

Charity Registration No. 1059195

Company Registration No. 00464306 (England and Wales)

SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY
YEAR ENDED 31 MARCH 2023**

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**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY
YEAR ENDED 31 MARCH 2023**

Trustees and members	The Venerable A C MacRow-Wood - Chair Reverend R Ayer-Harris Mrs A L Aze Mr A J Brown Mr T Farrer Mrs S L Hallis (resigned 24/11/22) Mr N Harrison Mr N Rees - Vice Chair Mr I K Robinson Canon J Triffitt
Secretary	Mr G Pugh
Diocesan Director of Education	Canon J Tubbs (resigned 1/9/23) K Fitzsimmons (appointed 1/9/23)
Charity number	1059195
Company number	00464306
Registered office	The Diocesan Education Centre The Avenue Wilton Salisbury Wiltshire
Auditor	Moore (South) LLP 33 The Clarendon Centre Salisbury Business Park Dairy Meadow Lane Salisbury Wiltshire
Bankers	Lloyds Bank PLC 38 Blue Boar row Salisbury Wiltshire SP1 1DB
Solicitors	Parker Bullen LLP 45 Castle Street Salisbury Wiltshire SP1 3SS
Investment Manager	CCLA Investment Management Ltd 80 Cheapside London

SALISBURY DIOCESAN BOARD OF EDUCATION (THE) (A COMPANY LIMITED BY GUARANTEE) TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Salisbury Diocesan Board of Education (the Charity and the Group) for the year ended 31 March 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Since the Charity and the Group qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.

Strategic Objectives

Objectives and activities

The Board's principal objects are to:

- Promote and assist in the promotion of education in the Diocese that is consistent with the faith and practice of the Church of England.
- Promote and assist in the promotion of religious education and religious worship in schools in the Diocese.
- Promote and assist in the promotion of Church schools in the Diocese.
- Promote co-operation between itself and other persons concerned with education in the Diocese.
- Promote and encourage the Christian nature of children and young people within the parishes of the Diocese.

The Board lives out the diocesan vision of 'Making Jesus Known'.

The flourishing of church schools, Academy Trusts and the children and young people they cherish is at the heart of the Salisbury Diocesan Board of Education's reason for being. The SDBE journeys alongside schools and communities; through courageous Christian leadership and governance of education and church culture and through astute stewardship, we work to empower Christian flourishing in church schools, trusts and the parishes they serve.

The Board also acts as trustee of the Uniform Statutory Trusts (USTs), which form its restricted fund for the improvement of the fabric of church school buildings and educational purposes. The Board is also the trustee of a number of educational Trusts as well as acting as custodian trustee.

Under the terms of the Education Act 1993, the UST funds may be applied towards the purchase of a site for, or the erection, improvement, enlargement or maintenance of any church school or church school's teacher's house in the Diocese (restricted capital account) or educational purposes (restricted income account). The income derived from the restricted capital account fund may also be used for the provision of advice and resources in connection with the management of education provided at the schools.

SALISBURY DIOCESAN BOARD OF EDUCATION (THE) (A COMPANY LIMITED BY GUARANTEE) TRUSTEES REPORT

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Achievements and performance

Review of activities

As at the 31/3/23 there were 192 Church Schools in the Diocese of Salisbury serving 42,000 children; 9 secondary and 4 middle schools. In total, 111 schools are academies with 104 within a multi-academy trust, with an additional 17 having permission to convert in the summer term. 24 of the academies are within the Diocese of Salisbury Academy Trust (DSAT) with a further 4 schools seeking to join in the next few months. There are 7 single academy trusts. By the close of the summer term 2023 a total of 59 schools will remain maintained with further 2 schools actively seeking a Trust home. In the past year, two schools have merged (to become Wyvern St Edmunds Academy) and one school (Okeford Fitzpaine Primary Academy) has closed. The 192 church schools are a vital part of our diocesan hope for Making Jesus Known across our diocese.

As we reach the close of our 5-year strategic plan we give thanks to God for the opportunities He has given us; the learning the years have offered, and the promise of the journey ahead. The year has had at its centre the arrival of Bishop Stephen; the team celebrated the Bishop's visit to the Diocesan Education centre on the day his appointment by Queen Elizabeth was announced. The Bishop met with children and young people from all over the diocese and promised their teachers he would be visiting their schools. This promise has been kept with Bishop Stephen becoming a frequent guest of academy trusts and church schools. The year has seen the development of a diocesan vision and plan which sets out diocesan commitments. SDBE staff have been honoured to play a valued part in the development of this vision and we celebrate the diocese's new commitment to become a diocese highly valued for church and school partnerships, maximising the missional opportunities that sit at the interface between church, Trust, school, and households and enabling children and young people to express their voice and their agency to lead change in the church and in society.

In turn, the SDBE has turned its attention to the review of the 5-year strategy; an external reviewer reporting in September 2022 noted the work of the SDBE as 'highly respected by schools' playing 'a significant part in protecting and developing the Christian character of church schools and in shaping the education landscape across the Diocese, for the greater good of all schools'. The review enabled our learning and as a result we have further developed our work on foundation governance and staff performance management. The review supported our thinking about how the SDBE and Salisbury Diocesan Board of Finance (SDBF) might better maximise the experience and strengths of the Children and Young People team, which has led to the team joining the SDBF (from April 2023) to integrate their work deeply within diocesan mission and ministry. The review set the scene for the staff team to create the SDBE strategic plan 2023-2028, which will be approved by Trust Board in July 2023; this plan expresses our vision in the words of the diocesan vision, Making Jesus Known, and our purpose to enable the flourishing of church schools, Academy Trusts and the children and young people they cherish. The new plan reflects the maturity of the Board of Education – bold aims for courageous leadership of church and education culture, for empowering Christian flourishing and for astute stewardship.

The year is also marked by the appointment of the Director of Education designate; Katie Fitzsimmons took up post on 1st September 2023, leading a team of 15 staff (13 FTE) each utterly committed to the full flourishing of Trusts, schools, children and young people and the communities to which they belong – Making Jesus Known.

In summarising the year, we draw attention to key strands which have been crucial to the on-going development of the SDBE and our ability to fulfil our mission, and vision:

Programme for Church School Flourishing: The Education Office of the Church of England joined the SDBE for a day to learn about our work as we build the capacity, capability, and commitment of academy trusts to the Christian foundation of church schools. The national director and his deputy were deeply impressed by the responsibility and accountability CEOs and Chairs of academy trusts evidenced for the church schools in their care. They were impressed by the quality of the Programme for church school flourishing (PCSF) which is placing the SDBE at the heart of the Schools' Trust landscape for the long-term future in this diocese.

The year has seen the introduction of the programme to all the southwest dioceses and the launch of the programme with southwest trusts is planned for September 2023. Within the Salisbury Diocese, growth in engagement with the PCSF has continued, 37 trust leaders have engaged with training from 10 different trusts, with 3 of the first cohort of 6 trusts fully equipped to deliver their own church school flourishing programme to replace the SDBE PSA from September 2023. The training engagement has been well supported by the Thinkific learning platform that has enabled remote training, hosted recorded training presentations for distance learning and the full set of materials and resources developed to support the PCSF roles.

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Foundation Governance: 149 foundation governance processes ran to completion including both new and renewing; the web-based process continues to be further enhanced and refined with developments built in to resolve discrepancies, increase functionality and uplift the user experience. Across the Autumn Term, the governance administrator undertook a comprehensive project to perform a deep dive into the status of governance across all of our MATs. This highlighted the need to adapt our systems to accommodate the specific character of our Trusts, most especially those with more than one Diocese as Corporate Member. As well as embedding these system improvements, the completion of the project resulted in a greatly improved level of accuracy in the governance records and data we hold for each Trust, alongside building stronger and deeper relationships with the governance leads and Clerks within each of these Trusts. This work has addressed the issues raised by the external review.

Support for SIAMS: The support for SIAMS inspections has continued to be a learning process with the national announcements in November 2022 detailing the changes to the inspection process to commence in September 2023. To support school leaders further, follow-up sessions were held to offer a time for 'what this might mean for me' reflection. In January 2023, the national team identified how the extensive national inspection list for 2022/23 was over ambitious and required amending; 16 SDBE schools were removed from the list to a mixed reaction; those disappointed at not being able to prove themselves against the grading system and those relieved not to be inspected with a graded outcome. Further SDBE led CPD has taken place to support those 16 schools and schools more widely as we develop our understanding of the new framework. The SDBE SIAMS leader has successfully trained to be a SIAMS inspector and has attended training to inspect under the new framework from September 2023 which has deepened the CPD offer to school and trust leaders. A respectful relationship with the national team has been maintained, one offering both challenge and support as required.

Schools Causing Concern: There has been a second year in the reduction of Schools Causing Concern (SCC), which is the result of an increased range of actions being taken which have enacted the SCC strategy in a bolder, swifter way. The established relationship with the Regions Group (DfE) has ensured the SDBE can participate fully in determining the immediate and long-term support for schools designated as coasting under the new regulations for DfE intervention, alongside those schools voting to convert and those with a Direct Academy Order. Additional time has been gifted to trusts new to receiving diocesan SCC, to support and help shape their school improvement offer for the most vulnerable schools. Strategic work has been started with Wiltshire as the LA with the most remaining maintained schools.

RE and Collective Worship: The SDBE has written an RE strategy that places pupils, teachers and schools at the heart. It sets out our aims for RE and ways of working with partners. This has focused mostly on supporting the creation of SACRE Locally Agreed Syllabi and strong curriculums in schools. Hub Lead Practitioners (HLPs) have been intrinsic in this work. From September 2022, the RE Hub Network meetings have been un-linked from the PSA subscription and are managed directly by HLPs. This has enabled RE leaders from all schools to join without cost – a development which lives out the SDBE's vision for transformative support for RE across the diocese. Hub Lead Practitioners continue to give support to schools on a 1:1 basis and this is very highly valued by the schools that seek it. For example a MAT-wide project has been carried out with INITIO to co-create a First School RE curriculum for all schools to use.

We have continued to be flexible about courses offered in RE and Collective Worship (CW) and have provided a mixed offer of online as well as in-person sessions. 64 schools have attended at least one CW session. A new virtual course aimed at Pupil Leaders of collective worship involved pupil worship leaders from six schools presenting to attendees. It was well attended, running twice. Our third CREative, REinspiring RE Conference was very well attended with 'national standard' speakers and rich content that drew in 76 attendees. Evaluation shows that there has been an increase in use of PSA Adviser time on RE and CW in the annual visits, and, as hoped, the Hub Lead Practitioners (HLPs) have been 'bought in' by schools on a school-to-school support basis to deliver a suite of training for the whole school staff, typically in a series of twilights. Excitingly, the first four MATs have identified RE and CW Faculty Leads (RECWFLs) and training will be complete by September 2023. This will enrich further the distributed leadership of DBE-held wisdom for schools.

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Community Hubs and work with children and young people: 7 Community hubs are being supported across the diocese, with a change since last year from a Warminster hub to one that is focussed on the area across Salisbury Plain within the same academy trust. The Benefact Trust have been pleased with the progress their funding has enabled in the 1st year and the additional capacity this and the Community of St Denys (CSD) funding has enabled is contributing to a greater pace and depth of the work in the hubs with new provision established, reviewed, deepened and shared. Work in the Sherborne and Shaftesbury hubs has been recognised by the national Growing Faith Foundation and has become a Growing Faith learning hub in the first national wave of support and funding for these. In response to the review and the many cultural challenges that developing work with CYP faces across the diocese the CYP team have moved from the SDBE, on the 1 April 2023, to the MMC team in the SDBF. This is placing this work more centrally to the mission and ministry of the diocese and it is hoped will enable a greater voice within the developing diocesan plans. Particularly work related to Growing Faith and the development of missional communities.

School Trusts: There are 18 MATs that include SDBE church schools. The last year has seen three Trusts transfer all their schools into three different Trusts. These have each been large projects involving SDBE officers. Three Trusts have appointed new CEOs, one Trust adopted church Articles for the first time (at 50%), one Trust now has a new name, and one Trust has been heavily supported by the SDBE to emerge from a period of considerable instability. This represents significant change in the MAT landscape across our Diocese over the past year with the SDBE playing a crucial role in the rationalisation process towards a stable and fully constructed family of safe MAT homes for all of its church schools. The Schools White Paper has led to a considerable surge in the number of schools seeking conversion into a MAT with a number resulting from the new definition of 'coasting' as well as a further large and increasing number who have come to appreciate the benefits of belonging in a MAT whilst at the same time experiencing growing dissatisfaction at the decline in support being provided by their local authority. A series of successful SDBE 'White Paper Information forums' in the Autumn Term underpinned by the ongoing advocacy by the DBE for its 'safe home' MATs catalysed action by many schools.

Simultaneously our diocesan MAT has continued to flourish and grow; schools have received strong Ofsted outcomes and the Regions Group has asked the trust to sponsor a school that has received a Special Measures judgement. The trust board has approved a growth strategy which will see the trust grow to potentially 35 to 40 schools over the next several years and strong church schools are now seeing DSAT as a trust of choice. The trust's Christian vision and leadership is strong and the Members' group, across the year, has further developed its practice and engagement with the trust board. The Board of Education can be proud of the Diocesan MAT and all that it is achieving as it secures a flourishing home for church schools and their children.

Investment policy

Under the Memorandum of Association the Charity has the power to invest monies possessed by the Board, or held by it on Trust, in any legal investments or securities according to UK legislation. The trustees, having regard to the liquidity requirements of the VA schools capital schemes cash flows, have operated a policy of keeping available funds in interest bearing deposit accounts and investments.

The Board's investment management strategy for UST funds, placed with CCLA, is to achieve a targeted net return of RPI plus 3% p.a., between capital growth of invested funds and dividend and other income, with distributed income being set at a requirement of £228k in 2022/23. For the year ended 31 March 2023 net distributed investment income received was £235k (2022 £223k). The increase between the two years primarily reflecting the in year increase in the number of shares held. The average distributed rate achieved was 3.1% (2021 2.9%) against the RPI rate for the year of 13.5%. There has also been a significant capital decrease in year and the net loss on investments was £383k (2022: gain £629k). This reflecting the worldwide stock market position. The overall net return in 2023 was -1.8% (2022 12.3%) which was not in line with the targeted net return of 16.5% (RPI being 13.5% in 2023) due primarily to the high level of RPI and the significant unrealised loss of £383k.

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FOR THE YEAR ENDED 31 MARCH 2023

Financial review

The SDBE consolidated accounts for 22/23 include, as in 21/22, both the income and expenditure of ESFA School Condition Allocation (SCA) capital funding schemes at VA schools which are project administered only by the SDBE. The consolidated accounts as in prior years include Saled Ltd (100% owned subsidiary of the SDBE).

Income

Overall income has decreased by £351k from £3,106k in 2022 to £2,755k in 2023. This is primarily due to the expected reduction in charitable activities income (SCA) of in total £675k between the two years partially offset by a one off trust fund transfer (Chisledon) of £295k. The SCA funding being lower in 2023 and this reflects a known trend as SCA funding reduces as both more VA church schools convert to academies and the transitional protection given by the ESFA is steadily reduced over 4 years. This trend will therefore continue into future years.

Expenditure

This has decreased by £696k from £3,434k in 2022 to £2,738k in 2023. This is linked primarily to the decrease in SCA projects funding noted above and compared to 2022 SCA expenditure has decreased by £613k to £1,128k.

Underlying operating deficit

The Board has recognised that the SDBE has a financial gap between its normal income and expenditure levels. It has taken the formal decision to fund this gap by utilising income from the sale of old schools and trust funds as appropriate. In 2023 the underlying operating deficit was £188k compared to £90k in 2022 and it is planned to reduce this over the next 4 years and achieve an underlying operating breakeven position by 2027. The underlying operating deficit is reconciled to the net movement in funds below. The budgeted underlying operating deficit for 2023/24 is £197k (2022/23 was £175k).

The SDBE has decreased its reserves in 2022/23 by £366k (2021/22 increased by £301k). This is due primarily to an underlying operating deficit of £188k plus a significant investment loss of £383k combined with releases from the SCA restricted capital reserve of £39k and the restricted grant (All Churches Trust) of £51k partially offset by the Chisledon trust fund transfer of £295k. The SCA restricted capital reserve relates to funding received which has not yet been committed and reduced as expected in 22/23 as an element was used to allow the SCA program for VA schools to be higher than the funding received in year. The SCA restricted reserve reducing from £121k in 2022 to £82k in 2023 and this is planned to be fully utilised in 2023/24. The All Churches Trust restricted grant of £51k was specifically for Community Hubs and as it was transferred to the Salisbury Diocese Board of Finance (SDBF). It has been accounted for as a reduction in the reserve as part of the CYP transfer of responsibility from the SDBE to the SDBF from the 1/4/23.

As noted in last year's accounts, the SDBE in 2021/22 reviewed and took professional advice on how to split its restricted reserve prior to 2001 of £3,713k (which was all included in restricted capital) into both capital and income and then adjust as appropriate the net revaluation on investments gain of £2,414k from 2001 to 2021. The Board, following the review and taking account of the professional advice, considered that a fair estimate of the split within the restricted reserve of £3,713k would be restricted capital of 65% (£2,413k) and restricted income of 35% (£1,300k). Charity Commission guidance was subsequently requested by the Board on the suggested split. This guidance was received via a S15 notice in July 2022, stating that the trustee body of a Uniform Trust fund has the power to determine the division of funds between capital and income. The Board subsequently approved that a transfer could be made between the funds from restricted capital to restricted income, within the 2022/23 accounts and this has now been done. The transfer has been based on a 65%:35% split and the net revaluation on investment gain adjustment. This has resulted in a significant transfer from restricted capital reserves to restricted income reserves, which is shown in more detail in note 19.

A transfer of £1,369k has also been made in 2022/23 from the restricted income reserve to set up an unrestricted new capital fund to represent the costs (at net book value) of the Diocesan Education Centre. This has been done for further clarity in the accounts.

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In 2020/21 for the first time the charity received funding from the ESFA direct in relation to School Condition Allocation (capital funding) for VA schools. Therefore, as the SDBE has control over these funds, as they approve capital bids from various VA schools in the diocese, this needs to be reflected in the accounts. The effect of the adjustment is to add in the income and associated expenditure relating to those grants and show any grant expenditure not incurred yet but contractually obliged within SCA capital grants as seen in note 17.

The total reserves at the 31/3/23 are £8,828k split into restricted capital £5,302k, restricted SCA capital £82k, restricted income £2,011k and unrestricted £1,433k (of which £1,341k relates to DEC capital funds). A decrease of £365k on total reserves at the 31/3/22 of £9,193k. For 2022/23, as in 2021/22, the Board approved a £300k transfer, to support the provision of advice and resources to church schools in the Diocese, from the restricted income reserves to unrestricted reserves.

The above shows that there are sufficient funds in the restricted income fund and unrestricted reserve to continue to fund the gap noted above and therefore there are no issues with going concern.

Going concern

The Board recognises the risk of financial viability, and this is reflected in the actions taken by the Board. To ensure the Charity is a going concern the Board in September 2021 approved the SDBE of the Future strategy to seek to ensure achievement of key objectives and move to an underlying recurrent operational surplus by 2027. The aims of which are underpinned by both detailed financial and staffing plans. This strategy is monitored and reviewed annually by both the Resources Committee and Board.

As the SDBE receives no direct funding from the government it has to ensure its long term financial viability and therefore needs to make the best use of its resources to support education in the Diocese. The Board has agreed to support the objectives of the SDBE over the period covered by the SDBE of the Future strategy by using funding from the disposal proceeds of old school buildings and appropriate trust fund transfers.

The total reserves as at the 31 March 2023 are £8,828k of which £7,395k are restricted reserves. The restricted reserves are split into income restricted reserves of £2,011k, which can be used to support education in the Diocese, capital restricted reserves of £5,302k, which can be used for capital purposes in the Diocese and SCA capital restricted reserves of £82k. There is an unrestricted reserve of £1,433k. This further supports the trustees view on going concern.

After making appropriate enquiries, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

Unrestricted reserves

Having considered financial risk, liquidity requirement and the timing of cash flows throughout the year, the Board's policy is to hold a balance of readily realisable assets in the general fund equivalent to 3 months budgeted unrestricted expenditure for the year. At 31 March 2023 the amount required under this policy totalled £222k (2022: £244k). Actual unrestricted reserves as at 31 March 2023 totalled £92k (2022: £173k). A transfer of £300k from income restricted reserve to the unrestricted reserve was made in 2022/23. A further transfer is planned to be made in 2023/24 to increase the level of unrestricted reserves.

Restricted reserves

The Board recognises the importance of increasing the UST funds to enable it to continue to work. The trustees consider that the value of restricted reserves under a managed investment agreement should not fall below £2 million. The total of funds held by CCLA at the year end totalled £7,662k in line with the prior year balance of £7,688k. This was due to a significant in year negative revaluation adjustment of £383k offset by in year purchases of shares of £356k.

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SALED Ltd

SALED Limited is the wholly owned trading subsidiary of the Salisbury Diocesan Board of Education and has the same accounting year end as SDBE. For the year to 31st March 2023 the company had a turnover of £262,613 (2022: £267,080). It had a net surplus of £27,817 (2022: £40,378) and accumulated reserves of £91,461 (2022: £63,644).

Plans for future periods

The year has again seen us continue our strong focus on ensuring that actions to meet agreed priorities are well timed and staged. We are taking forward our very clear vision for the SDBE of the future through the 5 year plan for 2023 to 2028. In 2023/24 we will be implementing the first year of our new five-year strategic plan

The plan is based on the SDBE learning with and from schools, children, young people, school trusts and parishes; we thus step confidently into this work centred within the Salisbury Diocesan vision of Making Jesus Known.

The three aims and priorities of the SDBE Strategic Plan for 2023-28 have evolved to address our shared learning, and particularly give emphasis to:

- ensuring every church school belongs within a strong school trust family, or is linked to a school trust to secure its full flourishing
- leading the re-thinking of foundation governance, developing new models of governance for the future, fit for the school trust landscape
- supporting the development of courageous leadership across the diocese to ensure children and young people are rooted in the heart of mission and ministry, re-imagining school and parish partnership
- ensuring equity, diversity and inclusion is foundational to all SDBE work
- ever deepening the excellence of SDBE work in support of the development of spiritual leadership, church school flourishing, and as a significant influence for Christian education, locally, regionally, and nationally
- shaping the SDBE workforce to ensure the strategic leadership of church school education across the diocese within a sustainable financial model

In the year ahead we will:

1. further strengthen the confidence and accountability of trust governance of the SDBE
 2. support the on-going accelerated development of a culture of school trusts, church led and non-church led, enabling rich partnerships, sponsorship and the long term viability of schools through full academisation
 3. partner the SDBF in their leadership of the Growing Faith network, to support mission and ministry amongst children and young people, maximising the SDBE's unique relationship with Trusts and schools.
 4. draw on external expertise to create SDBE strategy for Equity, Diversity and Inclusion and begin to implement
 5. in partnership with the SDBF, write, implement, and evaluate a communication and engagement strategy including, effective use of SDBE website and relevant social media platforms
 6. embed, quality assure and evaluate the strategy for Christian flourishing in trusts, including consistent non-negotiables across MATs
 7. swiftly, boldly and courageously enact trust and schools causing concern strategies
 8. lead in supporting trusts to share learning and think boldly to create re-imagined models of effective local governance for the future
 9. develop and evaluate the Religious Education strategy and policy
 10. write a strategy document for collective worship which will enable school leaders to lead as spiritual leaders and parish leaders to contribute appropriately
 11. maintain a professional partnership with the national SIAMS leadership which appropriately challenges and supports national practice and the impact of national practice on our diocese
 12. review and refine the 5-year financial plan ensuring appropriate progress in implementing adjustments reflecting changes including work-force re-patterning
 13. promote and support the delivery of exceptional educational environments, enabling children to flourish and achieve their best outcome, including adopting an approach that deeply embeds the net zero 2030 agenda and is centred around bringing positive decarbonisation change to the church school estate
 14. embed all learning processes across all IT platforms e.g SharePoint, Learning Platform and to be progressive and actively seek innovative IT solutions
 15. develop and share best practices for administration, IT processes and Diocesan Centre Management
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The SDBE Board and senior leadership team remain convinced that furthering the role of school trusts as custodians of church schools' Anglican foundation is crucial to the long-term flourishing of the church schools. The SDBE has therefore used the year to continue to re-imagine its own role in-light-of the changed and changing leadership of the education landscape as part of a deep organisational change. This organisational change is also involving plans for all South West dioceses to adopt the SDBE Programme for Church School Flourishing and for the new Diocesan Director to take up the role of Chair of the National Directors of Education network. Within the diocese organisational change is leading to us building further our partnership with the DBF and the full alignment of our strategy with the new diocesan vision.

We firmly believe that it is God's love that transforms a person's life and that our relationships with those we serve can give witness to that love. The year ahead will continue to focus especially on further building those relationships in ways that are innovative, challenging and supportive – using the relationship to help school and parish leaders identify for themselves new thinking about their own roles and the communities they serve as the new educational and diocesan landscape is formed.

The SDBE is proud of the work. As a team we know our strengths and acknowledge and seek to learn from and resolve our weaknesses. We take heart from the external review judgement in July 2022 that our empowerment of school leaders has led the SDBE to be “a respected key strategic partner and force for good; the influence of the SDBE is far beyond the traditional reach of Church of England schools”. We look to the future with optimism. With Bishop Stephen discerning the vision for God's mission and ministry in Salisbury Diocese, a national commitment from the Church of England to become a younger and more diverse church and a wider context in which society is adjusting to meet the demands of a post-pandemic world, we believe that there is a moment in time, here and now, to confidently respond to God's call, to model a new way of being and to proclaim the good news of Jesus Christ afresh in each generation – Making Jesus Known.

We prayerfully look forward; the very best is yet to come.

Structure, governance and management

Constitution

The Charity and the Group is constituted under a Memorandum of Association dated 4 February 1949 and is a registered charity number 1059195. The guarantors are the Members of the Board and the limit of their liability in the event of winding up is £1 each.

The Board is the sole trustee of the Uniform Statutory Trusts (also known as the USTs or Section Funds), which are now governed by section 287 of the Education Act 1993. The funds held in trust are derived from ancient educational endowments and the proceeds of property sales authorised by the Department of Education under section 86(1) of the Education Act 1944 and section 2 of the Education Act 1973.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

The Venerable A C MacRow-Wood - Chair
Reverend R Ayer-Harris
Mrs A L Aze
Mr A J Brown
Mr T Farrer
Mrs S L Hallis
Mr N Harrison
Mr N Rees - Vice Chair
Mr I K Robinson
Canon J Triffitt

Resigned 24 November 2022

SALISBURY DIOCESAN BOARD OF EDUCATION (THE) (A COMPANY LIMITED BY GUARANTEE) TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Method of appointment or election of trustees

The Articles of Association were revised in 2021/22, following the introduction of the new DBE Measure in 2021. The makeup of the Board's membership now comprise of a maximum of ten members and up to 2 co-opted members. The members are appointed triennially, normally in the same year as the Diocesan Synod is elected and this was last done in November 2021, with new members being appointed on the 1 January 2022.

Policies adopted for the induction and training of trustees

New trustees undergo a comprehensive period of orientation and induction with the Chairman of trustees, Diocesan Director of Education and Deputy Director of Education to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, decision making processes, strategy, and recent financial performance of the Charity. They also met key employees and other trustees to explore and be briefed on all areas of the work undertaken by the SDBE. Trustees are encouraged to undertake development activity that will facilitate the execution of their role.

Organisational structure and decision making

The Board of Education administer the Charity. The trustees meet usually six times a year (minimum of three times annually is stipulated in the Articles of Association) and five members personally present is the quorum necessary for the transaction of business. There is a sub committee covering Resources (including remuneration).

A Diocesan Director of Education is appointed by the trustees to manage the day to day operations of the Charity. To facilitate effective operations, the Diocesan Director of Education has delegated authority, within terms of delegation approved by trustees, for operational matters including finance, employment and other activities pursuant to the objectives of Salisbury Diocesan Board of Education.

Pay policy for senior staff

Emoluments of higher paid employees are determined by the Chair and the Resources Committee.

Related party relationships

The Charity's wholly owned subsidiary, SALED Ltd, was established in 2005 primarily to undertake services as required by the Trustees in the course of the Board's normal activities in connection with the administration of the maintenance and development of schools within the Diocese and also to undertake activities that fall outside the objectives of the Board of Education. All profits of SALED Ltd available for distribution as dividend are to be applied towards the promotion of its charitable objects, i.e. for the benefit of Salisbury Diocesan Board of Education.

Although not a related party but a connected charity, the Salisbury Board of Finance makes a contribution, from Share income it receives from the Parishes in the diocese, to the Salisbury Board of Education in respect of the costs incurred by the Board of Education in supporting the Board's work in providing advice, guidance and resources at church schools within the Diocese and for work with children and young people in the Diocese.

Risk management

The trustees have a risk management strategy which comprises:

- a regular review of the risks the charity may face
- establishment or review of systems and procedures to mitigate risks
- the implementation of procedures designed to minimise any identified potential impact on the Charity should those risks materialise.

The corporate risk register is reviewed at each Resource Committee meeting and by the Board on a regular basis.

SALISBURY DIOCESAN BOARD OF EDUCATION (THE) (A COMPANY LIMITED BY GUARANTEE) TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Principal risks and uncertainties

The trustees are responsible for the identification, mitigation and management of risk. To achieve this, a register of all risks identified is maintained and, alongside it, a management and mitigation strategy. This is subject to review by the trustees on an annual basis with the responsibility of risk management being delegated to the Resources Committee, where it is a standing item on each meeting agenda.

The risk register identifies 3 areas where the risk of either failure to act or the impact of the events is considered 'high' even after mitigation measures. These areas and the associated mitigation strategies are:

- Change is unheralded, unstructured or at faster speed and SDBE unable to respond appropriately or cope
 - SDBE for the Future strategic plan and appropriate staff structure in place linked to financial and budget plans
 - Annual strategic plan review and update
 - Liaison with representatives of Government, National Society, Local Authorities, Schools and Academies
 - Membership of and staff involvement with various organisations in the sector
 - Strong governance structure including Trust Board and Resource Committee
- Reputational risk if our Church maintained schools fail and risk of losing church school status.
 - Monitoring and evaluation processes to hold each school and LA to account
 - Schools causing concern strategy
 - Brokerage of effective school improvement solutions
 - Foundation governors in each school
 - Foundation Governance Advisor post
 - Academisation strategy
- Reputational risks if our Church Academies fail, including DSAT and same risk if Multi Academy Trusts including church schools fail and risk of losing church school status.
 - Monitoring and evaluation processes to hold each academy to account
 - Schools causing concern strategy
 - Brokerage of effective school improvement solutions
 - Foundation governors in each academy at both Board and Academy level
 - Foundation Governance Advisor post
 - Governance structure and MOU

Funds held as trustee

The Board holds 32 individual financial trusts which have not been included in its accounts. These comprise School Governors' funds, Educational Trusts and funds normally arising from the sale proceeds of former church schools or teachers' houses that are waiting scheming. Each of these funds is held in a separate designated account with CCLA Investment Management Ltd. On 31 March 2023 the value of these funds was £5,851k (2022: £5,984k). See note 25 of the accounts for further information.

Public benefit

The trustees have had due regard to the Charity Commission's guidance on public benefit in determining the Charity's priorities and plans for the future. The trustees' report sets out our aims, objectives and activities and conveys clearly the public benefit the Charity has delivered over the last 12 months, namely: engaging, inspiring and equipping the people of Salisbury Diocese to provide outstanding education and training for children and young people within their schools and parishes.

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES REPORT**

FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees responsibilities

The trustees (who are also directors of Salisbury Diocesan Board of Education (The) for the purposes of company law) are responsible for preparing the trustees' 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 which give a true and fair view of the state of affairs of the charitable company and Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the 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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable Group's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charitable group's auditor in connection with preparing their report and to establish that the charitable Group's auditor is aware of that information.

Auditor

The re-appointment of Moore (South) LLP as auditors to the charity will be considered as part of a tender process in the ensuing year.

This report was approved by the trustees, on 3/10/2023 and signed on their behalf by:



The Venerable A C MacRow-Wood, Chair

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF SALISBURY DIOCESAN BOARD OF EDUCATION (THE)

Opinion

We have audited the consolidated financial statements of Salisbury Diocesan Board of Education (the 'charitable parent company') and its subsidiary ('the group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Income and Expenditure Statement, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the consolidated financial statements:

- give a true and fair view of the state of the group's and charitable parent company's affairs as at 31 March 2023 and of the group's 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 Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the group and charitable parent company in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 directors' 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 group's and 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 directors 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' annual report (incorporating the Directors' report) other than the consolidated financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Trustees' Annual Report. Our opinion on the consolidated 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 consolidated 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 consolidated 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.

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBERS OF SALISBURY DIOCESAN BOARD OF EDUCATION (THE)

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 Trustees' Report (which includes the Directors' Report) prepared for the purpose of company law, for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements; and
- the Directors' Report, which is included in the Trustees' Report, has 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 group and the charitable parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, included in the Trustees' 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 parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent company's financial statements are not in agreement with the accounting records; 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; or
- the Trustees were not entitled to prepare the consolidated financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirements to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the statement of trustees responsibilities, the Trustees, who are also the Directors of the charitable parent company for the purpose of company law, are responsible for the preparation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Trustees are responsible for assessing the group's and the charitable parent 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 group or the charitable parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

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.

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBERS OF SALISBURY DIOCESAN BOARD OF EDUCATION (THE)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company and the group.

Our approach was as follows:

- The engagement partner selected a team for the audit, led by persons who had prior knowledge of the client and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud. Management override was identified as a significant fraud risk. This is due to the ability to bypass controls and disclosure requirements.
- Revenue recognition was also identified as a significant risk of material mis-statement. Although the processing of transactions is simple and not complex, there is a potential for recognition of income to an incorrect period or an incorrect allocation of income and associated expenditure between restricted and unrestricted funds.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charitable parent company and the group and considered that the most significant are the Companies Act 2006, The Charities Act 2011, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council and UK taxation legislation.
- We obtained an understanding of how the charitable parent company and the group complies with these requirements through discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances.
- The consolidated financial statements of the group incorporate the results of the subsidiary company. Moore (South) LLP are the auditors to the whole group and the same approach has been adopted to the subsidiary company as appropriate to that entity.

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

- performed analytical procedures, tested journal entries and related party transactions to identify any unusual transactions or unexpected relationships;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed the nature of the disclosures within the financial statements to ensure they meet the requirements of accounting standards and relevant legislation.

In response to the risk relating to revenue recognition, we:

- agreed a sample of income receipts from source documentation into the accounting records.
- reviewed the terms and conditions of a sample of grants received to ensure the income is accounted for in the correct period.
- Reviewed board minutes and correspondence for evidence of any further unrecorded income.

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBERS OF SALISBURY DIOCESAN BOARD OF EDUCATION (THE)

In response to the classification of income between restricted and unrestricted funds we:

- agreed a sample of income receipts from source documentation into the accounting records to ensure any restrictions to the income were correctly identified in revenue.
- reviewed the analysis of funds for any obvious misallocations of income or expenditure; and
- confirmed that expenses and payroll costs allocated against restricted and unrestricted funds met the purpose for which the income was given.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable parent 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 parent company's members those matters we are required to state to them in an auditors' 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 parent company and the charitable parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ann Mathias

Ann Mathias (Senior Statutory Auditor)

for and on behalf of Moore (South) LLP

**Chartered Accountants
Statutory Auditor**

4 October 2023

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Moore (South) LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<u>Income from:</u>							
Donations and legacies	3	310,292	593,057	903,349	329,364	261,079	590,443
Charitable activities	4	2,250	1,333,237	1,335,487	-	2,010,421	2,010,421
Other trading activities	5	262,614	-	262,614	272,705	3,268	275,973
Investments	6	10,125	236,436	246,561	-	223,741	223,741
Other income	7	6,967	-	6,967	5,215	-	5,215
Total income		592,248	2,162,730	2,754,978	607,284	2,498,509	3,105,793
<u>Expenditure on:</u>							
Raising funds	8	234,797	-	234,797	226,701	-	226,701
Charitable activities	9	767,529	1,735,661	2,503,190	691,719	2,515,834	3,207,553
Total resources expended		1,002,326	1,735,661	2,737,987	918,420	2,515,834	3,434,254
Net gains/(losses) on investments	15	-	(382,514)	(382,514)	-	629,200	629,200
Net incoming/(outgoing) resources before transfers		(410,078)	44,555	(365,523)	(311,136)	611,875	300,739
Gross transfers between funds		1,669,336	(1,669,336)	-	300,000	(300,000)	-
Net movement in funds		1,259,258	(1,624,781)	(365,523)	(11,136)	311,875	300,739
Fund balances at 1 April 2022		173,400	9,019,707	9,193,107	184,536	8,707,832	8,892,368
Fund balances at 31 March 2023		1,432,658	7,394,926	8,827,584	173,400	9,019,707	9,193,107

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 22 to 45 form part of these financial statements.

SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED SUMMARY OF INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	£	£
Income	2,508,417	2,882,052
Gains on investments	-	629,200
Interest and Investment income	246,651	223,741
	<hr/>	<hr/>
Gross income	2,754,978	3,734,993
	<hr/>	<hr/>
Expenditure	2,709,246	3,404,152
Losses on investments	382,514	-
Depreciation of fixed assets	28,741	28,741
	<hr/>	<hr/>
Total expenditure	3,120,501	3,432,893
	<hr/>	<hr/>
Net income before tax for the financial year	(365,523)	302,100
	<hr/>	<hr/>
Tax on net income from ordinary activities		(1,361)
	<hr/>	<hr/>
	(365,523)	300,739
	<hr/>	<hr/>

The group's income and expenditure derive from continuing activities.

The notes on pages 22 to 45 form part of these financial statements.

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED BALANCE SHEET**

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	13		-		-
Tangible assets	14		1,360,793		1,400,722
Investments	15		7,662,015		7,688,104
			<u>9,022,808</u>		<u>9,088,826</u>
Current assets					
Debtors	16	356,537		338,088	
Cash at bank and in hand		269,658		684,691	
		<u>626,195</u>		<u>1,022,779</u>	
Creditors: amounts falling due within one year	17	(821,419)		(918,498)	
Net current assets			<u>(195,224)</u>		<u>104,281</u>
Total assets less current liabilities			<u>8,827,584</u>		<u>9,193,107</u>
Income funds					
Restricted funds	19		7,394,926		9,019,707
Unrestricted funds			1,432,658		173,400
			<u>8,827,584</u>		<u>9,193,107</u>

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

The financial statements were approved and authorised for issue by the trustees on... 3/10/2023 ...and signed on their behalf, by:



The Venerable A C MacRow-Wood, Chair
Trustee

Company Registration No. 00464306

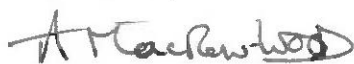
**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
CHARITY BALANCE SHEET**

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14	1,340,595		1,369,336	
Investments	15	7,662,016		7,688,104	
		9,002,611		9,057,440	
Current assets					
Debtors	16	341,414		290,748	
Cash at bank and in hand		112,694		565,953	
		454,108		856,701	
Creditors: amounts falling due within one year	17	(720,597)		(784,679)	
Net current assets		(266,489)		72,022	
Total assets less current liabilities		8,736,122		9,129,462	
Income funds					
Restricted funds	19	7,394,926		9,019,707	
Unrestricted funds		1,341,196		109,755	
		8,736,122		9,129,462	

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

The financial statements were approved and authorised for issue by the trustees on...3/10/2023...and signed on their behalf, by:



The Venerable A C MacRow-Wood, Chair
Trustee

Company Registration No. 00464306

SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	21		(305,168)		(440,992)
Investing activities					
Purchase of fixed assets		-		(36,266)	
Purchase of investments		(356,426)		(177,433)	
Proceeds on disposal of other investments				-	
Dividends, interest and rents from investments		246,561		223,741	
Net cash generated from investing activities			(109,865)		10,042
Net (decrease)/increase in cash and cash equivalents			(415,033)		(430,950)
Cash and cash equivalents at beginning of year			684,691		1,115,641
Cash and cash equivalents at end of year			269,658		684,691

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

1.1 Charity information

Salisbury Diocesan Board of Education (The) is a private company limited by guarantee incorporated in England and Wales, registered number 00464306 and a charity registered with the Charity Commission in England & Wales registered number 1059195. The registered office is The Diocesan Education Centre, The Avenue, Wilton, Salisbury, Wiltshire, SP2 0FG, which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Trustees' Report.

1.2 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking, Saled Limited. The results of the subsidiary are consolidated on a line by line basis.

These financial statements comprising the consolidated statement of financial activities, the consolidated and charity Balance Sheet, consolidated cash flow statement and the related notes 1 to 25 constitute the consolidated financial statements of Salisbury Diocesan Board of Education for the financial year ended 31 March 2023.

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006. The income and expenditure account for the year dealt with in the accounts of the Charity was a deficit of £393,340 (2022 – surplus £260,359).

1.3 Company status

The Charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.4 Going concern

The trustees have reviewed the anticipated performance of the period of at least twelve months from the date of approval of financial statements, which demonstrate that there is no material uncertainty regarding the charity to meet its liabilities as they fall due, and to continue as a going concern. The Board recognises the risk of financial viability and this is reflected in the actions taken by the Board. To ensure the Charity is a going concern the Board has in place a 5 year strategy, the aims of which are underpinned by both detailed financial and staffing plans. This strategy is monitored and reviewed annually by both the Resources Committee and Board. On this basis the trustees consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the charity was unable to continue as a going concern.

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

1.5 Charitable funds

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. The UST funds are for the capital account to be applied towards the purchase of a site for, or the erection, improvement, enlargement or maintenance of any church school or church school's teacher's house in the Diocese. The income account funds (and all interest from the investments in the UST's) are used for the provision of advice and resources in connection with the management of or education provided at the schools. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.6 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Trading income represents the total invoice value, excluding VAT, of sales made during the year and derives from the provision of services falling within the company's ordinary activities.

Within the trading subsidiary in line with FRS102 capital grants received for the purchase of a capitalised asset are recognised over the useful life of that asset. The grant is recognised as deferred income and is written back to the profit and loss account in line with the depreciation policy.

1.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

1.7 Expenditure - continued

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities

SCA capital grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment.

A constructive obligation arises when:

the charity has communicated its intention to award a grant to a recipient who then has a reasonable expectation that they will receive a grant or
the charity has made a public announcement about a commitment which is specific enough for the recipient to have a reasonable expectation that they will receive a grant or
there is an established pattern of practice which indicates to the recipient that we will honour our commitment.

The trustees have control over the amount and timing of grant payments and consequently where approval has been given by the charitable fund committee, on behalf of the trustee, and any of the above criteria have been met then a liability is recognised. Grants are not usually awarded with conditions attached. However, when they are then those conditions have to be met before the liability is recognised.

Where an intention has not been communicated, then no expenditure is recognised but an appropriate designation is made in the appropriate fund. If a grant has been offered but there is uncertainty as to whether it will be accepted or whether conditions will be met, then no liability is recognised but a contingent liability is disclosed.

1.8 Intangible fixed assets and amortisation

Intangible assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Software	16.66% straight line
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1.9 Tangible fixed assets and depreciation

All assets costing more than £2,000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

1.9 Tangible fixed assets and depreciation - continued

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term Leasehold property	2% straight line
Long term Leasehold land	125 years straight line over lease term
Fixtures and fittings	25% straight line
Office equipment	16% - 33% straight line
Computer equipment	15% - 33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.10 Fixed asset investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the 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 11 of the 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.

The tax currently payable is based on taxable profit for the year of the subsidiary. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date. The subsidiary has an option to pay all its taxable profits to parent charity within nine months of the reporting date and as such, there is no taxable profits. The gift aid payment to the parent charity will be recognised as a change in equity when the payment is made as the company does not have a legal obligation to pay its profits.

1.12 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

1.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.14 Cash and cash equivalents

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

1.15 Liabilities and provisions

Liabilities 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. Liabilities are recognised at the amount that the Charity 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.16 Trust funds

The Board holds over 35 individual financial 'trusts' which have not been included in its accounts. These comprise School Governors' funds, Educational Trusts and funds arising from the sale proceeds of former Church Schools or Teachers' Houses that are waiting scheming. Each of these funds is held in a separately designated account with CCLA Investment Management Ltd.

1.17 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.18 Liquid resources

For the preparation of the cash flow the only asset treated as a liquid resource is cash at bank and in hand.

1.19 Retirement benefits

The Charity operates defined benefit pension schemes. As the schemes are multi-employers' schemes, their assets and liabilities are not separately identifiable. In this instance they are treated in the financial statements as defined contribution pension schemes.

The contributions are recognised as an expense in the Statement of Financial Activities when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet.

1.20 Redundant church schools

When land and buildings are transferred to the Charity upon closure of a church school, the Charity recognises the asset on the balance sheet as a current asset held for sale at its open market value. This market value is updated each year to reflect changes in the circumstances.

1.21 Agency arrangements

Salisbury Diocesan Board of Education acts as an agent in distributing the Devolved Formula Capital (DFC) grant and to voluntary aided schools. Payments received from the EFSA and subsequent disbursements to the contractors/suppliers are excluded from the statement of financial activities as the Board does not have control over the charitable application of the funds.

Interest received on these funds is recognised as soon as it is receivable and it is used towards its the cost of administration of the Diocesan DFC scheme and also towards the governors liabilities on the majority of the DFC funded projects and that is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 18.

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(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Critical judgements

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The carrying value of redundant church schools which are in the course of disposal. The Charity uses evidence obtained from professional advisors used in the course of disposing of the properties in order to determine an appropriate carrying value in the financial statements.

As referred to in note 19 judgement and estimation has had to be made in the split of restricted funds between income and capital funds that existed prior to 2001 that the charity brought forward into 2022/23. This has now been amended in year with a transfer between funds approved by the Trustees with their rights, based on a split of 35:65 between UST revenue and capital fund.

SCA capital grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment. There is an estimate relating to the total grant payable as can be variable based on construction costs incurred as part of the project which occasionally results in additional funding to be issued to reflect an overspend or withdrawal of funding offers if projects underspent or do not go ahead. The grants payable provision is based on applications made by schools with supporting quotes and tenders detailing the value of the work required.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2023 £	2023 £	2023 £	2022 £
Grants	310,292	297,987	608,279	590,443
Other	-	295,070	295,070	-
	<u>310,292</u>	<u>593,057</u>	<u>903,349</u>	<u>590,443</u>
For the year ended 31 March 2022	<u>329,364</u>	<u>261,079</u>		<u>590,443</u>

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
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FOR THE YEAR ENDED 31 MARCH 2023

4 Income from charitable activities

	Unrestricted funds	Restricted funds	Total	Total
	2023 £	2023 £	2023 £	2022 £
SCA	-	1,088,686	1,088,686	1,451,581
Governors contributions	-	221,993	221,993	135,186
SALEX capital grants	-	-	-	210,500
Trust Funded capital grants	-	22,558	22,558	157,640
IT capital grant	-	-	-	55,514
Funding from ESFA	2,250	-	2,250	-
	<u>2,250</u>	<u>1,333,237</u>	<u>1,335,487</u>	<u>2,010,421</u>
For the year ended 31 March 2022	<u>-</u>	<u>2,010,421</u>		<u>2,010,421</u>

5 Activities for generating funds

	Unrestricted funds	Restricted funds	Total	Total
	2023 £	2023 £	2023 £	2022 £
DFC generated income	-	-	-	3,268
Educational Support Services	262,614	-	262,614	272,705
	<u>262,614</u>	<u>-</u>	<u>262,614</u>	<u>275,973</u>
For the year ended 31 March 2022	<u>272,705</u>	<u>3,268</u>		<u>275,973</u>

6 Investment income

	Unrestricted funds	Restricted funds	Total	Total
	2023 £	2023 £	2023 £	2022 £
Property investment income	-	530	530	892
Listed investment income	-	235,007	235,007	222,661
Interest receivable	10,125	899	11,024	188
	<u>10,125</u>	<u>236,436</u>	<u>246,561</u>	<u>223,741</u>
For the year ended 31 March 2022	<u>-</u>	<u>223,741</u>		<u>223,741</u>

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

7 Other income

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Other income	6,967	-	6,967	5,215	-	5,215

8 Cost of raising funds

	Staff costs	Depreciation	Other costs	Total	Total
	2023 £	2023 £	2023 £	2023 £	2022 £
Maintenance of let properties	-	-	-	-	-
Trading expenses	103,103	11,188	120,506	234,797	226,701
	103,103	11,188	120,506	234,797	226,701
For the year ended 31 March 2022	122,152	13,048	91,501		226,701

9 Charitable activities

	Staff costs	Depreciation	Other costs	Total	Total
	2023 £	2023 £	2023 £	2023 £	2022 £
Support for the church schools in the diocese	807,903	28,741	274,041	1,110,685	891,590
Capital grant projects on diocese properties	-	-	1,372,305	1,372,305	2,299,883
Other fundraising costs	-	-	20,200	20,200	16,080
	807,903	28,741	1,666,546	2,503,190	3,207,553
For the year ended 31 March 2022	715,700	28,741	2,463,112		3,207,553

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

9 Charitable activities (continued)

	Unrestricted funds	Restricted funds	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Staff costs	541,556	266,347	807,903	715,700
Depreciation and impairment	28,741	-	28,741	28,741
SCA capital projects grants	-	1,127,754	1,127,754	1,741,043
Governors capital projects	-	221,993	221,993	135,186
Other capital grant funded projects	-	22,558	22,558	423,654
Insurance premium for church schools	-	9,923	9,923	5,106
Travel costs	12,961	-	12,961	5,758
Legal fees	35,920	11,000	46,920	37,305
Professional subscriptions	6,323	-	6,323	2,798
Resources	77	-	77	114
Courses and training	3,273	-	3,273	11,288
Miscellaneous expenditure	5,164	-	5,164	2,337
IT Costs	6,389	-	6,389	2,460
Consultancy costs	60,169	-	60,169	53,678
Devizes old school expenditure	-	-	-	-
Other expenses	47,051	76,086	123,137	26,305
Support costs	19,905	-	19,905	16,080
	<u>767,529</u>	<u>1,735,661</u>	<u>2,503,190</u>	<u>3,207,553</u>
For the year ended 31 March 2022	<u>691,719</u>	<u>2,515,834</u>		<u>3,207,553</u>

The SCA capital project grants have been summarised between schools below. Certain grants were accrued in previous years, some projects were either overprovided or not undertaken leading to negative expenditure.

SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Charitable activities (continued)

Analysis of grants made	SCA Grant Expenditure during 22/23	SCA Grant Expenditure during 21/22
	£	£
Child Okeford	29,719	49,503
Durweston	38,375	55,644
Hampreston	39,999	87,746
Langton Matravers	-	6,742
Lyme Regis St Michaels	89,197	-
Marnhull, St Gregory's	(34,600)	260,645
Milton-on-Stour	45,061	61,733
Mosterton, Parrett & Axe	42,307	49,500
New Forest	(8,257)	11,930
Portesham	2,866	67,645
Powerstock	1,247	984
Kennet Valley	(2,766)	-
Salway Ash	37,202	9,657
Sandford St Martins	87,440	-
Shaftesbury, The Abbey	2,437	72,900
Semley	39,224	106
Evershot Sticklands	(4,140)	21,356
Stoborough	27,365	33,121
Symondsbury	(6,092)	38,700
Thorners' Litton Cherney	(3,618)	(1,618)
Verwood Trinty First	-	(2,147)
Weymouth, St Nicholas & St Laurence	69,760	2,771
Wimborne St Giles	-	51,338
Winterbourne Valley	7,184	131,036
Western Downland	107,501	54,216
Wylfe Valley	37,430	1,223
Aldbourn St Michael's	16,330	(13,210)
Alderbury & West Grimstead	48,274	9,961
Broad Chalke	(4,362)	2,478
Chapmanslade	78,186	-
Cherill	50,659	-
Chilmark & Fonthill Bishop	81,782	29,299
Chilton Foliat	-	52,321
Coombe Bissett	43,412	102,994
Cranborne	-	(8,386)
Crockerton	6,842	36,578
Derry Hill	23,993	20,394
Downton	13,147	114,389
Hindon	(1,350)	(124)
Laverstock St Andrews	8,991	16,121
Porton St Nicholas	24,855	71,949
Sarum St Martins	43,565	(2,847)
Sarum St Pauls	29,598	83,123
Sticklands	-	(443)
Whiteparish	66,841	23,107
Winterslow	(11,048)	86,216
Tilshead	(2,925)	27,237
Other	(33,877)	25,155
	<u>1,127,754</u>	<u>1,741,043</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

10 Support costs - governance

	Unrestricted funds	Restricted funds	Total	Total
	2023 £	2023 £	2023 £	2022 £
Auditors' remuneration	16,600	-	16,600	13,650
Auditors' non audit costs	3,135	-	3,135	3,850
Trustees expenses reimbursed	170	-	170	-
	<u>19,905</u>	<u>-</u>	<u>19,905</u>	<u>17,500</u>
For the year ended 31 March 2022	<u>17,500</u>	<u>-</u>		<u>17,500</u>

11 Net movement in funds

	2023 £	2022 £
Net movement in funds is stated after charging/(crediting)		
Amortisation - intangible fixed assets	-	-
Depreciation of tangible fixed assets - owned by the charitable group	39,929	41,789
Auditor's remuneration - audit	16,600	13,650
Auditor's remuneration - other services	<u>3,135</u>	<u>3,850</u>

Audit fees for the parent charity were £13,100 (2022 - £10,650) and non-audit fees for the parent charity were £3,500 (2022 - £3,000)

No trustees (2022: 1) received remuneration or other benefits from their employment with the charity. Canon J Tubbs resigned as a trustee on 1 January 2022 and only received remuneration and benefits in respect of services provided as Director of Education, refer to note 12.

The legal authority to remunerate the trustee is contained in the provisions of the governing document of the charity.

During the year expenses of £170 (2022: £Nil) was reimbursed to N Harrison (2022: none) in respect of their role as trustee. In addition, during the year expenses of £794 (2022: £174) was reimbursed to The Diocesan Director of Education in respect to her employment. No expenses were reimbursed in respect of her role as trustee.

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FOR THE YEAR ENDED 31 MARCH 2023

12 Employees

Staff costs were as follows:	2023	2022
	£	£
Wages and salaries	717,679	649,945
Social security costs	65,060	63,330
Other pension costs	128,267	124,576
	<u>911,006</u>	<u>837,851</u>

The average number of persons employed by the Charity during the year was as follows

	2023	2022
	Number	Number
Staff	<u>19</u>	<u>18</u>

Average headcount expressed as a full time equivalent:

	2023	2022
	Number	Number
Staff	<u>15</u>	<u>15</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2023	2022
	Number	Number
In the band £60,001-£70,000	-	-
In the band £70,001-£80,000	1	2
In the band £80,001-£90,000	2	1
In the band £90,001-£100,000	<u>-</u>	<u>-</u>

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
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FOR THE YEAR ENDED 31 MARCH 2023

12 Employees (continued)

Remuneration of key management personnel

Key management personnel are deemed to be those having authority and responsibility delegated to them by the trustees, for planning, directing and controlling the activities of the Charity and the Group. During 2023 they were:

Director of Education	- Canon J Tubbs
Deputy Director of Education	- Mr G Pugh
Assistant Director of Education	- Mrs A Christopher

The key management personnel of the parent charity comprise the trustees, the Director of Education, the Assistant Director of Education and the Deputy Director of Education. The total employee benefits of the key management personnel of the Charity were £248,572 (2022: £239,636).

The key management personnel of the group comprise those of the Charity and the key management personnel of its wholly owned subsidiary SALED Limited. The key management personnel of SALED Limited is an element of the employee benefits of the Assistant Director of Education and the Deputy Director of Education whose employee benefits total £42,013 (2022: £40,044).

The employee benefits of key management personnel for the group were therefore £290,585 (2022: £279,680).

The Diocesan Director of Education, who was appointed as a trustee of the Charity up to 1 January 2022, received £74,982 (2022: £73,545) in the form of remuneration for her role as Diocesan Director of Education. Furthermore £13,497 (2022: £13,300) was paid by the Charity in respect of employer defined benefit pension contributions. She did not receive remuneration in respect of her role as trustee.

13 Intangible fixed assets (Group and Charity)

Group	Software £
Cost or valuation	
At 1 April 2022 and 31 March 2023	24,190
Amortisation	
At 1 April 2022	24,190
At 31 March 2023	24,150
Carrying amount	
At 31 March 2023	-
At 31 March 2022	-

The intangible asset relates to the acquisition of IT software by the group. This was amortised over the useful life of 6 years.

SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
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FOR THE YEAR ENDED 31 MARCH 2023

14 Tangible fixed assets (Group and Charity)

Group	Leasehold land and buildings	Fixtures and fittings	Office equipment	Total
	£	£	£	£
Cost				
At 1 April 2022	1,698,592	125,997	48,738	1,873,327
At 31 March 2023	1,698,592	125,997	48,738	1,873,327
Depreciation and impairment				
At 1 April 2022	329,256	97,708	45,641	472,605
Depreciation charged in the year	28,741	10,156	1,032	39,929
At 31 March 2023	357,997	107,864	46,673	512,534
Carrying amount				
At 31 March 2023	1,340,595	18,133	2,065	1,360,793
At 31 March 2022	1,369,336	28,289	3,097	1,400,722

Charity	Leasehold land and buildings	Fixtures and fittings	Office equipment	Total
	£	£	£	£
Cost				
At 1 April 2022	1,698,592	21,437	30,004	1,750,033
At 31 March 2023	1,698,592	21,437	30,004	1,750,033
Depreciation and impairment				
At 1 April 2022	329,256	21,437	30,004	380,697
Depreciation charged in the year	28,741	-	-	28,741
At 31 March 2023	357,997	21,437	30,004	409,438
Carrying amount				
At 31 March 2023	1,340,595	-	-	1,340,595
At 31 March 2022	1,369,336	-	-	1,369,336

**SALISBURY DIOCESAN BOARD OF EDUCATION (THE)
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

15 Fixed asset investments (Group and Charity)

	Listed investments £
Cost or valuation (Group and Charity)	
At 1 April 2022	7,688,103
Additions	376,426
Valuation changes	(382,514)
At 31 March 2023	7,662,015
Carrying amount	
At 31 March 2023	7,662,015
At 31 March 2022	7,688,103

	2023 £	2022 £
Group & Charity material investments		
CBF Church of England Investment Fund	6,947,260	6,839,968
CBF Church of England Property Fund	714,755	848,135
	7,662,015	7,688,103

Charity only	Listed investments £	Investment in subsidiary £	Total £
Cost			
At 1 April 2022	7,688,103	1	7,688,104
Additions	376,426	-	376,426
Valuation changes	(382,514)	-	(382,514)
At 31 March 2023	7,662,015	1	7,662,016
Historical cost			
At 31 March 2023	5,597,399	-	5,597,399
At 31 March 2022	5,220,973	-	5,220,973

Holdings of more than 20%

The charity holds more than 20% of the share capital of the following companies:

Name of undertaking	Nature of business	Country of incorporation	Class of share held	% held
SALED Limited (Company Number 05369157)	Provision of services to SDBE	England	Ordinary	100

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FOR THE YEAR ENDED 31 MARCH 2023

16 Debtors

	Group 2023	2022	Charity 2023	2022
Amounts falling due within one year:	£	£	£	£
Governors contributions	95,178	69,533	95,178	69,533
Amount owed by subsidiary undertaking	-	-	1,271	625
Trade debtors	77,517	90,149	68,281	60,995
Other debtors	13,405	42,429	7,267	38,378
Accrued income	77,650	88,904	76,630	74,144
DFC not drawn down	92,787	47,073	92,787	47,073
	<u>356,537</u>	<u>338,088</u>	<u>341,414</u>	<u>290,748</u>

Within governors contributions balance, there are £21,948 (2022: £22,762) due after one year.

17 Creditors: amounts falling due within one year

	Group 2023	2022	Charity 2023	2022
Amounts falling due within one year:	£	£	£	£
Trade creditors	70,912	75,386	66,856	69,918
Amounts owed to group undertakings	-	-	-	-
Other taxation and social security	23,563	43,506	-	-
Other creditors and accruals	184,233	98,617	170,768	83,964
Deferred income	145,574	156,254	85,836	86,062
SCA capital grants	397,137	544,735	397,137	544,735
	<u>821,419</u>	<u>918,498</u>	<u>720,597</u>	<u>784,679</u>

Within deferred income, there are £9,000 (2022: £18,000) due after one year.

Deferred income and grants included within creditors above are detailed below

At the balance sheet date, the charity was holding funds received in advance for the following:

	Group 2023	2022	Charity 2023	2022
	£	£	£	£
PSA membership	33,646	43,192	-	-
St Deny's grant	85,836	-	85,836	-
DARE Grant	-	86,062	-	86,062
Others	26,092	27,000	-	-
	<u>145,574</u>	<u>156,254</u>	<u>85,836</u>	<u>86,062</u>

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FOR THE YEAR ENDED 31 MARCH 2023

17 Creditors: amounts falling due within one year (continued)

Movement in SCA capital grants during the year

	Group Charitable commitments accrued 2023 £	2022 £	Charity Charitable commitments accrued 2023 £	2022 £
Opening balance	544,735	502,594	544,735	502,594
New grant commitments charged	1,259,933	1,852,026	1,259,933	1,852,026
Grants paid during the year	(1,401,547)	(1,626,631)	(1,401,547)	(1,626,631)
Underspent project during 2022/23	(5,984)	(183,254)	(5,984)	(183,254)
Amount of grant commitments recognised	<u>397,137</u>	<u>544,735</u>	<u>397,137</u>	<u>544,735</u>

18 Funds held as intermediary agent

In April 2006, the Department for Schools, Children and Families (DCSF), now called the Education and Skills Funding Agency (ESFA) changed its procedures for the administration of Devolved Formula Capital (DFC) grants (DFC grants provide the Diocese's church schools with direct funding to invest in buildings and equipment).

Consequently, where the individual schools have decided to appoint the charity as their agent, the charity received their DFC grants direct from the DfE and defrays qualified expenditure according to their instructions. At 31 March 2023 the charity held £819,105 (2022 - £649,804) in designated bank accounts separate from those of the charity. The money is only transferred into the charity's bank accounts when the expenditure has been authorised by the school's governors and payment to the contractor/supplier made. As at the year end SDBE was due £92,787 (2022 - £47,073) from DFC (as shown in note 16). Interest received of £10,125 (2022 - £2,268) on these funds is recognised by the charity as soon as it is receivable since the governors of the schools involved donate the interest towards the cost of administration of the Diocesan DFC scheme.

	£
Opening balance brought forward	602,731
Income received in year	826,957
Expenditure incurred in year	(574,502)
Transfer of funds to clear governor contribution balance	(36,081)
	<u>819,105</u>

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FOR THE YEAR ENDED 31 MARCH 2023

19 Statement of funds

	Balance at 1 April 2022	Income	Expenditure	Transfers	Gains/ (losses)	Balance at 31 March 2023
	£	£	£	£	£	£
Unrestricted funds						
General funds - SDBE	109,754	329,634	(738,788)	300,000	-	600
DEC capital funds	-	-	(28,741)	1,369,336	-	1,340,595
SALED Limited	63,646	262,614	(234,797)	-	-	91,463
	<u>173,400</u>	<u>592,248</u>	<u>(1,002,326)</u>	<u>1,669,336</u>	<u>-</u>	<u>1,432,658</u>
Restricted funds						
UST Capital account	8,040,561	162,801	-	(2,669,454)	(232,216)	5,301,692
UST Income account	806,922	368,705	(14,123)	1,000,118	(150,298)	2,011,324
SCA Capital Funds	120,978	1,088,686	(1,127,754)	-	-	81,910
Governors contribution	-	221,993	(221,993)	-	-	-
Other Capital Funds	-	22,558	(22,558)	-	-	-
Other restricted grants	51,246	297,987	(349,233)	-	-	-
	<u>9,019,707</u>	<u>2,162,730</u>	<u>(1,735,661)</u>	<u>(1,669,336)</u>	<u>(382,514)</u>	<u>7,394,926</u>
Total of funds	<u>9,193,107</u>	<u>2,754,978</u>	<u>(2,737,987)</u>	<u>-</u>	<u>(382,514)</u>	<u>8,827,584</u>

Under the terms of the Education Act 1993, the UST funds may for the capital account be applied towards the purchase of a site for, or the erection, improvement, enlargement or maintenance of any church school or church school's teacher's house in the Diocese. The income account funds (and all interest from the investments in the UST's) may also be used for the provision of advice and resources in connection with the management of or education provided at the schools. During both 2021/22 and 2022/23 the Trustees agreed to a transfer of £300,000 from the UST Income Account to the general fund to support the provision of advice and resources to church schools in the Diocese.

The charity had been unable to verify the source of UST reserves pre-2001 and therefore a prudent approach had been applied and the full amount was assumed to be UST capital. During 2021/22 the charity reviewed and took professional advice on how to split the reserves amounting to £3,713k and the appropriate subsequent net revaluation of gains. Charity Commission guidance was obtained regarding the proposed split of 65% capital and 35% revenue. Guidance was received via a S15 notice in July 2022 stating that the trustees' body of a Uniform Trust fund has the power to determine the division of funds between capital and income. In July 2022 the board approved a transfer to be made between funds. The original £3,713k was split between £2,413k capital and £1,300k revenue. The subsequent gains on this investment from 2001 to 2022 split on the same basis of 65% capital and 35% income amounted to £1,370k. In total £2,670k has been transferred from UST capital to income following this review.

It was also agreed that a transfer was to be made from the UST income funds to assist with the funding for the Salisbury Diocesan Education Centre previously accumulated in the UST funds, this transfer was confirmed at £1,369k.

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FOR THE YEAR ENDED 31 MARCH 2023

19 Statement of funds (continued)

	Balance at 1 April 2021	Income	Expenditure	Transfers	Gains/ (losses)	Balance at 31 March 2022
	£	£	£	£	£	£
Unrestricted funds						
General funds - SDBE	161,269	340,204	(691,719)	300,000	-	109,754
SALED Limited	23,267	267,080	(226,701)	-	-	63,646
	<u>184,536</u>	<u>607,284</u>	<u>(918,420)</u>	<u>300,000</u>	<u>-</u>	<u>173,400</u>
Restricted funds						
UST Capital account	7,411,361	-	-	-	629,200	8,040,561
UST Income account	886,033	227,008	(6,119)	(300,000)	-	806,922
SCA Capital Funds	410,438	1,451,582	(1,741,042)	-	-	120,978
Governors contributions	-	135,186	(135,186)	-	-	-
Other Capital Funds	-	423,654	(423,654)	-	-	-
Other restricted grants	-	261,079	(209,833)	-	-	51,246
	<u>8,707,832</u>	<u>2,498,509</u>	<u>(2,515,834)</u>	<u>(300,000)</u>	<u>629,200</u>	<u>9,019,707</u>
Total of funds	<u>8,892,368</u>	<u>3,105,793</u>	<u>(3,434,254)</u>	<u>-</u>	<u>629,200</u>	<u>9,193,107</u>

20 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2022 are represented by:						
Intangible fixed				-	-	-
Tangible assets	1,360,793	-	1,360,793	1,400,722	-	1,400,722
Investments	-	7,662,015	7,662,015	-	7,688,104	7,688,104
Current assets	232,841	393,354	626,195	(939,621)	1,962,400	1,022,779
Current liabilities	(160,976)	(660,443)	(821,419)	(287,701)	(630,797)	(918,498)
	<u>1,432,658</u>	<u>7,394,926</u>	<u>8,827,584</u>	<u>173,400</u>	<u>9,019,707</u>	<u>9,193,107</u>

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FOR THE YEAR ENDED 31 MARCH 2023

21	Cash generated from operations	2023	2022
		£	£
	Deficit/surplus for the year	(365,523)	300,739
	Adjustments for:		
	Investment income recognised in statement of financial activities	(246,561)	(223,741)
	Fair value gains and losses on investments	382,514	(629,200)
	Depreciation and impairment of tangible fixed assets	39,929	41,789
	Movements in working capital:		
	Decrease/(increase) in debtors	(18,449)	3,886
	Increase in creditors	(97,079)	65,535
	Cash absorbed by operations	(305,168)	(440,992)

22 Financial commitments, guarantees and contingent liabilities/assets

The subject of Contingent Liabilities has been reviewed and, on the basis that contracts for building works are between school governors and contractors, it is concluded that there is no actual capital commitments that should be recognised. The committed grants from the SCA funds have been recognised as a liability as deemed to meet the criteria of constructive obligations and a reconciliation of this provision can be seen on note 17.

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FOR THE YEAR ENDED 31 MARCH 2023

23 Pension commitments

The group has employees who are members of the Teachers' Pension Scheme (TPS) and the Church Workers Pension Scheme (CWPS). The contributions made in the year were £19,333 (2022 - £18,270) to the Teachers' Pension Scheme and £105,270 (2022 - £106,293) to the Church Workers Pension Scheme.

There were £2,388 (TPS) and £10,819 (CWPS) contributions outstanding at the year end (2022: £2,275 (TPS) and £10,845 (CWPS)) and these are included within other creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2010, and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act 1972 and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest actuarial review of the TPS was carried out as at 31 March 2016 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education (the Department) on 5 March 2019. The key results of the valuation are:

New employer contribution rates are 23.68% (from 16.48%) of pensionable pay (including administration fees of 0.08%);

The rise in contribution rates was delayed from 1 April to September 2019;

Total scheme liabilities for service to the effective date of £218.1 billion, and notional assets of £196.1 billion, giving a notional past service deficit of £22 billion; an employer cost cap of 10.9% of pensionable pay.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

The next valuation is due to be implemented from 1 April 2023.

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FOR THE YEAR ENDED 31 MARCH 2023

23 Pension commitments (continued)

Scheme Changes

Following the Hutton report in March 2011 and the subsequent consultations with trade unions and other representative bodies on reform of the TPS, the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

Regulations giving effect to a reformed Teachers' Pension Scheme came into force on 1 April 2014 and the reformed scheme commenced on 1 April 2015.

The pension costs paid to TPS in the year amounted to £19,333 (2022: £18,270)

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the TPS was 31 March 2016.

FRS 102 (28)

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The Group is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the Group has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The Group has set out above the information available on the plan and the implications for the Group in terms of the anticipated contribution rates.

Church Workers Pension Fund (CWPF)

The Board participated 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 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.

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

The Board closed its DBS Scheme to new members in 2008 and there are currently no staff members in the scheme, all staff members are members of the Pension Builder Scheme.

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23 Pension commitments (continued)

Pension Builder Scheme

For eligible salaried employees, the Board participates in the Church of England Pension Builder Scheme (PBS). 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 Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, 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. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

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 as it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers. This means that contributions are accounted for as if the scheme were a defined contribution scheme. The pension costs charged to the SOFA in the year are contributions payable.

A valuation of the Pension Builder scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2016.

For the Pension Builder Classic section, the valuation revealed a deficit of £14.2m on the ongoing assumptions used. At the most annual review the board choose not to grant a discretionary bonus which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

Pension Builder 2014 section valuation revealed £1.8m surplus on the ongoing assumptions. There are no requirement for deficit payments at the current time.

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

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24 Related party transactions

The trustees consider that the Salisbury Diocesan Board of Finance (SDBF) to be a connected charity as the work of education in the Diocese is carried out by the Salisbury Diocesan Board of Education (SDBE).

SDBE and its charity subsidiary were charged by SDBF £3,452 (2022: £ Nil) in respect of a contribution to IT development, and £139,954 (2022: £145,212) in respect of building services provided. At the year end £12,302 (2022: £3,730) was due to SDBF.

SDBF has granted aid to SDBE for its educational work in the Diocese. During the year £310,292 (2022: £329,364) was paid to the SDBE in respect of grants. At the year end £Nil (2022: £Nil) was due to SDBE.

In 2023, £54,425 (2022: £52,907) was received from The Reverend Doctor S F and Mrs Jackson Mappowder Trust, which has common trusteeship with two SDBE trustees: Canon J Tubbs and Mr N Harrison.

During the year, £24,797 (2022: £21,430) was received from Diocese of Salisbury Academies Trust (DSAT) for office accommodation and recharge of staff time and expenses. They also paid £8,050 (2022: £13,500) for PSA subscriptions and training. Canon J Tubbs and Mr G Pugh, are trustees of DSAT.

During the year £4,550 (2022: £9,025) was received for PSA subscriptions and training from Sherbourne Area Schools Trust. £4,000 was invoiced during the year in relation to consultancy regarding academy conversion, the total outstanding at the year end is £4,800. Mr N Rees is a common trustee of both entities.

During the year £4,813 (2022: £2,875) was received re training and academy conversion support from Initio Learning Trust. Split of £4,813 is conversion support £4,000 and RE training £813, in 2022 the £2,875 was PSA training. Mr N Harrison is a common trustee of both entities. At the year end there were no balances receivable.

During the year, the charity received a project administration fee from its subsidiary, SALED Limited of £33,647 (2022: £42,476). At the year end, a creditor of £1,007 (2022: £nil) was due to SALED Limited in relation to project administration fees. There was also a debtor outstanding of £1,271 (2022 £625) for recharges of costs between the two entities.

25 Trust funds

The SDBE acts as trustee for 32 individual financial trusts, which have not been included in the accounts. These comprise of School Governors' Funds, Educational Trusts and funds arising from sale proceeds for former Church Schools or Teachers' Houses. Each of these funds are held in separate designated accounts with CCLA Investment Management Ltd. As at 31 March 2023, the value of these funds are £5,850,675 (2022: £5,983,826). Included in these funds, the SDBE hold cash on behalf of these trusts in designated bank accounts separate to those of the SDBE and not recognised in these accounts which totalled £311,877 (2022: £208,290).

The SDBE also acts as custodian for various school trust funds. Each of these funds is held in a separate designated accounts with CCLA Investment Management Ltd. As at 31 March 2023 the value of these funds was £950,383 (2022: £973,100). Included in these funds, the SDBE hold cash as custodian for these trusts in designated bank accounts separate to those of the SDBE and which are not recognised in these accounts which totalled £1,383 (2022: £1,842).

