. Training session on how we can help boys engage with God, the Bible and prayer was delivered as part of the ALM Children's Work elective but was also advertised for anyone in the diocese to attend. Workshop at 2021 Children's Ministry Conference delivered on Sports Ministry and Sports Ministry

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	resources (Sweaty Church, etc.) have been highlighted in mailings and via social media.
Being Witnesses We will support the being witnesses team to resource and equip local churches to:	
Plant 50 local congregations which reach out to families and young people	Planting congregations work ongoing - as and when support is sought. Child and Youth Friendly Congregations work is ongoing - as and when support is sought. A Sports Ministry seminar was offered at the Untapped Digital Children's Ministry Conference in 2021.
Start 50 new child/youth-friendly worshipping communities (or congregations) including services in school	
Develop 50 new sports/active ministry activities that meet regularly	
Growing Leaders Support the vocations team to commission 300 leaders and helpers of all ages (with at least 30% under 25 years old) to share the Gospel with children and young people. We will do this by:	
Creating a culture of vocational discernment so that many more can hear a call to work with the young (DoV)	Whilst discussions had taken place pre-pandemic these meetings had stopped throughout 2021. ALM has continued.
Developing varied training programmes for those new to this work or in need of refreshment, including basic training and more in-depth training as part of lay leadership development (Children/Youth Team/DoV)	All five sessions that made up the Children's Work elective of the ALM course for 2021 were successfully delivered The 'Untapped' Digital Children's Ministry Conference took place at in the Spring of 2021 and was fully booked (up to the capacity of the Zoom account) with a waiting list. Recordings of keynotes were made available for ongoing training purposes via the Board of Education website.
Ensuring that everyone who works with children and young people knows their safeguarding responsibilities (in partnership with DSO)	The second Foundations training course was completed in February 2021 providing training in all areas of children and youth ministry to both paid and volunteer workers in parishes. Training sessions on 'Welcoming Children with Additional Needs into Church' were delivered
Liturgically Commissioning new and existing leaders and helpers, at Confirmation Services where possible	
Holding a Service of Celebration and Re-commissioning for those who minister to the young	
To develop and implement a project that is designed to grow work with 11-17 years	See Learning community notes above

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Schools	
Aspiration for schools by Dec 2024	Actions of the DBE
Our schools to be built around the key Christian values and qualities of <u>love, hope, grace and service</u> and a Vision rooted in the Bible	Reference is now made to the DBE vision in all training materials Be Prepared for SIAMS and Writing your SEAT courses took place each term via zoom. Very well attended Bespoke training delivered several schools across the Diocese. Number of schools inspected 5 - 1 Excellent, 3 – Good and 1 Voided Comprehensive CPD Program engagement with prepared training and bespoke requests have been accessed with increased take-up. Keeping on Track initiatives have been requested by schools ready for the restart of the inspections Associate advisers continue with pastoral calls and SLA visits Programme of Retreats and Quiet Days has taken place Informal & formal contact and visits to high schools including tailored resources Chaplaincy and Religious Education networks took place through the year.
Embody a vision shaped by the personal faith and commitment of their leaders	Headteachers Conference took place in person at the Dunkenhall Hotel. Headteacher meetings continued via zoom and restarted face to face in the Autumn. All the Called to training opportunities Inc. Called to Serve, Flourishing Schools, Academic and Rigorous and Direct Learning training programmes have been delivered Headteacher Induction Booklet and mentor scheme is in place. 2Commissioning Services for new Senior Leaders in both primary and secondary phases are now in place New DHT and HT induction programme includes 1 day on Christian vision and leadership, Governance and SIAMS strands All NQT induction training completed using digital technology DBE Services Christian Leadership programme run in collaboration and is oversubscribed annually
To embody a vision rooted in the bible	All material produced for primary schools Collective Worship and RE are clearly rooted in scripture. All courses make reference to scripture and how the content of the course is connected to scripture. (LF) Worship Together Across the Diocese content is now aligned with the Church Year and the new series 'Have you ever heard of ?' is introducing less well known characters in the Bible All materials and training for secondary schools specifically mention and are rooted in a biblical text which links specifically to the programme materials and feed from the Diocesan Vision and the National Church

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Enable and encourage a praying and worshipping community where distinctly Christian celebrations are integral to the learning experiences of all within the school community	Worship together across the Diocese video resources are continuing to be produced Bishops Harvest material for primary schools and 2021 Leavers service delivered Courses and staff training continued via Zoom and restarted face to face in the Autumn. New resources shared with schools via Head Teachers meetings and emails. Launch and training of Guiding Light materials and resources in both this Chester Diocese. It is a comprehensive library of support for Worship in every aspect of school life and leadership New resources have been created and distributed. Bi-annual delivery on the IME2 programme for new clergy CPD Booklet created and circulated Created significant resources for the National Initiative 'Faith at Home' to support Key Christian Festival and days of national significance including advance materials for anticipated national events Active engagement with National Networks, and Local Networks (NASACRE, NS, Local SACRE) No More Knives Tour and the Student Conferences for KS3,4 and 5 were developed and delivered to complement the visit of the Knife Angel The New Bishop's Award includes Courageous Advocacy and Pupil leadership.
Ensure Religious Education is at the heart of the curriculum and is a core subject	Pupil RE Conference took place in November at the Cathedral in conjunction with the visit of the Knife Angel New Website designed, built and is being populated. Updated syllabus units are being written, bespoke films recorded, Christmas units trialled by schools RE coordinator Cluster meetings continued throughout 2021 via zoom and restarted face to face in the Autumn. Primary RE Coordinators conference took place via zoom Equality Diversity and Justice Curriculum design conference February 2021 staff knowledge improved, and training courses attended. Resources purchased. Easter Off the Shelf RE resources were produced during third lockdown designed for home and school learning Illuminating Pathways online platform with the Theatre of Learning Materials for KS4 core RE were reviewed and refreshed ready for the December Syllabus review cross diocese conference Winter term uploading of signposted Materials which complement RSE RE coordinator meetings continued throughout 2021 Christian Values and cross curricular mapping have been developed Christian Values project and working party Launched in December 2021 Revising the DBE Services framework for RE and strengthening the position for RE as the core of the core subjects.
Recognise the presence of God in the uniqueness of each individual and in each person's specific talents and gifts	Significant development work on equality and justice undertaken.

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	A new strategy for talking equality and racism adopted in the year along with action plans to transform our work with schools Launch and training of RSE materials and resources September 2021 in line with national church guidance Valuing All God's Children.
Develop a broad community open to the world in which we live, which seeks to change it for the better	Bishops' Harvest Appeal 2021 materials. Other resources were shared with schools as appropriate Revision of the Christian Service Award includes Courageous Advocacy and Pupil leadership.
Celebrate success and treat failure with compassion	- Thank a teacher day video. New twitter response strategy using Whatsapp group. Evensong celebration of courageous advocacy of Schools and academies action and other outreach activities in response to the national crisis Visit of the Knife Angel to Blackburn and lead on school and community engagement delivering KS3-5 student conferences and supporting drop down days in all our High Schools through collaboration with the Message Trust the Violent Crime Unit, NHS, Public Health England, Police and SACRE
Support their alumni in finding ways to continue their faith journey, and to provide a pathway or signpost for those alumni looking to re-engage with faith	Worship materials and RE Curriculum content support schools in fulfilling these points
Be strong and sustainable presences in their community with a structure that best serves the needs of the children and young people	The Bishop's Award for Courageous Advocacy in the Community Visit of the Knife Angel to Blackburn
Seek to work in collaboration with churches in delivering <i>Vision 2026</i>	Clergy Governors were offered training within Called to Serve, Called to Ministry and Flourishing Schools.

School Buildings	
Ensure that school buildings are developed and maintained to best meet the needs of pupils	- The SCA system has been run effectively this year. - Costs have risen through the year leading to reduced ability to deliver the number of programmes that had been hoped for. - A full programme of capital work has been planned and delivered to meet school needs. As in previous years, the level of need outweighed the funding envelope by around three times the amount.
Seek opportunities for expansion of existing church schools or new church school provision	Regular meetings take place with the school place planning team in Lancashire and detailed conversations took place with Blackburn with Darwen over future pupil number projections
Ensure the correct treatment of school assets when schools close or relocate	- A number of live cases continue to be handled by the DBE and is an area of significant work. These are often cases of historic incorrect treatment of land. - The DBE has sought to register a number of titles with the Land Registry for school properties - The DBE continues to research trusts and land of church school so to build a complete

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	picture of the school estate and ownership of land
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Chaplaincy	
Key Objectives for 2024	Actions of the DBE
We want to help young people accept the salvation offered through Jesus' death on the cross and embark on a lifelong journey as a disciple	A new chaplain in UCLAN has been appointed linked to the Preston Resource church to enhance student ministry and connections with worshipping communities
We want to help students in our universities to be disciplined, nurtured and challenged in their faith, encouraged to share their faith, and develop to lead others in discipleship, witness and service.	New chaplaincy work has been explored on the Lancaster University Campus Ongoing work with university institutions to support the delivery of chaplaincy
We want to help chaplains that enable the people of God in our High Schools and Universities to live out the Christian life and witness to the presence of Jesus	Network events for school chaplains to attend and develop practice
We want to help young people transition from a school place of worship to engagement in a Church of England multigenerational worshipping community that is accessible to the young	

Future Objectives

The objectives for the board of education remain as above until 2024

COVID 19 IMPACT OF THE PANDEMIC

As part of the response to Covid 19 the company has moved to remote working for parts of the year and a new occasional home working policy. Schools work continues to be unaffected with schools still requiring support but in different aspects of their work. Invoicing and billing continues and school revenues are relatively unaffected, meaning that the company expects income to be within normal tolerances. Church and parish-based work has slowed with support for parish ministry with children being reduced as groups ceased or met online due to the restrictions relating to worship. Key aspects of work in supporting children's ministry, youth ministry and university chaplaincy continues.

FINANCE REVIEW

Principal Funding Sources

There is an annual grant agreed in advance by the Blackburn Diocesan Board of Finance Limited as agreed by the Diocesan Synod. A grant of service is provided in addition to cash for the provision of finance. The Board is also in receipt of funds allocated from the BDBF restricted Funds. Total funding for the year ended 31 December 2021 is £336,914 (2020: £368,943).

Service level agreements to provide support services to schools £278,090 (2020: £268,649).

Total interest and dividends income is £88,478 (2020: £79,692) representing 8% of total income (2020: 8%).

The Blackburn Diocesan Board of Finance grants represented around 32% of the total income of the charity for the year, equally 27% of the income came from service level agreements and interest and dividend income was 8%.

Financial Performance

The charitable company has currently £156,000 of support invested in school projects which is repayable by the schools as part of the Barchester scheme. This enables schools to undertake necessary building projects.

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The charitable company employs staff to support schools in their maintenance and building projects. During the year £38,764 (2020: £38,013) was spent on directly undertaking activities in this area which includes generating voluntary income.

Additional school support is provided by staff for the development and delivery of religious education and collective worship. This may be in the form of staff directly supporting the school or running training courses and events for the schools. During the year £358,303 of school and governor support (2020: £302,674) was spent on directly undertaking activities in this area.

Youth and children's work occur both in schools and parishes. Youth and children's work directly undertaken activities cost £212,917 (2020: £264,835).

The charitable company also supports university chaplains and this support amounted to £101,628 (2020: £127,259) of activities directly undertaken.

Balance Sheet Position

Net assets at 31 December 2021 are £6,016,000 (2020: £5,910,000) which is made up of designated funds of £2,579,000; restricted funds of £524,000 and endowment funds of £95,000. Within debtors and creditors on the balance sheet are amounts held on behalf of schools under the Barchester scheme. Included in debtors is £2,247,000 and £7,713,000 is included in creditors. Total unrestricted funds were £2,818,000.

Investment policy

The charity utilises the CBF fund with CCLA for investments.

This ensures ethical investment, as investments are held in companies which have high standards of corporate governance and act in a responsible way towards stakeholders.

Unrestricted and restricted funds are invested to balance income, liquidity and the reimbursement of capital. Investment policy for long-term funds is aimed primarily at generating a sustainable income with due regard to the need for preservation of capital value.

Reserves policy

The total funds of the charitable company as at 31 December 2021 are £6,016,000, of which £524,000 are restricted and £95,000 are endowment funds.

The reserves of the company provide working capital for the activities of the Board. The Board also requires funds to be available to provide assistance to schools for their contribution to building projects and to ensure continued operation if income is disrupted.

The trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission. They have agreed to set a reserves figure equivalent of 20% of predicted income for SCA and DFC expenditure costs on behalf of schools £1,024,000, three to six months budgeted running costs for 2021, £625,000 (six months). The total approved level of reserves is £1,649,000.

The total value of free reserves (general reserves less assets used in the charity and designated fund and any pension adjustment) is £2,279,000. The level of free reserves is £630,000 above the approved level. The directors at their summer meeting will review free reserves and designated funds along with plans for the future in order to address the free reserves position.

The level of designated funds at the year-end is £2,579,000 (2020: £2,750,000). Material designated funds include the New Opportunity Fund at £358,512 for school buildings support and the Elmslie Fund at £481,602 for educational purposes in the Blackpool area.

Financial assistance and grant making policy

Organisations must make applications to the Board of Education Executive. The Executive considers these in the light of their benefit for promoting Christian education within the Diocese. Consideration is also given to the financial circumstances of the organisation applying.

Grants were less than 2% of total expenditure.

PRINCIPLE RISKS AND UNCERTAINTIES

The trustees of the charitable company have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. There is no internal audit function as it is not considered an efficient use of the resources of the charity.

They include:

- A strategic plan and annual budget approved by the trustees;

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements For the year ended 31 December 2021

- Regular consideration by the Board of Education of financial results and variance from budgets;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

During the year the trustees have developed their risk management process to assess and document business risks and implement risk management strategies. This involved assessing the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. This process has drawn on the on-going consideration of business risk, which already forms a significant aspect of the trustees' duties.

An annual meeting has been put in place to review the risks of the Blackburn Diocesan Board of Education.

During the year consultants and advisers have been engaged to assist in the management of on-going work where there has been identified need.

The key risks, which may impact on the charitable company, are:

- Failure of the Department for Education (DfE) to process claims in a timely manner to meet the financial obligations of the BDBE;
- Reduction in income to a level not sufficient to cover running costs;
- Repayable financial support to schools not being repaid;
- An increase in statutory duties that cannot be recharged to schools.

The trustees are satisfied that appropriate measures are in place to mitigate the potential financial impact of these risks by having sufficient reserves in place to cover a period of delay, restructuring staff if necessary and has the assurance of the variable annual grant received from the Blackburn Diocesan Board of Finance.

Impact on risk and risk management

The company risk register already contained income losses and actions associated with them and has been updated to include loss on income from the DBF and to highlight those risks which are impacted by COVID 19. The company continues to be strong and anticipates that even with no DBF grant and reduction in investments and income, costs can be managed to ensure continued viability.

STRUCTURE GOVERNANCE AND MANAGEMENT

The Board of Education is a statutory body under the Diocesan Boards of Education No2 Measure 1991. This requires every diocese to have a Board of Education which has responsibility for overseeing the work of Church Schools and being responsible for managing Education Charitable Trusts. The Board of Education was incorporated in November 1955 and is a company limited by guarantee.

Those persons who are normally referred to as members of the Board of Education are in company law the Directors of the Board and Trustees in charity law.

The Trustees present their report and audited financial statements for the year ended 31 December 2020. The Trustees and the Trustees' Report constitute the Directors and Directors' Report for Companies Act purposes.

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS 102)) and the Financial Reporting Standard 102 applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

Organisation

The Board of Education, as defined in statute, has overall control of the activities of the Company. The Board operates with five sub committees. The finance, staffing and resources committee is responsible for all financial matters across the work of the Board of Education. The schoolwork is split over two committees with school Christian ethos development considered by the Distinctiveness Committee and the other aspects of work considered by the School Strategy Committee. Parish support work is considered by the Children's Committee and Youth Committee. The Board reports to the Diocesan Synod (Membership of the Diocesan Synod is also the membership of the Diocesan Board of Finance) annually and the Director of Education also reports to the Bishop's Council.

Method of Appointment of Trustees

The trustees are appointed in the following way:

The Chair of the Board is nominated by the Diocesan Bishop. Two Archdeacons have positions by virtue of their office. Two clerks in holy orders and six members are elected from the Diocesan Synod, with six other members being elected by the Diocesan Synod. Up to four eight co-opted members are appointed on a skills basis.

The Blackburn Diocesan Board of Education

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The trustees are elected every three years with a new Board coming into being on the 1 January following those elections.

Induction and Training of Trustees

On induction there is a meeting with prospective trustees to explain their roles and responsibilities. They are advised of the structure of the Blackburn Diocesan Board of Education and associated companies.

Trustee training is provided as a need is identified

Impact on risk and risk management

The company risk register already contained income losses and actions associated with them and has been updated to include loss on income from the DBF and to highlight those risks which are impacted by COVID 19. The company continues to be strong and anticipates that even with no DBF grant and reduction in investments and income, costs can be managed to ensure continued viability.

Remuneration of key management personnel

The Board is responsible for setting the pay for the key members of staff and any annual increments are agreed by the Chair of the Board.

Custodian Trustee

The charitable company is the custodian trustee for all Voluntary Aided Church of England Schools in the Benefice area (Diocese of Blackburn) except in cases where it is the actual trustee either by right of the trustee document or following an order under S86 of the 1944 Education Act.

Under the 1991 Diocesan Board of Education Measure, governors are required to consult the Board and seek written permission to do any work on the school building which involves governor liability.

The Board's main objective is to support Christian education and governors in the maintenance and development of school buildings.

TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 presume that the charitable company will continue its activities.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements For the year ended 31 December 2021

STATEMENT OF DISCLOSURE TO THE AUDITORS

So far as the Directors are aware:

- a. there is no relevant audit information of which the charitable company's auditors are unaware, and
- b. we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

APPOINTMENT OF AUDITOR

The re-appointment of Haysmacintyre LLP as auditors to the BDBF will be proposed at the Annual General Meeting.

ADMINISTRATIVE DETAIL

The Blackburn Diocesan Board of Education Limited (by guarantee) hereafter referred to as the "charitable company" is a registered company and is registered with the Charity Commission. The company was incorporated on 30 November 1955.

The trustees, who are also directors for the purposes of company law, present their trustees' report, together with the audited financial statements, for the year ended 31 December 2021.

This report constitutes the Strategic Report and the Directors' Report required under the Companies Act 2006.

Charity Registration number 1020101

Company registration number 557954

Company Secretary Mr S Whittaker

Directors/Trustees	Mr T Cox	(Resigned 31 December 2021)
	Mr JMP Hewitt	
	Mrs RE Radford	(Resigned 31 December 2021)
	Miss J Snape	
	Mr R Jones	
	Canon A Holliday	
	Mr G Burrows	(Resigned 31 December 2021)
	Mrs C Johnson	(Resigned 31 December 2021)
	Mrs N Cox	(Resigned 31 December 2021)
	Rev T Horobin	(Resigned 31 December 2021)
	Rev P R M Venables	
	Venerable M Ireland	(Resigned 31 December 2021)
	Mrs A C Abernethy	
	Mrs H Henderson	(Resigned 20 July 2021)
	Canon David Arnold	
	Mrs D L Metcalfe	
	Venerable D A Picken	
	Dr J Woolford	(Resigned 31 December 2021)
	Mr S Lloyd	(Appointed 1 January 2022)
	Rev C Abbott	(Appointed 1 January 2022)
	Ms Y Arshad	(Appointed 1 January 2022)

Chief Executive Officer Mr S Whittaker

Appointments are made under the Diocesan Board of Education Measure 1991

The Blackburn Diocesan Board of Education

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For the year ended 31 December 2021

Advisers

Solicitors

Napthens
Darwen House
Walker Office Park
Blackburn, BB1 2QE

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Bankers

National Westminster Bank
35 King William Street
Blackburn
BB1 7DJ

Insurers

Ecclesiastical Insurance Group
Beaufort House

Brunswick Road
Gloucester, GL1 1JZ

Investment Advisers

CCLA Investment Management Ltd
Senator House, 85 Queen Victoria Street
London
EC4V 4ET

Registered Auditor

Haysmacintyre LLP
10 Queen Street Place
London, EC4R 1AG

Registered Address

Diocesan Office
Clayton House
Walker Office Park
Blackburn BB1 2QE

By order of the board



20/6/22

The Venerable David Picken

Chair of the Board of Education

Blackburn Diocesan Board of Education Limited
Clayton House
Walker Office Park
BLACKBURN
BB1 2QE

2021

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLACKBURN DIOCESAN BOARD OF EDUCATION

Opinion

We have audited the financial statements of The Blackburn Diocesan Board of Education for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements For the year ended 31 December 2021

whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2021

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and the Charities Act 2011 and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and concluded that the risk was low. Audit procedures performed by the engagement team included:

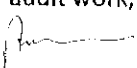
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.


Adam Halsey

(Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditors

Date: 12 July 2022

10 Queen Street Place
London EC4R 1AG

The Blackburn Diocesan Board of Education

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For the year ended 31 December 2021

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2021

	Note	Unrestricted					
		General Fund £000	Designated Fund £000	Restricted Funds £000	Endowment Funds £000	Total 2021 £000	Total 2020 £000
Income and endowments from:							
Donations and legacies	4	357	-	12	-	369	435
Charitable activities	4	399	-	23	-	422	428
Other trading activities	4	2	-	-	-	2	2
Investments	4	229	-	4	-	233	171
Total		987	-	39	-	1,026	1,036
Expenditure on:							
Raising funds	5	2	-	-	-	2	2
Charitable activities	6	1,079	37	27	-	1,143	1,126
Total		1,081	37	27	-	1,145	1,128
Net income/(expenditure) before investment gains		(94)	(37)	12	-	(119)	(92)
Net gains on investments	10	208	-	5	12	225	90
Net income/(expenditure)	7	114	(37)	17	12	106	(2)
Transfer between funds	14	136	(134)	(2)	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes		-	-	-	-	-	4
Net movement in funds		250	(171)	15	12	106	2
Total funds brought forward	14	2,568	2,760	509	83	5,910	5,908
Total funds carried forward	14	2,818	2,579	524	95	6,016	5,910

All activities derive from continuing activities.

The notes on pages 22 to 40 form part of these financial statements.

Details of comparative figures by fund are disclosed in note 23.

The Blackburn Diocesan Board of Education

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For the year ended 31 December 2021

INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 December 2021

	2021	2020
	£000	£000
Total income	1,026	1,036
Total expenditure	(1,145)	(1,128)
Operating (deficit)/profit for the year	(119)	(92)
Net (losses)/gains on investments	225	90
Actuarial loss defined benefit scheme	-	4
Net (expenditure)/income for the year	106	2

The Blackburn Diocesan Board of Education

**Annual Report and Financial Statements
For the year ended 31 December 2021**

BALANCE SHEET
at 31 December 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	9	543	565
Investments	10	2,473	1,546
		<u>3,016</u>	<u>2,111</u>
Current assets			
Debtors (amounts receivable after more than One year: £410,000 (2020: £446,000))	11	2,886	848
Cash on deposit	12	3,934	3,942
Cash at bank and in hand	12	7,691	6,174
		<u>14,511</u>	<u>10,964</u>
Creditors: amounts falling due within one year	13	(11,364)	(7,013)
Net current assets		<u>3,147</u>	<u>3,951</u>
Total assets less current liabilities		<u>6,163</u>	<u>6,082</u>
Creditors: amounts falling due after more than one year	13	(147)	(152)
Net assets		<u>6,016</u>	<u>5,910</u>
Fund balances			
Endowment funds:	14	95	83
(including investment revaluation reserve of £67,463 (2020: £55,442))			
Restricted income funds	14	524	509
(including investment revaluation reserve of £38,540 (2020: £39,183))			
Unrestricted income funds:			
General funds (including revaluation reserve of £970,102 (2020: £812,869))	14	2,818	2,568
Designated funds (including revaluation reserve of £nil (2020: £nil))	14	2,579	2,750
		<u>6,016</u>	<u>5,910</u>

The notes on pages 22 to 40 form part of these financial statements.

These financial statements were approved by the board of directors and were signed on its behalf on 2022 by:

The Venerable David Picken
Chair of the Board of Education



20/6/22

The Blackburn Diocesan Board of Education is a company limited by guarantee registered in England and Wales (no 557954)

The Blackburn Diocesan Board of Education

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CASH FLOW STATEMENT

for the year ended 31 December 2021

	2021 £000	2020 £000
Cash (outflow)/ inflow from operating activities		
Net (expenditure)/income	106	2
Net (gains)/losses on investments	(227)	(90)
Depreciation	25	24
Dividends and interest income	(233)	(171)
(Increase)/Decrease in debtors current assets	(2,074)	(120)
Decrease/(Increase) in debtors long term assets	36	41
Increase in creditors current liabilities	4,351	1,872
(Decrease)/Increase in creditors long term liabilities	(5)	(18)
Net cash (outflow)	1,979	1,540
Cash from Investing activities		
Dividends and interest income	233	171
Purchase of tangible fixed assets	(3)	(8)
Purchase of investments	(700)	-
Sale of investments	-	3
	(470)	166
Increase/(Decrease) in cash in the year	1,509	1,706
Cash and cash equivalents at the beginning of the year	10,116	8,410
Cash and cash equivalents at the end of the year	11,625	10,116
Analysis of cash and cash equivalents		
	2021 £000	2020 £000
Cash on deposit	3,934	3,942
Cash at bank and in hand	7,691	6,174
	11,625	10,116

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements For the year ended 31 December 2021

NOTES TO THE FINANCIAL STATEMENTS (forming part of the financial statements)

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included on a market value basis, and in accordance with the Statement of Recommended Practice for Charities (SORP 2015), the Companies Act 2006 and applicable accounting standards (FRS102).

The charitable company manages its activities in line with income received. As a consequence, the Trustees believe the charitable company is well placed to successfully manage its risks. After making enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The Trustees have taken into account the effect of the Covid 19 pandemic on its operations which, will remain largely unchanged in relation to the work with schools. The Trustees believe they have sufficient reserves to allow time to adjust should grant funding for other operations reduce. Accordingly, they continue to adopt the going concern basis in preparing the Trustee's report and financial statements. The Trustees believe that the charitable company is a public benefit entity.

The principal accounting policies and estimation techniques are as follows.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and the assumptions used in determining the value of the pension scheme deficit and are discussed below.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Fixed assets and depreciation

Assets with a value in excess of £500 are capitalised. Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold property	2% per annum
Re-modelling	3.33% per annum
Computers	25% per annum
Fixtures and fittings	5 - 10% per annum
Office equipment	25% per annum

The charitable company will perform annual impairment testing of assets on which depreciation is not provided in accordance with FRS 102 to determine whether residual disposal values of these assets in aggregate continue to exceed carrying value.

Fixed asset investments

Fixed asset investments are included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Debtors

Debtors are stated at amounts receivable less any provision for uncertain recoverability.

Deferred Payment Arrangements

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements For the year ended 31 December 2021

Deferred Payment Arrangements are agreements to defer payment of the governors' liabilities on buildings projects under the Barchester Scheme.

Creditors

Creditors are stated at amounts payable.

Income:

Grants received and donations

All grants and donations are recorded as income when receivable. Where grants have conditions relating to future accounting periods they are treated as deferred income and recognised in those accounting periods. Other donations are recorded as income when receivable.

Fees and Chaplaincy income

Fees received are recognised on an accruals basis in the period to which they relate.

Service level agreement income

From April 1999 schools have been invoiced for the support services provided by the Board of Education. Prior to this school support contributions were voluntary. Income is recognised on an accruals basis.

Arrangement fee income

From 2009 arrangement fees are payable on loans arranged for schools by the Board of Education. The arrangement fee is deferred over the life of the loan.

Investment income

Interest and dividends are recognised on an accruals basis.

Grant from Blackburn Diocesan Board of Finance

The annual grant is agreed in advance by the Blackburn Diocesan Board of Finance Limited as agreed by the Diocesan Synod. A grant of service is provided in addition to cash for the provision of finance.

Expenditure:

Grants payable

Grants payable are debited to expenditure when the charitable company has a constructive obligation to pay.

Barchester Scheme Building work

The Board of Education has traditionally been involved in helping voluntary aided church school governing bodies with projects involving major funding streams from the Department for Education (DfE). This entails paying contractors' and professional fee invoices on behalf of the governing body concerned, claiming the appropriate grant (90%) from the DfE, and collecting the governors' (and sometimes the local authority) contributions. The Board might also have agreed deferred payments arrangements to the governors (10%) to such projects. The gross turnover of such activity can amount to considerable sums, where a major new build is concerned.

The payment of such invoices is not accounted for as expenditure of the Board. Normally, the Board has received grant funding or the governors' contribution in advance, but where this is not the case it is shown as the making of short-term cash-flow deferred payments for the governing bodies concerned. These are repaid when the appropriate DfE grant and governors' contributions are received. Essentially the Board is acting as the agent of the appropriate governing body in these transactions.

The Board also acts as an agent with DfE arrangements for making 'voluntary aided school annual devolved formula capital grants' available to schools in advance of project spend or approval.

During 2021 the total expenditure was £10,763,032 (2020: £5,599,844). This expenditure has not been recognised in the financial statements of the company in line with FRS 102.23.4.

Cost of Activities

The cost of running each department of the Board is recognised on an accruals basis.

Governance and support costs

Governance costs consist of the audit fee and the cost of preparing the accounts.

Board of Education administration support costs are recognised on an accruals basis. Support costs are apportioned on a basis consistent with the use of resources.

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Taxation

The Blackburn Diocesan Board of Education Limited (by guarantee) is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in independently administered funds. The amount charged in the statement of financial activities represents the contributions payable to the scheme in respect of the accounting period.

Some of the charitable company's staff are members of the Church Workers Pension Fund. The costs charged as expenditure represent the charitable company's contributions payable in respect of the accounting period, in accordance with FRS102.

Three employees are members of the Church of England Funded Pension Scheme. At 31 December 2021 the Board of Education is responsible for its own liabilities on this scheme and as such the liability is held on the balance sheet.

Fund accounting

Funds held by the charitable company are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds

This is capital, held in perpetuity to create income for specified purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Where a grant or donation is received to fund a capital item or where an asset is donated, if there is an obligation relating to the future use or retention of the relevant asset, the balance relating to that asset is held within restricted funds as long as that restriction exists. Where there is no such restriction, the income relating to the purchase of capital items is transferred to unrestricted funds in the Statement of Financial Activities.

Realised gains on schools

Realised gains on schools represent amounts which accrue to the Board of Education from the sale of church schools' land or buildings and which have been received in the period.

Unrealised gains / losses on investments

Unrealised gains and losses on investments represent the aggregate change in market value of investments since the previous balance sheet date.

Realised gains / losses on investments

Realised gains or losses on investments relate to actual gains or losses arising in the period on disposal.

2 Remuneration of trustees

No trustee has received remuneration from the Board of Education during the year (2020: £nil).

Expenses reimbursed to trustees during the year amounted to £nil (2020: £nil).

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3 Staff numbers and costs

The average number of people employed during the year was 20 (2020: 23).

The average number of full-time equivalent persons employed by the charitable company during the year, analysed by category, was as follows:

	Number of employees	
	2021	2020
Director of Education	1	1
Deputy and Assistant Directors	1	1
Principal Schools Adviser	2	2
Schools Improvement Officers	1	1
Youth and Children's Chaplains/ Officers	8	6
Administration and Secretarial	7	12
	20	23

The aggregate payroll costs of these employees were as follows:

	2021 £000	2020 £000
Wages and salaries	561	637
Social security costs	50	57
Other pension costs	40	46
	651	740

During the year one employee received a salary in excess of £60,000, in the band £60,000 to £70,000 (2020: one). Pension contributions in respect of this employee were £7,881 (2020: £6,936).

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 charitable company. During 2021 they were:

Chief Executive officer	Stephen Whittaker
Deputy Director	Samuel Johnson

Remuneration, pensions and expenses for these employees amounted to £154,612 (2020: £153,834).

In addition to the above 20 employees (2020:23) the charitable company met some or all of the payroll costs of the following people who worked for the charitable company during the year but were paid by the Church Commissioners.

	Number of persons	
	2021	2020
University/FE Chaplains	1	1
	1	1

The total payroll costs during the year met by the charitable company and related to these non-employees amounted to £47,527 (2020: £46,726).

Pension schemes

Group Personal Pension Plan

The Blackburn Diocesan Board of Education participates in a defined contribution pension scheme. The assets of the pension scheme are held separately from those of the Blackburn Diocesan Board of Education in an independently administered fund. The pension cost charge for the year represents contributions payable by the Blackburn Diocesan Board of Education to the fund.

The Blackburn Diocesan Board of Education participates in the Defined Benefits Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

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Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year (2021: £21,294 2020: £18,939) plus the figures in relation to the DBS deficit highlighted in the table below as being recognised in the SoFA, giving a total charge of £21,294 for 2021 (2020: £18,939).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of DBS is carried out once every three years. The most recently finalised was carried out as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and £7.7m was notionally transferred from the employers' sub-pools to the Life Risk Section. This increased the Employer contributions that would otherwise have been payable. The overall deficit in DBS was £11.3m.

The next actuarial valuation is due at 31 December 2022.

Following the valuation, the Employer has entered into an agreement with the Church Workers Pension Fund to pay a contribution rate of 45.2% of pensionable salary and expenses of £3,200 per year.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out below:

	2021 £000	2020 £000
Balance sheet liability at 1 January	-	-
Deficit contribution paid	-	-
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	-	-
Balance sheet liability at 31 December	-	-

* Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	December 2021 £000	December 2020 £000	December 2019 £000
Discount rate	0.00%	0.00%	0.00%

The legal structure of the scheme is such that if another employer falls, the employer could become responsible for paying a share of that employer's pension liabilities.

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Church of England Funded Pension Scheme (CEFPS)

Blackburn Diocesan Board of Education participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets for the scheme on a fully funded basis and responsibility rests

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2021: £65,835, 2020: £76,007), plus the figures highlighted in the table below as being recognised in the SoFA, giving a total charge of £65,835 for 2021 (2020: £76,007).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumption

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.;
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long-term annual rate of improvement of 1.5%, a smoothing parameter* of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

As at 31 December 2019, 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the above table

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2020 and over 2021 is set out in the table below.

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	2021 £000	2020 £000
Balance sheet liability at 1 January	9	26
Deficit contribution paid	(5)	(12)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	-	(4)
Balance sheet liability at 31 December	<u>4</u>	<u>9</u>

* Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. In general, these are set by reference to the duration of the deficit recovery payments but as at 31 December 2021, under accounting rules the payments are not discounted since the remaining recovery plan is less than 12 months. No price inflation assumption is needed since pensionable stipends for the remainder of the recovery plan are already known.

	December 2021 £000	December 2020 £000	December 2019 £000
Discount rate	0.0%	0.2%	1.1%
Price inflation	n/a	3.1%	2.8%
Increase to total pensionable payroll	-1.5%	1.6%	1.3%

The legal structure of the scheme is such that if another Responsible Body fails, Blackburn Diocesan Board of Education could become responsible for paying a share of that Responsible Body's pension liabilities.

4 Analysis of Income

	2021 £000	2020 £000
Donations and legacies		
Donations	12	13
Diocesan Board of Finance General Funds	337	369
Diocesan Board of Finance Restricted Funds	-	2
External organisations	20	51
	<u>369</u>	<u>435</u>
Income from charitable activities		
Fees and Chaplaincy income	19	63
Sale of publications and courses	51	48
Service level agreements	278	273
Rent	74	44
	<u>422</u>	<u>428</u>
Other trading activities		
DBE Services Fees	2	2
Investment income		
DBE Services gift-aid donation (17% owned)	145	91
Dividends	82	58
Interest	6	22
	<u>233</u>	<u>171</u>

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5 Fund Raising Costs

	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2021 £000	Total 2020 £000
Generating voluntary income	-	-	-	-	-
Fundraising trading	2	-	-	2	2
Total Fund-Raising Costs	2	-	-	2	2

6 Charitable Activities

Activity or Programme	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2021 £000	Total 2020 £000
Cost of charitable activities:					
<i>School and governor support</i>	358	-	124	482	408
<i>Higher and further education</i>	101	-	35	136	171
<i>Children's work</i>	60	-	20	80	90
<i>Youth work</i>	151	2	53	206	286
<i>Schools work - designated</i>					
<i>School buildings support</i>	188	-	53	241	191
Charitable activities subtotal	858	2	285	1,145	1,126

7 Net expenditure for the year

	2021 £000	2020 £000
These are stated after charging:		
Auditors remuneration	10	10
Total	10	10

8 Realised gains on schools

There are 190 Church of England Schools in the Diocese of Blackburn (2020: 190 schools). The Church of England Primary School at Out Rawcliffe was closed in July 2013 and the Board is currently in the process of establishing the exact terms regarding closure and use of the sale proceeds of the original Trust Deed. If this is not available, the Board will follow due process in establishing how the proceeds from the sale of the school should be used or distributed. During 2016 £298,960 was received regarding this school and is currently being held as a liability on the balance sheet. Should any other diocesan schools be closed, and the premises be sold, then the Diocesan Board of Education would normally have a claim on some or all of the proceeds.

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9 Tangible fixed assets

	Buildings £000	Fixtures, fittings and other equipment £000	Total £000
Cost			
At beginning of year	616	83	699
Additions	-	3	3
Disposals	-	-	-
At end of year	616	86	702
Depreciation			
At beginning of year	80	54	134
Charge for year	17	8	25
Elim on disposal	-	-	-
At end of year	97	62	159
Net book value			
At 31 December 2021	519	24	543
At 31 December 2020	536	29	565

10 Investments

Unlisted securities
Central Board of Finance
Church of England

	Investment Fund £000	Fixed interest securities fund £000	Total UK Investments £000
Market valuation			
At 31 December 2020	1,324	222	1,546
Increase in market value	241	(14)	227
Purchase of Property Shares	700	-	700
At 31 December 2021	2,265	208	2,473
Historic cost	1,145	224	669

Included within Total UK Investments is a 17% holding in DBE Services Limited, a non-listed company and a related party. The Board of Education holds 12 shares in DBE Services Limited valued at £12 (2020: £12).

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11 Debtors

	2021 £000	2020 £000
<i>Amounts receivable within one year</i>		
Deferred payments on school building projects	2,091	58
Deferred Payment Arrangements	18	27
Other debtors	155	167
Loans	1	1
Prepayments	8	15
Accrued income	24	20
Amounts due from Diocesan Board of Finance	178	114
Amounts due from DBE Services Ltd	1	-
	<u>2,476</u>	<u>402</u>
Debtors: amounts receivable within one year		
<i>Amounts receivable after more than one year</i>		
Deferred Payment Arrangements	138	163
Loans	12	13
Amount owed from related party (Cidari)	260	270
	<u>410</u>	<u>446</u>
Debtors: amounts receivable after more than one year		

	Instalments due in one year		Instalments payable due in two and five years		Instalments due in five years or more		Total	
	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000
Deferred Payment Arrangements	18	27	74	83	64	80	156	190
Loans	1	1	4	4	8	9	13	14
	<u>19</u>	<u>28</u>	<u>78</u>	<u>87</u>	<u>72</u>	<u>89</u>	<u>169</u>	<u>204</u>
Total								

12 Deposits and cash at bank and in hand

	2021 £000	2020 £000
Bank (Current Account and Deposits)	7,891	6,174
Deposits with Central Board of Finance Church of England	3,934	3,942
	<u>11,625</u>	<u>10,116</u>

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13 Creditors

	2021 £000	2020 £000
<i>Amounts falling due within one year</i>		
Receipts in advance on behalf of boards of school governors	4,553	2,423
Monies held on behalf of schools in relation to Devolved Formula Capital (DfC)	2,919	1,806
Monies held on behalf of schools in relation to SCA Funding	1,441	1,892
Monies held on behalf of schools in relation to PSDS Funding	2,919	-
Other creditors	637	618
Accruals	21	10
Deferred Income	74	84
Creditors falling due within one year	11,364	7,013
<i>Amounts falling due after more than one year</i>		
Education trust funds	143	143
Defined benefit pension liability	4	9
Creditors falling due after more than one year	147	152
<i>Deferred Income:</i>		
At beginning of year	84	
Recognised in year	(84)	
Deferred income 2021	74	
At end of year	74	

Deferred income is recognised as follows:

	Recognised in one year		Recognisable between two and five years		Recognisable after five years		Total	
	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000
Deferred Income	74	84	-	-	-	-	74	84

14 Funds

	Unrestricted				Total
	General fund £000	Designated fund £000	Restricted fund £000	Endowment fund £000	£000
At beginning of year	2,568	2,750	509	83	5,910
Surplus/(deficit) of income over expenditure in the year	(94)	(37)	12	-	(119)
Investment gains in the year	208	-	5	12	225
Transfers between funds	136	(134)	(2)	-	-
Actuarial loss on pension scheme	-	-	-	-	-
At end of year	2,818	2,579	524	95	6,016

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The General Fund consists of those amounts available for the general purposes of the charitable company.

	At 1 January 2021 £000	Income £000	Expenditure £000	Net investment gains, losses and transfers £000	At 31 December 2021 £000
Designated funds					
Youth development	43	-	-	(43)	-
Sponsoring academies	365	-	-	-	365
Elmslie Fund	477	-	(23)	-	454
New Opportunity Fund	357	-	(10)	-	347
Church Workers Pension Deficit	53	-	-	-	53
Clayton House	2	-	-	(2)	-
Admissions & Appeals	238	-	-	(32)	206
Appointments	80	-	-	(10)	70
Vision 2026	608	-	-	-	608
Statutory Governance	173	-	-	(23)	150
Schools causing concern	198	-	(4)	-	194
Digital Resources	156	-	-	(24)	132
	<u>2,750</u>	<u>-</u>	<u>(37)</u>	<u>(134)</u>	<u>2,579</u>
Restricted funds					
Residential Income Fund	35	3	-	-	38
Education Trust Funds	49	-	-	-	49
Common Fund	361	12	-	-	373
Other restricted funds	64	25	(25)	-	64
	<u>509</u>	<u>40</u>	<u>(26)</u>	<u>6</u>	<u>524</u>
Endowment funds					
Residential Endowment Fund	83	12	-	-	95

The specific purposes for which the designated and restricted funds are to be applied is as follows:

The Youth and Chaplaincy fund - for the support of chaplaincy work.

The Academies fund - to support the sponsoring of academies.

The Elmslie fund is used for the work of the youth chaplain at Blackpool St George CE School.

The New Opportunity Fund - for school buildings support.

The Residential Endowment and Income Fund are used to support Youth Work activities.

The Common Fund was set up by schools make voluntary donations to support capital work in schools.

Church workers pension deficit – designated for use against deficits on the defined benefit pension scheme for some employed staff.

Clayton House – balance of funds designated for the accommodation of the head office to be used for final costs and retention following the purchase of the building.

Admissions, Appointments and Appeals – designated to cover the cost of statutory expenditure for where there is no direct source of income.

Educational Trust Fund – the revaluation reserve on funds held in creditors awaiting final decision on ownership of the investment.

Vision 2026 – a designated fund has been created to enable churches and schools to fund initiatives and projects that seek to deliver the objectives of the diocese vision 2026.

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Statutory Governance – this fund is to be used to underwrite the Board of Education's statutory duties for governance in schools.

Schools causing concern – schools falling into difficulty often require financial support and assistance this fund will enable the diocese to work in partnership with local authorities to support schools as they seek to improve

Digital Resources -- for the production of digital resources for the Board of Education and staffing to meet the target of significantly increasing digital reach.

15 Share capital

The charitable company is limited by guarantee, registered in England and does not have authorised or allotted share capital. The liability of each member of the Board may not exceed £1.

16 Analysis of net assets between funds

	Tangible fixed assets £000	Investments £000	Net current assets £000	Creditors falling due after more than one year £000	Total £000
Unrestricted Funds	543	2,334	2,524	(4)	5,397
Restricted Fund (restricted)	-	44	623	(143)	524
Endowment fund (restricted)	-	95	-	-	95
	<u>543</u>	<u>2,473</u>	<u>3,147</u>	<u>(147)</u>	<u>6,018</u>

17 Commitments

There were no commitments in 2021.

18 Related party transactions

The company is related to Blackburn Diocesan Board of Finance Ltd who provides significant funding by way of a grant. At the year end the balance due from this company was £178,185 (2020: £113,688). Grants received in the year from this company amounted to £336,914 (2020: £371,045) and grants paid to this company amounted to £22,500 (2020: £nil). Recharges in the year were £15,953 (2020: £15,474).

The company is related to DBE Services Ltd by virtue of owning 17% of the share capital. There was £1,087 due from DBE Services Ltd (2020: £375 due to DBE Services Ltd) at the year end and recharges in the year were £8,911 (2020: £8,796).

The company is related to Cidari Multi-Academy Trust which was set up by both the DBE and DBF to look after Church of England schools converting to academies within the diocese. As at 31 December 2021 £289,608 (2020: £289,608) was due from this company and recharges in the year were £9,887 (2020: £9,760).

19 Financial instruments

	2021 £000	2020 £000
Financial assets measured at fair value	<u>2,347</u>	<u>1,546</u>
Financial assets measured at amortised cost	<u>14,511</u>	<u>10,964</u>
Financial liabilities measured at amortised cost		<u>7,165</u>
Financial liabilities measured at fair value	<u>-</u>	<u>-</u>

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20 Prior year comparative Statement of Financial Activities

	Unrestricted				2020
	General Fund £000	Designated Fund £000	Restricted Funds £000	Endowment Funds £000	Total £000
Income and endowments from:					
Donations and legacies	403	-	32	-	435
Charitable activities	405	-	23	-	428
Other trading activities	2	-	-	-	2
Investments	166	2	3	-	171
Total	976	2	58	-	1,036
Expenditure on:					
Raising funds	2	-	-	-	2
Charitable activities	1,088	19	19	-	1,126
Total	1,090	19	19	-	1,128
Net income/(expenditure) before investment gains	(114)	(17)	39	-	(92)
Net gains/(losses) on investments	85	-	-	5	90
Net income/(expenditure)	(29)	(17)	39	5	(2)
Transfer between funds	(37)	30	7	-	-
Actuarial (losses) on defined benefit pension schemes	4	-	-	-	4
Net movement in funds	(62)	13	46	5	2
Total funds brought forward	2,630	2,737	463	78	5,908
Total funds carried forward	2,568	2,750	509	83	5,910

21 Prior year Fund Raising Costs

	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2020 £000	Total 2019 £000
Generating voluntary income	-	-	-	-	1
Fundraising trading	2	-	-	2	2
Total Fund-Raising Costs	2	-	-	2	3

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22 Prior year Charitable Activities

Activity or Programme	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2020 £000	Total 2019 £000
Cost of charitable activities:					
<i>School and governor support</i>	303	-	105	408	484
<i>Higher and further education</i>	126	1	44	171	176
<i>Children's work</i>	67	-	23	90	84
<i>Youth work</i>	197	-	69	266	280
<i>Schools work - designated</i>	-	-	-	-	151
<i>School buildings support</i>	143	4	44	191	242
Charitable activities subtotal	836	5	285	1,126	1,417

23 Prior year Funds

	General fund £000	Unrestricted Designated fund £000	Restricted fund £000	Endowment fund £000	Total £000
At beginning of year	2,630	2,737	483	78	5,908
Surplus/(deficit) of income over expenditure in the year	(114)	(17)	39	-	(92)
Investment gains in the year	85	-	-	5	90
Transfers between funds	(37)	30	7	-	-
Actuarial loss on pension scheme	4	-	-	-	4
At end of year	2,568	2,750	509	83	5,910

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements For the year ended 31 December 2021

The General Fund consists of those amounts available for the general purposes of the charitable company.

	At 1 January 2020 £000	Income £000	Expenditure £000	Net investment gains, losses and transfers £000	At 31 December 2020 £000
Designated funds					
Youth and Chaplaincy	84	-	-	(41)	43
Sponsoring academics	385	-	-	(20)	365
Elmslie Fund	475	2	-	-	477
New Opportunity Fund	375	-	(18)	-	357
Church Workers Pension Deficit	53	-	-	-	53
Clayton House	2	-	-	-	2
Admissions & Appeals	270	-	-	(32)	238
Appointments & Appeals	90	-	-	(10)	80
Vision 2026	608	-	-	-	608
Statutory Governance	196	-	-	(23)	173
Schools causing concern	199	-	(1)	-	198
Digital Resources				156	156
	<u>2,737</u>	<u>2</u>	<u>(19)</u>	<u>30</u>	<u>2,750</u>
Restricted funds					
Residential Income Fund	33	2	-	-	35
Education Trust Funds	49	-	-	-	49
Common Fund	353	12	(4)	-	361
Other restricted funds	28	44	(15)	7	64
	<u>463</u>	<u>58</u>	<u>(19)</u>	<u>7</u>	<u>509</u>
Endowment funds					
Residential Endowment Fund	78	-	-	5	83

24 Prior year Analysis of net assets between funds

	Tangible fixed assets £000	Investments £000	Net current assets £000	Creditors falling due after more than one year £000	Total £000
Unrestricted Funds	565	1,418	3,344	(9)	5,318
Restricted Fund (restricted)	-	45	607	(143)	509
Endowment fund (restricted)	-	83	-	-	83
	<u>565</u>	<u>1,546</u>	<u>3,951</u>	<u>(152)</u>	<u>5,910</u>

Accounts



THE BLACKBURN
DIOCESAN BOARD
OF EDUCATION

The Blackburn Diocesan Board of Education

Trustees' annual report and financial statements

Company limited by guarantee (no 557954)

Registered charity (no 1020101)

31 December 2020

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VISION STATEMENT

Serve Christ.

Share the Gospel.

Support, Equip and Educate

Healthy Churches Transforming Communities

LEGAL OBJECTS

- To promote or assist in the promotion of education in the Diocese of Blackburn ("the diocese") being education which is consistent with the faith and practice of the Church of England.
- To promote or assist in the promotion of religious education and religious worship in schools in the diocese.
- To promote or assist in the promotion of church schools in the diocese and to advise the governors of such schools, and trustees of church educational endowments and any other body or person concerned on any matter affecting church schools in the diocese; to promote co-operation between its Board of Management ("the board") and bodies or persons concerned in any respect with education in the diocese.
- To discharge within the diocese the functions assigned to Diocesan Boards of Education by section 3 to 8 and 11 of the Diocesan Boards of Education Measure 1991 or by any amending legislation.
- To discharge within the diocese such other functions relating to the furtherance of church education as may be assigned to the Board by the diocesan synod, other than functions relating to church schools or church educational endowments.
- To do all such things as are incidental or conducive to the attainment of the aforesaid objects, including acceptance of the trusteeship of any trusts and the investment of any moneys not immediately required for its purpose in or upon such investments securities as the Board may think fit.

STRATEGIC REPORT

STRATEGIC AIMS AND OBJECTIVES FOR THE YEAR

- The support of Church of England schools in all areas of their activities. In particular:
 - ❖ Development and delivery of religious education and collective worship
 - ❖ Protection of the Church of England's interests in academy conversions in Blackburn Diocese
 - ❖ Maintenance of church school buildings belonging to trustees of Church of England Schools
 - ❖ Protection of the interests of the trustees of Church of England Schools
- The development of youth and children's work in Parishes and Schools across the Diocese of Blackburn.
- The support and development of Christian Spirituality in secular institutions of higher and further education.
- The provision of Chaplaincy support to church colleges and church-based universities.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
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Public Benefit Statement

The Board exists under the Diocesan Board of Education Measure (No 2 1991). Its duty is to support all church schools. The public benefit of church schools is demonstrated in the support of high-quality educational institutions contributing to improved future economic outcomes for all. We support church schools in meeting the needs of children and their families through a Christian ethos that promotes and enhances human wellbeing. In addition, church schools are actively engaged in community activities, often linked to the church parish, that are designed to unify the local community and build social cohesion. Our support for schools also ensures the provision of buildings which can be used by parishes and outside bodies for the benefit of all. The trustees have referred to Charity Commission guidance on public benefit and consider the entity is compliant.

Our support for Youth and Children's Work across the Diocese touches the lives of thousands of people, many of whom are not regular church attenders and supports churches in their work with the children and young people of local communities.

We offer funding and professional support to the three universities within the Diocese by providing chaplains. The work in universities is both with the university students and also the whole university community and therefore reaches out not just across the Diocese but also beyond.

ACTIVITIES AND PERFORMANCE

Main Achievements of the Year

Objectives set until 2024 for the Board of Education:

Prayer for the work of the Board	
Objectives	DBE Actions
Encouraging a 'pray first culture' at diocesan and parish level to uphold children and young people and the specific ministries working with them	Prayer and worship nights began in this year and later moved to an online offering of "But First Pray". In addition, prayer posts and termly online gatherings for prayer have happened.
Writing prayers for the young to be used in intercessions, services and events	
Encourage dedicated time and energy to the pursuit of hearing God's heart and waiting on Him	
Encouraging prayer sponsors in parishes where congregation members pray directly for individual children and young people	
Equipping young people with the confidence to pray	

Children and Youth	
Overall objectives	To see growth of 11-17-year-olds (worshipping community statistics) of 1030 by 2026 To see 25% growth in new disciples between the ages of 5-11 years (worshipping community statistics) To see 50% increase in toddler groups that share the gospel To see double the number of boys in worshipping communities
Key Objectives to be achieved by Dec 2024	Actions
Making Disciples We will support the making disciples' team to resource and equip local churches to:	

Make more Sunday services child/youth-friendly	Delivery on the IME2 programme has begun this year. The youth development team have also worked with some parishes to give direct support on youth ministry, but there has been some delay in delivering this due to the pandemic and church closures/restricted ministry Children's ministry conference 'Open the door' took place with a significant number of delegates attending in February Visits to clergy to promote the work of the DBE and work with children and young people took place at the start of the year. These were postponed from March for much of the year with some digital meetings taken place but an overwhelming desire from clergy to meet face to face Meetings with senior staff have taken place to discuss the work of the DBE and raise awareness of children and youth ministry support Foundations training has been rolled out this year for children and youth workers
Improve preparation and follow-up for confirmation, retaining confirmation candidates as part of the church's worshipping community	A working group has been created through the youth committee to look at an effective strategy for confirmation follow up. This work has been shared with the bishops
Equip 50 parishes to set up small youth groups that develop faith	Youth provision development project work has continued but been slowed by the pandemic New delivery of "Leading your church into youth work" has been delayed due to the pandemic
Support parishes in providing events and experiences that encourage children and young people in their faith	Most of this work has been delayed due to the pandemic Much online and digital support has been offered instead with resource and support for parishes on online youth activities such as games and activities, testimonies from young people (Stable2Tomb), podcasts and YouTube content. Children's Adviser has offered bespoke support to parishes and workers over the lockdown Network events have taken place training workers on digital engagement and on working with children with additional needs

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- Launching significantly more digital content to promote faith development for children and young people, to train leaders and promote church events and activities. This will include: - YouTube content - Podcasts - Social media interactive resources	Digital and Media Internship has now developed into a fixed term post to develop this work further Instagram content has been launched initially as Clayton Central but latterly as Abide (for young people) and Youth work state of mind (for those who work with young people). Tik Tok content has been launched and engagement grows Bible Podlets has launched 2 series with over 27,000 total listens. The Clayton Kids You Tube channel was launched, including videos for multisensory Christmas. Online content to support the Diocesan Home-Grown conference has been distributed along with additional resources for the "Diocesan Call to Give and Pray" Holiday club resources have been produced to equip parishes to run a digital club
Produce more parish resources for work with children and young people	Podcasts and online resources to support workers has developed this year, including discussion forums with cross diocese DYO networks Production of resources to support prayer with under 5s has been launched along with significant additional resources for parishes specifically to resource during lockdown
Create new or renewed toddler groups that share the gospel as part of their work	Database was planned but has been paused due to the pandemic
Engage with boy friendly ministry	Children's ministry conference included a conference workshop on engaging with boys in ministry All training seeks to provide a balance of activities to ensure that activities appealing to boys are included, such as creating sports/active ministry
Being Witnesses We will support the being witnesses team to resource and equip local churches to:	
Plant 50 local congregations which reach out to families and young people	Work has developed with the new being witnesses manager including discussion on sports ministry and new church plants with a focus on youth ministry
Start 50 new child/youth-friendly worshipping communities (or congregations) including services in school	
Develop 50 new sports/active ministry activities that meet regularly	
Growing Leaders Support the vocations team to commission 300 leaders and helpers of all ages (with at least 30% under 25 years old) to share the Gospel with children and young people. We will do this by:	

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Creating a culture of vocational discernment so that many more can hear a call to work with the young (DoV)	Training has taken place through digital resource and children's conference
Developing varied training programmes for those new to this work or in need of refreshment, including basic training and more in-depth training as part of lay leadership development (Children/Youth Team/DoV)	Consultancy has taken place as the restrictions allowed through children's adviser and youth adviser
Ensuring that everyone who works with children and young people knows their safeguarding responsibilities (in partnership with DSO)	DDE membership of the DSAP panel continues and helps inform the DBE work with regard to safeguarding
Liturgically Commissioning new and existing leaders and helpers, at Confirmation Services where possible	Awards services and celebrations services have not taken place due to the pandemic
Holding a Service of Celebration and Re-commissioning for those who minister to the young	The DBE agreed content for the new ALM programme modules on children's and youth ministry. These were approved by the Diocesan Director of Training and will roll out next year as part of this new diocesan vocational development programme
To develop and implement a project that is designed to grow work with 11-17 years	Work has begun on designing a project linked to SDF3 application to commissioners to two strategic church plants. Youth Development project has been slowed down by the pandemic, but work has continued to build on this work as the diocese looks to launch learning communities that focus on growing the work with youth

Schools	
Aspiration for schools by Dec 2024	Actions of the DBE
Our schools to be built around the key Christian values and qualities of <u>love, hope, grace and service</u> and a Vision rooted in the Bible	The DBE vision and vision for the C of E Education Office continues to drive and underpin the work of the Board with schools
Embody a vision shaped by the personal faith and commitment of their leaders	- All senior leader appointments continue to be made with diocesan advisory support to ensure a strong faith in the leaders on Church schools. - A new suite of documents was created to support appointments including person specifications, job descriptions, application forms and guidance notes for applicants. - Training has continued with an online offer. The Christian Leadership Course was suspended for the academic year 20-21 due to the pandemic. Induction courses and other course provision have moved online. Secondary colleagues have been supported with training on bereavement, mental health and a suite of resources for worship and distinctiveness.

	• Courses for those new to church schools (both primary and secondary) and those aspiring to leadership have continued with an online offer. • The diocese continues to support a DBE services programme for ITT • The governor conference has again taken place with a strong turnout prior to the pandemic restrictions. Online induction training for governors of church schools was also rolled out this year. • Retreats and quiet days have been affected by the pandemic and have only consisted of a digital offer late in 2020. These will resume when government guidance permits.
To embody a vision rooted in the bible	• All materials from DBE model have used scripture to underpin all work with explanations of why any particular passage applies
Enable and encourage a praying and worshipping community where distinctly Christian celebrations are integral to the learning experiences of all within the school community	• Worship resources have been shared throughout the pandemic using online resources. This has created a range of worship resources for schools. • Daily prayers are now shared on twitter with good engagement from schools • Guiding light worship resources have been shared with secondary schools. • Sessions have been delivered to curates on worship as part of the IME2 programme • Network events have taken place digitally and have shared worship resources and ideas. • Pupil conferences and pupil led training have not taken place due to Covid restrictions
Ensure Religious Education is at the heart of the curriculum and is a core subject	• Pupil conferences have not been able to happen due to Covid restrictions • Online resources for RE at home have been produced and advances in the team's use of online platforms has led to the development of new resource to support the curriculum • The secondary syllabus already used a range of digital resources and has continued to be supported • Consultancy and training have continued on RE and worship in an online capacity • Training has been delivered to schools looking at multicultural RE and exploring issues of cultural and ethnic diversity • SIAMS training continues using digital conferencing
Recognise the presence of God in the uniqueness of each individual and in each person's specific talents and gifts	• Secondary provision of 'Being happy and healthy' training has been delivered to support good mental health across the whole school community

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Develop a broad community open to the world in which we live, which seeks to change it for the better	- Headteacher networks focused on courageous advocacy and the need to look at social justice in addition to charity work - SIAMS support continues to challenge schools in this regard - Headteacher and incumbent training on transforming communities has been postponed until 2021
Celebrate success and treat failure with compassion	Some press coverage of the good work schools have been doing has taken place
Support their alumni in finding ways to continue their faith journey, and to provide a pathway or signpost for those alumni looking to re-engage with faith	Worship resources and prayer resources have helped schools connect with families in their communities and shared the Christian message at home as well as school. Online presence has had significant reach within the diocese and beyond with over 1000 views per video on YouTube
Be strong and sustainable presences in their community with a structure that best serves the needs of the children and young people	- Small school partnerships have progressed at a slow pace with many governing boards feeling the move is not the best for the school - With suspension of inspections, no schools have joined MATs on directive academy orders other than one in January. The pandemic has stifled any conversations on academy conversions or MAT development
Seek to work in collaboration with churches in delivering <i>Vision 2026</i>	- Church closures and restricted openings have limited the connections between schools and churches - Parishes have joined with schools online and many clergy have led digital worship for children both at home and in school - Churches and schools have worked together on FSM vouchers and support to enable families in need to have support

School Buildings	
Ensure that school buildings are developed and maintained to best meet the needs of pupils	- The new SCA system has been run this year with great success. Additional money from the government has been allocated to the planned programme of spending on capital work - A full programme of capital work has been planned and delivered to meet school needs. As in previous years, the level of need outweighed the funding envelope by around three times the amount
Seek opportunities for expansion of existing church schools or new church school provision	The diocese has submitted an expression of interest in a new school in Clitheroe. Discussion is ongoing

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	Regular meetings take place with the school place planning team in Lancashire. Meetings have not happened with Blackburn with Darwen
Ensure the correct treatment of school assets when schools close or relocate	- A number of live cases continue to be handled by the DBE and is an area of significant work. These are often cases of historic incorrect treatment of land - The DBE has sought to register a number of titles with the Land Registry for school properties

Chaplaincy	
Key Objectives for 2024	Actions of the DBE
We want to help young people accept the salvation offered through Jesus' death on the cross and embark on a lifelong journey as a disciple	The DBE has created new links with the universities and been supported by senior staff engagement with the institutions on what chaplaincy might look like However, disruption to university and school life due to the pandemic has limited the work in this area
We want to help students in our universities to be disciplined, nurtured and challenged in their faith, encouraged to share their faith, and develop to lead others in discipleship, witness and service.	
We want to help chaplains that enable the people of God in our High Schools and Universities to live out the Christian life and witness to the presence of Jesus	
We want to help young people transition from a school place of worship to engagement in a Church of England multigenerational worshipping community that is accessible to the young	

Future Objectives

The objectives for the board of education remain as above until 2024

COVID 19 IMPACT OF THE PANDEMIC

As part of the response to Covid 19 the company has moved all its operation to remote working off site, with all aspects of business still operational. Schools' work continues to be unaffected with schools still requiring support but in different aspects of their work. Invoicing and billing continues and school revenues are relatively unaffected, meaning that the company expects income to be within normal tolerances. Church and parish-based work has slowed with the closure of churches, but key aspects of work in supporting children's ministry, youth ministry and university chaplaincy continues.

Management and operations after the year-end

Management and of the company have furloughed staff that were associated with aspects of the work that has now reduced such as the youth development project and some administration functions. This was to protect against potential future losses from reduced income through the DBF and to allow work that has an allocated specific fund to pause and resume post COVID 19. Investments will be monitored and reviewed.

FINANCE REVIEW

The Blackburn Diocesan Board of Education

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Principal Funding Sources

There is an annual grant agreed in advance by the Blackburn Diocesan Board of Finance Limited as agreed by the Diocesan Synod. A grant of service is provided in addition to cash for the provision of finance. The Board is also in receipt of funds allocated from the BDBF restricted Funds. Total funding for the year ended 31 December 2020 is £368,943 (2019: £363,024).

Service level agreements to provide support services to schools £266,940 (2019: £268,649).

Total interest and dividends income is £79,692 (2019: £102,960) representing 8% of total income (2019: 10%).

The Blackburn Diocesan Board of Finance grants represented around 36% of the total income of the charity for the year, equally 26% of the income came from service level agreements and interest and dividend income was 8%.

Financial Performance

The charitable company has currently £189,000 of support invested in school projects which is repayable by the schools as part of the Barchester scheme. This enables schools to undertake necessary building projects.

The charitable company employs staff to support schools in their maintenance and building projects. During the year £38,013 (2019: £37,509) was spent on directly undertaking activities in this area which includes generating voluntary income.

Additional school support is provided by staff for the development and delivery of religious education and collective worship. This may be in the form of staff directly supporting the school or running training courses and events for the schools. During the year £302,674 of school and governor support (2019: £367,295) was spent on directly undertaking activities in this area.

Youth and children's work occur both in schools and parishes. Youth and children's work directly undertaken activities cost £264,835 (2019: £274,376).

The charitable company also supports university chaplains and this support amounted to £127,259 (2019: £133,857) of activities directly undertaken.

Balance Sheet Position

Net assets at 31 December 2020 are £5,910,000 (2019: £5,908,000) which is made up of designated funds of £2,750,000, restricted funds of £509,000 and endowment funds of £83,000. Within debtors and creditors on the balance sheet are amounts held on behalf of schools under the Barchester scheme. Included in debtors is £248,000 and £6,301,000 is included in creditors. Total unrestricted funds were £2,568,000.

Investment policy

The charity utilises the CBF fund with CCLA for investments.

This ensures ethical investment, as investments are held in companies which have high standards of corporate governance and act in a responsible way towards stakeholders.

Unrestricted and restricted funds are invested to balance income, liquidity and the reimbursement of capital. Investment policy for long-term funds is aimed primarily at generating a sustainable income with due regard to the need for preservation of capital value.

Reserves policy

The total funds of the charitable company as at 31 December 2020 are £5,910,000, of which £509,000 are restricted and £83,000 are endowment funds.

The reserves of the company provide working capital for the activities of the Board. The Board also requires funds to be available to provide assistance to schools for their contribution to building projects.

The trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission. They have agreed to set a reserves figure equivalent to the average monthly expenditure over the three highest expenditure months on the Barchester school buildings Scheme, £896,000, three to six months budgeted running costs for 2020, £625,000 (six months) and have set aside £2,000 to cover future accommodation costs. The total approved level of reserves is £1,523,000.

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The total value of free reserves (general reserves less assets used in the charity and designated fund and any pension adjustment) is £2,012,000. The level of free reserves is £489,000 above the approved level. The directors at their summer meeting will review free reserves and designated funds along with plans for the future in order to address the free reserves position.

The level of designated funds at the year-end is £2,750,000 (2019: £2,737,000). Material designated funds include the New Opportunity Fund of £357,557 for school buildings support and the Elmslie Fund at £476,515 for educational purposes in the Blackpool area.

Reserves are expected to be unaffected by COVID 19 in 2021 and planned use of designated funds, which may be repurposed in 2022, will meet commitments of the Board of Education until the end of 2022. The Board will have time to meet and plan responses to any reductions in funding from the DBF without significant loss of reserves. Investment performance over time will be monitored.

Financial assistance and grant making policy

Organisations must make applications to the Board of Education Executive. The Executive considers these in the light of their benefit for promoting Christian education within the Diocese. Consideration is also given to the financial circumstances of the organisation applying.

Grants were less than 2% of total expenditure.

PRINCIPLE RISKS AND UNCERTAINTIES

The trustees of the charitable company have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. There is no internal audit function as it is not considered an efficient use of the resources of the charity.

They include:

- A strategic plan and annual budget approved by the trustees;
- Regular consideration by the Board of Education of financial results and variance from budgets;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

During the year the trustees have developed their risk management process to assess and document business risks and implement risk management strategies. This involved assessing the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. This process has drawn on the on-going consideration of business risk, which already forms a significant aspect of the trustees' duties.

An annual meeting has been put in place to review the risks of the Blackburn Diocesan Board of Education.

During the year consultants and advisers have been engaged to assist in the management of on-going work where there has been identified need.

The key risks, which may impact on the charitable company, are:

- Failure of the Department for Education (DfE) to process claims in a timely manner to meet the financial obligations of the BDBE;
- Reduction in income to a level not sufficient to cover running costs;
- Repayable financial support to schools not being repaid;
- An increase in statutory duties that cannot be recharged to schools.

The trustees are satisfied that appropriate measures are in place to mitigate the potential financial impact of these risks by having sufficient reserves in place to cover a period of delay, restructuring staff if necessary and has the assurance of the variable annual grant received from the Blackburn Diocesan Board of Finance.

The economic climate continues to impact on school budgets being cut in real terms in 2020. The Board generates resources through Service Level Agreements with schools and it may be that demands placed on school budgets could reduce the ability of schools to buy services from the Board in 2021.

Impact on risk and risk management

The company risk register already contained income losses and actions associated with them and has been updated to include loss on income from the DBF and to highlight those risks which are impacted by COVID 19. The company continues to be strong and anticipates that even with no DBF grant and reduction in investments and income, costs can be managed to ensure continued viability.

STRUCTURE GOVERNANCE AND MANAGEMENT

The Board of Education is a statutory body under the Diocesan Boards of Education No2 Measure 1991. This requires every diocese to have a Board of Education which has responsibility for overseeing the work of Church Schools and being responsible for managing Education Charitable Trusts. The Board of Education was incorporated in November 1955 and is a company limited by guarantee.

Those persons who are normally referred to as members of the Board of Education are in company law the Directors of the Board and Trustees in charity law.

The Trustees present their report and audited financial statements for the year ended 31 December 2020. The Trustees and the Trustees' Report constitute the Directors and Directors' Report for Companies Act purposes.

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS 102)) and the Financial Reporting Standard 102 applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

Organisation

The Board of Education, as defined in statute, has overall control of the activities of the Company. The Board operates with five sub committees. The finance, staffing and resources committee is responsible for all financial matters across the work of the Board of Education. The schoolwork is split over two committees with school Christian ethos development considered by the Distinctiveness Committee and the other aspects of work considered by the School Strategy Committee. Parish support work is considered by the Children's Committee and Youth Committee. The Board reports to the Diocesan Synod (Membership of the Diocesan Synod is also the membership of the Diocesan Board of Finance) annually and the Director of Education also reports to the Bishop's Council.

Method of Appointment of Trustees

The trustees are appointed in the following way:

The Chair of the Board is nominated by the Diocesan Bishop. Two Archdeacons have positions by virtue of their office. Two clerks in holy orders and six members are elected from the Diocesan Synod, with six other members being elected by the Diocesan Synod. Up to four eight co-opted members are appointed on a skills basis.

The trustees are elected every three years with a new Board coming into being on the 1 January following those elections.

Induction and Training of Trustees

On induction there is a meeting with prospective trustees to explain their roles and responsibilities. They are advised of the structure of the Blackburn Diocesan Board of Education and associated companies.

Trustee training is provided as a need is identified.

Impact on risk and risk management

The company risk register already contained income losses and actions associated with them and has been updated to include loss on income from the DBF and to highlight those risks which are impacted by COVID 19. The company continues to be strong and anticipates that even with no DBF grant and reduction in investments and income, costs can be managed to ensure continued viability.

Remuneration of key management personnel

The Board is responsible for setting the pay for the key members of staff and any annual increments are agreed by the Chair of the Board.

Custodian Trustee

The charitable company is the custodian trustee for all Voluntary Aided Church of England Schools in the Benefice area (Diocese of Blackburn) except in cases where it is the actual trustee either by right of the trustee document or following an order under S86 of the 1944 Education Act.

Under the 1991 Diocesan Board of Education Measure, governors are required to consult the Board and seek written permission to do any work on the school building which involves governor liability.

The Board's main objective is to support Christian education and governors in the maintenance and development of school buildings.

TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 presume that the charitable company will continue its activities.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT OF DISCLOSURE TO THE AUDITORS

So far as the Directors are aware:

- a. there is no relevant audit information of which the charitable company's auditors are unaware, and

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements For the year ended 31 December 2020

- b. we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

APPOINTMENT OF AUDITOR

The re-appointment of Haysmacintyre LLP as auditors to the BDBF will be proposed at the Annual General Meeting.

ADMINISTRATIVE DETAIL

The Blackburn Diocesan Board of Education Limited (by guarantee) hereafter referred to as the "charitable company" is a registered company and is registered with the Charity Commission. The company was incorporated on 30 November 1955.

The trustees, who are also directors for the purposes of company law, present their trustees' report, together with the audited financial statements, for the year ended 31 December 2020.

This report constitutes the Strategic Report and the Directors' Report required under the Companies Act 2006.

Charity Registration number 1020101

Company registration number 557954

Company Secretary Mr S Whittaker

Directors/Trustees	Mr T Cox	
	Mr JMP Hewitt	
	Mrs RE Radford	
	Miss J Snape	
	Mr R Jones	
	Canon A Holliday	
	Mr G Burrows	
	Mrs C Johnson	
	Mrs N Cox	
	Rev P R M Venables	
	Venerable M Ireland	
	Mrs A C Abernethy	
	Miss N Corrigan	(Resigned 21 September 2020)
	Revd S I Haskett	(Resigned 21 September 2020)
	Mrs D L Metcalfe	
	Venerable D A Picken	
	Dr J Woolford	

Chief Executive Officer Mr S Whittaker

Appointments are made under the Diocesan Board of Education Measure 1991

The Blackburn Diocesan Board of Education

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Advisers

Solicitors	Napthens Darwen House Walker Office Park Blackburn, BB1 2QE Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES
Bankers	National Westminster Bank 35 King William Street Blackburn BB1 7DJ
Insurers	Ecclesiastical Insurance Group Beaufort House Brunswick Road Gloucester, GL1 1JZ
Investment Advisors	CCLA Investment Management Ltd Senator House, 85 Queen Victoria Street London EC4V 4ET
Registered Auditor	Haysmacintyre LLP 10 Queen Street Place London, EC4R 1AG
Registered Address	Diocesan Office Clayton House Walker Office Park Blackburn BB1 2QE

By order of the board

The Venerable David Picken

Chair of the Board of Education

Blackburn Diocesan Board of Education Limited
Clayton House
Walker Office Park
BLACKBURN
BB1 2QE



21 June 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BLACKBURN DIOCESAN BOARD OF EDUCATION

Opinion

We have audited the financial statements of The Blackburn Diocesan Board of Education for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report. Our opinion on the financial statements does not

cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and the Charities Act 2011 and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and concluded that the risk was low. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

The Blackburn Diocesan Board of Education

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Adam Halsey

(Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditors

Date: 21 June 2021

10 Queen Street Place

London EC4R 1AG

The Blackburn Diocesan Board of Education

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STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2020

		Unrestricted	Designate				
	Note	General	d	Restricted	Endowment	Total	Total
		Fund	Fund	Funds	Funds	2020	2019
		£000	£000	£000	£000	£000	£000
Income and endowments from:							
Donations and legacies	4	403	-	32	-	435	407
Charitable activities	4	405	-	23	-	428	477
Other trading activities	4	2	-	-	-	2	2
Investments	4	166	2	3	-	171	175
Total		976	2	58	-	1,036	1,061
Expenditure on:							
Raising funds	5	2	-	-	-	2	3
Charitable activities	6	1,088	19	19	-	1,126	1,417
Total		1,090	19	19	-	1,128	1,420
Net income/(expenditure) before							
Investment gains		(114)	(17)	39	-	(92)	(359)
Net gains on investments	10	85	-	-	5	90	193
Net income/(expenditure)	7	(29)	(17)	39	5	(2)	(166)
Transfer between funds	14	(37)	30	7	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes		4	-	-	-	4	43
Net movement in funds		(62)	13	46	5	2	(123)
Total funds brought forward	14	2,630	2,737	463	78	5,908	6,031
Total funds carried forward	14	2,568	2,750	509	83	5,910	5,908

All activities derive from continuing activities.

The notes on pages 22 to 37 form part of these financial statements.

Details of comparative figures by fund are disclosed in note 21.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2020

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 December 2020

	2020 £000	2019 £000
Total income	1,036	1,061
Total expenditure	(1,128)	(1,420)
Operating (deficit)/profit for the year	(92)	(359)
Net (losses)/gains on investments	90	193
Actuarial loss defined benefit scheme	4	43
Net (expenditure)/income for the year	2	(123)

The Blackburn Diocesan Board of Education

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BALANCE SHEET

at 31 December 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	9	565	580
Investments	10	1,546	1,459
		<u>2,111</u>	<u>2,039</u>
Current assets			
Debtors (amounts receivable after more than One year £446,000 (2019: £487,000))	11	848	769
Cash on deposit	12	3,942	4,161
Cash at bank and in hand	12	6,174	4,249
		<u>10,964</u>	<u>9,179</u>
Creditors: amounts falling due within one year	13	(7,013)	(5,140)
Net current assets		<u>3,951</u>	<u>4,039</u>
Total assets less current liabilities		<u>6,062</u>	<u>6,078</u>
Creditors: amounts falling due after more than one year	13	(152)	(170)
Net assets		<u>5,910</u>	<u>5,908</u>
Fund balances			
Endowment funds:	14	83	78
(including investment revaluation reserve of £55,442 (2019:£50,041))			
Restricted income funds	14	509	463
(including investment revaluation reserve of £39,183 (2019:£36,040))			
Unrestricted income funds:			
General funds (including revaluation reserve of £812,869 (2019:£728,173))	14	2,568	2,630
Designated funds (including revaluation reserve of £nil (2019:£nil))	14	2,750	2,737
		<u>5,910</u>	<u>5,908</u>

The notes on pages 22 to 37 form part of these financial statements.

These financial statements were approved by the board of directors and were signed on its behalf on 21 June 2021 by:

The Venerable David Picken
Chair of the Board of Education



The Blackburn Diocesan Board of Education is a company limited by guarantee registered in England and Wales (no 557954)

The Blackburn Diocesan Board of Education

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CASH FLOW STATEMENT

for the year ended 31 December 2020

	2020 £000	2019 £000
Cash (outflow)/ inflow from operating activities		
Net (expenditure)/income	2	(123)
Net (gains)/losses on investments	(90)	(193)
Depreciation	24	25
Dividends and interest income	(171)	(175)
(Increase)/Decrease in debtors current assets	(120)	(38)
Decrease/(Increase) in debtors long term assets	41	61
Increase in creditors current liabilities	1,872	628
(Decrease)/Increase in creditors long term liabilities	(18)	(555)
Net cash (outflow)	1,540	(370)
Cash from investing activities		
Dividends and interest income	171	175
Purchase of tangible fixed assets	(8)	(29)
Sale of investments	3	29
	166	175
Increase/(Decrease) in cash in the year	1,706	(195)
Cash and cash equivalents at the beginning of the year	8,410	8,605
Cash and cash equivalents at the end of the year	10,116	8,410
Analysis of cash and cash equivalents	2020 £000	2019 £000
Cash on deposit	3,942	4,161
Cash at bank and in hand	6,174	4,249
	10,116	8,410

NOTES TO THE FINANCIAL STATEMENTS

(forming part of the financial statements)

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included on a market value basis, and in accordance with the Statement of Recommended Practice for Charities (SORP 2015), the Companies Act 2006 and applicable accounting standards (FRS102).

The charitable company manages its activities in line with income received. As a consequence, the Trustees believe the charitable company is well placed to successfully manage its risks. After making enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The Trustees have taken into account the effect of the Covid 19 pandemic on its operations which, will remain largely unchanged in relation to the work with schools. The Trustees believe they have sufficient reserves to allow time to adjust should grant funding for other operations reduce. Accordingly, they continue to adopt the going concern basis in preparing the Trustee's report and financial statements. The Trustees believe that the charitable company is a public benefit entity.

The principal accounting policies and estimation techniques are as follows.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and the assumptions used in determining the value of the pension scheme deficit and are discussed below.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Fixed assets and depreciation

Assets with a value in excess of £500 are capitalised. Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold property	2% per annum
Re-modelling	3.33% per annum
Computers	25% per annum
Fixtures and fittings	5 - 10% per annum
Office equipment	25% per annum

The charitable company will perform annual impairment testing of assets on which depreciation is not provided in accordance with FRS 102 to determine whether residual disposal values of these assets in aggregate continue to exceed carrying value.

Fixed asset investments

Fixed asset investments are included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Debtors

Debtors are stated at amounts receivable less any provision for uncertain recoverability.

Deferred Payment Arrangements

Deferred Payment Arrangements are agreements to defer payment of the governors' liabilities on buildings projects under the Barchester Scheme.

Creditors

Creditors are stated at amounts payable.

Income:

Grants received and donations

All grants and donations are recorded as income when receivable. Where grants have conditions relating to future accounting periods they are treated as deferred income and recognised in those accounting periods. Other donations are recorded as income when receivable.

Fees and Chaplaincy income

Fees received are recognised on an accruals basis in the period to which they relate.

Service level agreement income

From April 1999 schools have been invoiced for the support services provided by the Board of Education. Prior to this school support contributions were voluntary. Income is recognised on an accruals basis.

Arrangement fee income

From 2009 arrangement fees are payable on loans arranged for schools by the Board of Education. The arrangement fee is deferred over the life of the loan.

Investment income

Interest and dividends are recognised on an accruals basis.

Grant from Blackburn Diocesan Board of Finance

The annual grant is agreed in advance by the Blackburn Diocesan Board of Finance Limited as agreed by the Diocesan Synod. A grant of service is provided in addition to cash for the provision of finance.

Expenditure:

Grants payable

Grants payable are debited to expenditure when the charitable company has a constructive obligation to pay.

Barchester Scheme Building work

The Board of Education has traditionally been involved in helping voluntary aided church school governing bodies with projects involving major funding streams from the Department for Education (DfE). This entails paying contractors' and professional fee invoices on behalf of the governing body concerned, claiming the appropriate grant (90%) from the DfE, and collecting the governors' (and sometimes the local authority) contributions. The Board might also have agreed deferred payments arrangements to the governors (10%) to such projects. The gross turnover of such activity can amount to considerable sums, where a major new build is concerned.

The payment of such invoices is not accounted for as expenditure of the Board. Normally, the Board has received grant funding or the governors' contribution in advance, but where this is not the case it is shown as the making of short-term cash-flow deferred payments for the governing bodies concerned. These are repaid when the appropriate DfE grant and governors' contributions are received. Essentially the Board is acting as the agent of the appropriate governing body in these transactions.

The Board also acts as an agent with DfE arrangements for making 'voluntary aided school annual devolved formula capital grants' available to schools in advance of project spend or approval.

During 2020 the total expenditure was £5,599,844 (2019: £7,203,344). This expenditure has not been recognised in the financial statements of the company in line with FRS 102.23.4.

Cost of Activities

The cost of running each department of the Board is recognised on an accruals basis.

Governance and support costs

Governance costs consist of the audit fee and the cost of preparing the accounts.

Board of Education administration support costs are recognised on an accruals basis. Support costs are apportioned on a basis consistent with the use of resources.

Taxation

The Blackburn Diocesan Board of Education Limited (by guarantee) is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in independently administered funds. The amount charged in the statement of financial activities represents the contributions payable to the scheme in respect of the accounting period.

Some of the charitable company's staff are members of the Church Workers Pension Fund. The costs charged as expenditure represent the charitable company's contributions payable in respect of the accounting period, in accordance with FRS102.

Four employees are members of the Church of England Funded Pension Scheme. At 31 December 2020 the Board of Education is responsible for its own liabilities on this scheme and as such the liability is held on the balance sheet.

Fund accounting

Funds held by the charitable company are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds

This is capital, held in perpetuity to create income for specified purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Where a grant or donation is received to fund a capital item or where an asset is donated, if there is an obligation relating to the future use or retention of the relevant asset, the balance relating to that asset is held within restricted funds as long as that restriction exists. Where there is no such restriction, the income relating to the purchase of capital items is transferred to unrestricted funds in the Statement of Financial Activities.

Realised gains on schools

Realised gains on schools represent amounts which accrue to the Board of Education from the sale of church schools' land or buildings and which have been received in the period.

Unrealised gains / losses on investments

Unrealised gains and losses on investments represent the aggregate change in market value of investments since the previous balance sheet date.

Realised gains / losses on investments

Realised gains or losses on investments relate to actual gains or losses arising in the period on disposal.

2 Remuneration of trustees

No trustee has received remuneration from the Board of Education during the year (2019: £nil).

Expenses reimbursed to trustees during the year amounted to £nil (2019: £nil).

3 Staff numbers and costs

The average number of people employed during the year was 23 (2019: 22).

The average number of full-time equivalent persons employed by the charitable company during the year, analysed by category, was as follows:

	Number of employees	
	2020	2019
Director of Education	1	1
Deputy and Assistant Directors	1	1
Principal Schools Adviser	2	2
Schools Improvement Officers	1	1
Youth and Children's Chaplains/ Officers	6	4
Administration and Secretarial	12	13
	23	22

The aggregate payroll costs of these employees were as follows:

	2020	2019
	£000	£000
Wages and salaries	637	625
Social security costs	57	58
Other pension costs	46	67
	740	750

During the year one employee received a salary in excess of £60,000, in the band £60,000 to £70,000 (2019: one). Pension contributions in respect of this employee were £6,936 (2019: £6,800).

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 charitable company. During 2020 they were:

Chief Executive officer	Stephen Whittaker
Deputy Director	Samuel Johnson

Remuneration, pensions and expenses for these employees amounted to £153,834 (2019: £157,627).

In addition to the above 23 employees (2019: 22) the charitable company met some or all of the payroll costs of the following people who worked for the charitable company during the year but were paid by the Church Commissioners.

	Number of persons	
	2020	2019
University/FE Chaplains	1	1
	1	1

The total payroll costs during the year met by the charitable company and related to these non-employees amounted to £46,726 (2019: £45,965).

Pension schemes

Group Personal Pension Plan

The Blackburn Diocesan Board of Education participates in a defined contribution pension scheme. The assets of the pension scheme are held separately from those of the Blackburn Diocesan Board of Education in an independently administered fund. The pension cost charge for the year represents contributions payable by the Blackburn Diocesan Board of Education to the fund.

The Blackburn Diocesan Board of Education participates in the Defined Benefits Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year (2020: £18,939 2019: £20,022) plus the figures in relation to the DBS deficit highlighted in the table below as being recognised in the SoFA, giving a total charge of £18,939 for 2020 (2019: £20,022).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of DBS is carried out once every three years. The most recent was carried out as at 31 December 2016. In this valuation, the Life Risk Section was shown to be in deficit by £2.6m and £2.6m was notionally transferred from the employers' sub-pools to the Life Risk Section. This increased the Employer contributions that would otherwise have been payable. The overall deficit in DBS was £26.2m.

Following the valuation, the Employer has entered into an agreement with the Church Workers Pension Fund to pay a contribution rate of 41.2% of pensionable salary and expenses of £2,900 per year.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out below:

	2020 £000	2019 £000
Balance sheet liability at 1 January	-	-
Deficit contribution paid	-	-
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	-	-
Balance sheet liability at 31 December	-	-

* Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	December 2020	December 2019	December 2018
	£000	£000	£000
Discount rate	0.00%	0.00%	0.00%

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

Church of England Funded Pension Scheme (CEFPS)

Blackburn Diocesan Board of Education participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2020: £76,007, 2019: £74,667), plus the figures highlighted in the table below as being recognised in the SoFA, giving a total charge of £76,007 for 2020 (2019: £74,667).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumption

- An average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.;
- Mortality in accordance with 95% of the S3NA_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long-term annual rate of improvement of 1.5%, a smoothing parameter" of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

The deficit recovery contributions under the recovery plan in force as at 31 December 2016, 31 December 2017 and 31 December 2018 were as set out in the above table.

As at 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019 and 31 December 2020 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

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Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2017 and over 2018 is set out in the table below.

	2020 £000	2019 £000
Balance sheet liability at 1 January	25	78
Deficit contribution paid	(12)	(12)
Interest cost (recognised in SoFA)	-	2
Remaining change to the balance sheet liability* (recognised in SoFA)	(4)	(43)
Balance sheet liability at 31 December	9	25

* Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2020 £000	December 2019 £000	December 2018 £000
Discount rate	0.2%	1.1%	2.1%
Price inflation	3.1%	2.8%	3.1%
Increase to total pensionable payroll	1.6%	1.3%	1.6%

The legal structure of the scheme is such that if another Responsible Body fails, Blackburn Diocesan Board of Education could become responsible for paying a share of that Responsible Body's pension liabilities.

4 Analysis of Income

	2020 £000	2019 £000
Donations and legacies		
Donations	13	11
Diocesan Board of Finance General Funds	369	363
Diocesan Board of Finance Restricted Funds	2	2

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External organisations	51	31
	<u>435</u>	<u>407</u>
Income from charitable activities		
Fees and Chaplaincy income	63	70
Sale of publications and courses	48	96
Service level agreements	273	271
Rent	44	40
	<u>428</u>	<u>477</u>
Other trading activities		
DBE Services Fees	2	2
Investment income		
DBE Services gift-aid donation (17% owned)	91	72
Dividends	58	57
Interest	22	46
	<u>171</u>	<u>175</u>

5 Fund Raising Costs

	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2020 £000	Total 2019 £000
Generating voluntary income	-	-	-	-	1
Fundraising trading	2	-	-	2	2
Total Fund-Raising Costs	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>3</u>

6 Charitable Activities

Activity or Programme	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2020 £000	Total 2019 £000
Cost of charitable activities:					
<i>School and governor support</i>	303	-	105	408	484
<i>Higher and further education</i>	126	1	44	171	176
<i>Children's work</i>	67	-	23	90	84
<i>Youth work</i>	197	-	69	266	280
<i>Schools work - designated</i>	-	-	-	-	151
<i>School buildings support</i>	143	4	44	191	242

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8 Realised gains on schools

35

9 Tangible fixed assets

	Buildings £000	Fixtures, fittings and other equipment £000	Total £000
Cost			
At beginning of year	616	89	705
Additions	-	8	8
Disposals	-	(14)	(14)
At end of year	616	83	699
Depreciation			
At beginning of year	63	61	124
Charge for year	17	7	24
Elim on disposal	-	(14)	(14)
At end of year	80	54	134
Net book value			
At 31 December 2020	536	29	565
At 31 December 2019	553	27	580

10 Investments

	Unlisted securities Central Board of Finance Church of England		
	Investment Fund £000	Fixed interest securities fund £000	Total UK investments £000
Market valuation			
At 31 December 2019	1,244	215	1,459
Increase in market value	83	7	90
Sale of investments	(3)	-	(3)
At 31 December 2020	1,324	222	1,546
Historic cost	445	224	669

Included within Total UK Investments is a 17% holding in DBE Services Limited, a non-listed company and a related party. The Board of Education holds 12 shares in DBE Services Limited valued at £12 (2019: £12).

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11 Debtors

	2020 £000	2019 £000
<i>Amounts receivable within one year</i>		
Deferred payments on school building projects	58	44
Deferred Payment Arrangements	27	33
Other debtors	167	112
Loans	1	1
Prepayments	15	26
Accrued income	20	28
Amounts due from Diocesan Board of Finance	114	38
Debtors: amounts receivable within one year	402	282
<i>Amounts receivable after more than one year</i>		
Deferred Payment Arrangements	163	183
Loans	13	14
Amount owed from related party (Cidari)	270	290
Debtors: amounts receivable after more than one year	446	487

	Instalments due in one year		Instalments payable due in two and five years		Instalments due in five years or more		Total	
	2020 £000	2019 £000	2020 £000	2019 £000	2020 £000	2019 £000	2020 £000	2019 £000
Deferred Payment Arrangements	27	33	83	89	80	94	190	216
Loans	1	1	4	4	9	10	14	15
Total	28	34	87	93	89	104	204	231

12 Deposits and cash at bank and in hand

	2020 £000	2019 £000
Bank (Current Account and Deposits)	6,174	4,249
Deposits with Central Board of Finance Church of England	3,942	4,161
	10,116	8,410

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13 Creditors

	2020 £000	2019 £000
<i>Amounts falling due within one year</i>		
Receipts in advance on behalf of boards of school governors	2,423	2,088
Monies held on behalf of schools in relation to Devolved Formula Capital (DFC)	1,986	2,311
Monies held on behalf of schools in relation to SCA Funding	1,892	-
Other creditors	618	636
Accruals	10	11
Deferred income	84	94
Creditors falling due within one year	7,013	5,140
<i>Amounts falling due after more than one year</i>		
Education trust funds	143	145
Defined benefit pension liability	9	25
Creditors falling due after more than one year	152	170
<i>Deferred Income:</i>		
At beginning of year	94	
Recognised in year	(94)	
Deferred income 2020	84	
At end of year	84	

Deferred income is recognised as follows:

	Recognised in one year		Recognisable between two and five years		Recognisable after five years		Total	
	2020 £000	2019 £000	2020 £000	2019 £000	2020 £000	2019 £000	2020 £000	2019 £000
Deferred income	84	94	-	-	-	-	84	94

14 Funds

	Unrestricted		Restricted	Endowment	Total
	General fund £000	Designated fund £000	fund £000	fund £000	£000
At beginning of year	2,630	2,737	463	78	5,908
Surplus/(deficit) of income over expenditure in the year	(114)	(17)	39	-	(92)
Investment gains in the year	85	-	-	5	90
Transfers between funds	(37)	30	7	-	-
Actuarial loss on pension scheme	4	-	-	-	4
At end of year	2,568	2,750	509	83	5,910

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The General Fund consists of those amounts available for the general purposes of the charitable company.

	At 1 January 2020 £000	Income £000	Expenditure £000	Net investment gains, losses and transfers £000	At 31 December 2020 £000
Designated funds					
Youth development	84	-	-	(41)	43
Sponsoring academies	385	-	-	(20)	365
Elmslie Fund	475	2	-	-	477
New Opportunity Fund	375	-	(18)	-	357
Church Workers Pension Deficit	53	-	-	-	53
Clayton House	2	-	-	-	2
Admissions & Appeals	270	-	-	(32)	238
Appointments	90	-	-	(10)	80
Vision 2026	608	-	-	-	608
Statutory Governance	196	-	-	(23)	173
Schools causing concern	199	-	(1)	-	198
Digital Resources	-	-	-	156	156
	2,737	2	(19)	30	2,750
Restricted funds					
Residential Income Fund	33	2	-	-	35
Education Trust Funds	49	-	-	-	49
Common Fund	353	12	(4)	-	361
Other restricted funds	28	44	(15)	7	64
	463	58	(19)	7	509
Endowment funds					
Residential Endowment Fund	78	-	-	5	83

The specific purposes for which the designated and restricted funds are to be applied is as follows:

The Youth and Chaplaincy fund - for the support of chaplaincy work.

The Academies fund - to support the sponsoring of academies.

The Elmslie fund is used for the work of the youth chaplain at Blackpool St George CE School.

The New Opportunity Fund - for school buildings support.

The Residential Endowment and Income Fund are used to support Youth Work activities.

The Common Fund was set up by schools make voluntary donations to support capital work in schools.

Church workers pension deficit – designated for use against deficits on the defined benefit pension scheme for some employed staff.

Clayton House – balance of funds designated for the accommodation of the head office to be used for final costs and retention following the purchase of the building.

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Admissions, Appointments and Appeals – designated to cover the cost of statutory expenditure for where there is no direct source of income.

Educational Trust Fund – the revaluation reserve on funds held in creditors awaiting final decision on ownership of the investment.

Vision 2026 – a designated fund has been created to enable churches and schools to fund initiatives and projects that seek to deliver the objectives of the diocese vision 2026.

Statutory Governance – this fund is to be used to underwrite the Board of Education's statutory duties for governance in schools.

Schools causing concern – schools falling into difficulty often require financial support and assistance this fund will enable the diocese to work in partnership with local authorities to support schools as they seek to improve.

Digital Resources – for the production of digital resources for the Board of Education and staffing to meet the target of significantly increasing digital reach.

15 Share capital

The charitable company is limited by guarantee, registered in England and does not have authorised or allotted share capital. The liability of each member of the Board may not exceed £1.

16 Analysis of net assets between funds

	Tangible fixed assets £000	Investments £000	Net current assets £000	Creditors falling due after more than one year £000	Total £000
Unrestricted Funds	565	1,418	3,344	(9)	5,318
Restricted Fund (restricted)	-	45	607	(143)	509
Endowment fund (restricted)	-	83	-	-	83
	<u>565</u>	<u>1,546</u>	<u>3,951</u>	<u>(152)</u>	<u>5,910</u>

17 Commitments

There were no commitments in 2020.

18 Related party transactions

The company is related to Blackburn Diocesan Board of Finance Ltd who provides significant funding by way of a grant. At the year end the balance due from this company was £113,688 (2019: £37,694). Grants received in the year from this company amounted to £371,045 (2019: £365,001) and grants paid to this company amounted to £1 (2019: £1,746). Recharges in the year were £15,474 (2019: £23,678).

The company is related to DBE Services Ltd by virtue of owning 17% of the share capital. There was £375 due to DBE Services Ltd (2019: £3,084) at the year end and recharges in the year were £8,796 (2019: £9,392).

The company is related to Cidari Multi-Academy Trust which was set up by both the DBE and DBF to look after Church of England schools converting to academies within the diocese. As at 31 December 2020 £289,608 (2019: £309,608) was due from this company and recharges in the year were £9,760 (2019: £10,421).

19 Financial instruments

	2020 £000	2019 £000
Financial assets measured at fair value	1,546	1,459

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Financial assets measured at amortised cost	10,964	9,179
Financial liabilities measured at amortised cost	7,165	5,310
Financial liabilities measured at fair value	-	-

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20 Prior year comparative Statement of Financial Activities

	Unrestricted			Endowmen t	2019
	General Fund £000	Designated Fund £000	Restricted Funds £000	Funds £000	Total £000
Income and endowments from:					
Donations and legacies	376	-	31	-	407
Charitable activities	465	-	12	-	477
Other trading activities	2	-	-	-	2
Investments	168	4	3	-	175
Total	1,011	4	46	-	1,061
Expenditure on:					
Raising funds	3	-	-	-	3
Charitable activities	1,174	182	61	-	1,417
Total	1,177	182	61	-	1,420
Net income/(expenditure) before investment gains	(166)	(178)	(15)	-	(359)
Net gains/(losses) on investments	181	-	-	12	193
Net income/(expenditure)	15	(178)	(15)	12	(166)
Transfer between funds	203	(192)	(11)	-	-
Actuarial (losses) on defined benefit pension schemes	43	-	-	-	43
Net movement in funds	261	(370)	(26)	12	(123)
Total funds brought forward	2,369	3,107	489	66	6,031
Total funds carried forward	2,630	2,737	463	78	5,908

21 Prior year Fund Raising Costs

	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2019 £000	Total 2018 £000
Generating voluntary income	-	-	1	1	9
Fundraising trading	2	-	-	2	2

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Total Fund-Raising Costs	2	-	1	3	11
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22 Prior year Charitable Activities

Activity or Programme	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2019 £000	Total 2018 £000
Cost of charitable activities:					
<i>School and governor support</i>	367	-	117	484	461
<i>Higher and further education</i>	133	1	42	176	175
<i>Children's work</i>	64	-	20	84	92
<i>Youth work</i>	211	2	67	280	297
<i>Schools' work - designated</i>	-	151	-	151	57
<i>School buildings support</i>	156	42	44	242	203
Charitable activities subtotal	931	196	290	1,417	1,285

23 Prior year Funds

	General fund £000	Unrestricted Designated fund £000	Restricted fund £000	Endowment fund £000	Total £000
At beginning of year	2,369	3,107	489	66	6,031
Surplus/(deficit) of income over expenditure in the year	(166)	(178)	(15)	-	(359)
Investment gains in the year	181	-	-	12	193
Transfers between funds	203	(192)	(11)	-	-
Actuarial loss on pension scheme	43	-	-	-	43
At end of year	2,630	2,737	463	78	5,908

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The General Fund consists of those amounts available for the general purposes of the charitable company.

	At 1 January 2019 £000	Income £000	Expenditure £000	Net investment gains, losses and transfers £000	At 31 December 2019 £000
Designated funds					
Youth and Chaplaincy	159	-	-	(75)	84
Sponsoring academies	400	-	-	(15)	385
Elmslie Fund	476	4	-	(5)	475
New Opportunity Fund	543	-	(168)	-	375
Priest Hutton School House Fund	54	-	-	(54)	-
Kenwyn Ave Fund	166	-	-	(166)	-
Church Workers Pension Deficit	53	-	-	-	53
Clayton House	28	-	-	(26)	2
Admissions & Appeals	301	-	-	(31)	270
Appointments & Appeals	100	-	-	(10)	90
Vision 2026	400	-	(5)	213	608
Statutory Governance	219	-	-	(23)	196
Schools causing concern	208	-	(9)	-	199
	3,107	4	(182)	(192)	2,737
Restricted funds					
Residential Income Fund	34	3	-	(4)	33
Education Trust Funds	93	-	(44)	-	49
Common Fund	342	11	-	-	353
Other restricted funds	20	32	(17)	(7)	28
	489	46	(61)	(11)	463
Endowment funds					
Residential Endowment Fund	66	-	-	12	78

24 Prior year Analysis of net assets between funds

	Tangible fixed assets £000	Investments £000	Net current assets £000	Creditors falling due after more than one year £000	Total £000
Unrestricted Funds	580	1,333	3,479	(25)	5,367
Restricted Fund (restricted)	-	48	560	(145)	463
Endowment fund (restricted)	-	78	-	-	78
	580	1,459	4,039	(170)	5,908