

Registered number: 3663851
Charity number: 1091145

COVENTRY DIOCESAN BOARD OF EDUCATION
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

COVENTRY DIOCESAN BOARD OF EDUCATION
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE DBE, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Trustees	Mr Roderick Clark, Elected Mr Michael Draper, Acting Chair (from 19 September 2023), Bishop's nominee Mrs Emma Griffiths, Elected Mrs Sybil Hanson, Co-opted Ms Sharon Jones, Elected Mrs Claire Russell, Elected Rev'd Diane Thompson, Elected Mr Adam Walsh, Co-opted Mrs Lindsey Wright, Co-opted Right Rev'd Ruth Worsley, Acting Bishop of Coventry, Ex officio Mr Christopher Edwards, Bishop's nominee (resigned 18 September 2023) Bishop of Coventry: The Rt Revd Dr Christopher Cocksworth, Ex officio (resigned 15 December 2023) The Ven Barry John Dugmore, Bishop's nominee (appointed 2 October 2023) Rev'd Timothy Cockell, Bishop's nominee (appointed 2 October 2023)
Company registered number	3663851
Charity registered number	1091145
Registered office	The Benn Education Centre Craven Road Rugby Warwickshire CV21 3JZ
Company secretary	Rev'd April Gold
Independent auditor	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG

COVENTRY DIOCESAN BOARD OF EDUCATION
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also directors for the purposes of company law, present their combined trustees' and directors' report for Coventry Diocesan Board of Education ("the DBE"), together with the audited financial statements, for the year ended 31 December 2023.

Under the Diocesan Boards of Education Measure 2021, each diocese is required to have a diocesan board of education with the primary purpose being to promote or assist in the promotion of education in the diocese, being education which is consistent with the faith and practice of the Church of England.

Objectives and activities

a. Policies and objectives

"Inspiring schools to demonstrate the love of Christ as they educate for life in all its fullness" The DBE exists to deliver the requirements of the Diocesan Boards of Education Measure 2021, in particular to:

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

The DBE's principal activity is to serve and equip Church of England schools and academies in Coventry diocese to worship God, make new disciples and transform their communities. Services which relate directly to obligations in the DBE Measure are provided without charge, but the remaining suite of training, advice and resources are provided under a Diocesan Service Agreement. In addition to services provided to schools, the DBE also work in partnership with the Church of England Education Office, Regional Schools Commissioner, Local Authorities and Multi Academy Trusts to ensure that all schools are well supported in performing their statutory duties.

The principal beneficiaries of these services are the approximately 18,600 children and young people attending the 76 Church of England schools and academies in the diocese. Wider than this, the DBE also aims to promote and assist in the promotion of education consistent with the faith and practice of the Church of England across the diocese as a whole.

Other activities include trusteeship of the s.554 Trust, previously a number of separate uniform statutory trusts, united into a single (registered charity) trust. The funds in this trust have arisen from the return to the Church of England of its deemed share of the proceeds from the sale of former school properties. The permitted uses of the capital are explained in note 19 to the financial statements. The DBE uses the investment income to subsidise its services. These trusts also include the building which is occupied by the DBE as its principal and registered office.

In addition, property in use by 29 of the Church of England schools in the Diocese is vested in the DBE as trustee; however there is no beneficial interest whilst the property is still in use for the schools.

The trustees have had due regard to the Charity Commission's public benefit guidance when reviewing and deciding what activities the charity should undertake.

The trustees' vision to support schools to achieve demonstrable Christian distinctiveness in every aspect of the educational experience is based on Jesus' words from Matthew 5,13-16:

"You are the salt of the earth. But if the salt loses its saltiness, how can it be made salty again? It is no longer

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Objectives and activities (continued)

good for anything, except to be thrown out and trampled underfoot.

"You are the light of the world. A town built on a hill cannot be hidden. Neither do people light a lamp and put it under a bowl. Instead they put it on its stand, and it gives light to everyone in the house. In the same way, let your light shine before others, that they may see your good deeds and glorify your Father in heaven."

b. Current strategic objectives include

- Facilitating partnerships between schools and parishes to worship God incarnationally. The school building and community are integral to the Church community in the parish. It is the way children, families and staff encounter God. School becomes Church.
- Intentionally co-creating a habitus and curriculum in our schools rooted in Wisdom, Hope, Dignity and Community. Schools develop a "way of being" rooted in their Christian vision. This impacts curriculum development and teaching practices encouraging loving relationships where we learn to work with others and disagree well. Schools are radically inclusive; valuing diversity, embracing difference, nurturing aspiration.
- Inspiring others to "come and see" using a discipleship model to form collaborative school groupings. Schools convert to become part of strong, collaborative MATs delivering high quality, value for money education through CofE schools and community schools. Staff, children and families develop a language of faith which they take with them beyond school.
- Creating opportunities for school communities to become imagineers, calling out injustice to take action to transform communities. Schools teach a Kingdom Curriculum asking big questions which encourage children to imagine solutions and drive change, in the process developing courageous advocacy and leadership skills.

Achievements and performance

a. Achievements with the principal activities

The DBE provides support to all Church of England schools and academies in the Diocese in accordance with its statutory obligations and receives a core grant from the Diocesan Board of Finance towards these costs. Additional services are provided through a Diocesan Service Agreement. In the academic year 22/23 all schools signed up to the DSA with 75/76 signing up in 23/24. We have continued to provide regular Head Teacher briefings and a wide range of CPD for all levels of leadership within schools all focussed upon Christian Distinctiveness. We were pleased to be able to host a face to face Governors Conference in November. This conference focussed upon the Growing Faith Agenda and how schools and parishes working together can ensure that we uphold the Christian Foundations of our schools whilst meeting the needs of the least and the lost. We also considered the National Society's document "Our Hope for a Flourishing Schools System" reminding governors that together we represent the system and have collective responsibility to ensure that ALL children in the Diocese are in a nurturing school which supports the development of the whole child. At our Head Teacher Conference in June we focussed upon the role of trust in leadership and equipped Heads with some techniques for effective team collaboration and self reflection.

In September 2023 the Beacon project concluded its work and Sussex University reported their findings of the impact of the pilot. The Evaluation report demonstrates that the project builds an ethic of relatedness of care both within the staff group, between the staff and children but also between the school and parents. The reflective practice and supervision elements of the project improved staff self-awareness and wellbeing enabling vulnerable children and families to be supported by the whole school. The added capacity of a Family Link

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance (continued)

Worker ensured that strong relationships were built between the school and vulnerable families and that these families felt they had a single point of call who advocated for them and with them. The project will continue with a small MAT trialling the approach across their family of schools and one school sharing its student and staff wellbeing model across other schools in the Diocese.

During 2022/23 it became even more apparent that the increasing SEND needs in our schools is placing pressure on families and school communities. Combined with limited funding and a lack of access to specialist support staff such as Educational Psychologists and specialist TAs our schools are reporting an emerging crisis. During 23/24 the DBE will consider how it continues to speak into the space of radical inclusion with a view to as many children as possible having their educational needs met within their local school communities, and how it can support the provision of specialist educational communities to meet the needs of those who can't be educated in their local school.

In June 2023 the DBE hosted ALIVE 2023 a Praise Party and Picnic for 9,000 Key Stage 2 children and staff at NAEC Stoneleigh. The event was a huge success and we successfully commissioned 8,000 World Changers. Following the event in June 2023 the DBE has continued to work with schools and parishes to further develop the school and church link and a number of new after school events have started. These are varied and represent the gifts and talents of local schools and parishes with a flourishing World Changers Club at St Johns CofE Academy in Coventry, a Parent Alive Breakfast in Hatton, "Hive Alive" family weekend events in CV4 and a Soul Children Choir in Walsgrave St Mary's. The DBE is keeping the party going through a Diocesan Partnership with i-sing-pop in 2024 and a bid to the national Church Commissioners for funding to plant 5 Flourish Church in schools worshipping communities.

SIAMS inspections were carried out in 15 schools. 5 achieved Excellent Outcomes and 8 Good outcomes under the old framework. 2 schools were inspected under the new framework and were confirmed to be living up to their foundation as Church Schools. We continue to have no schools who are graded as requires improvement or inadequate and it is heartening to read how well our schools have thought through their contextual Christian vision and are using it to drive all of their work.

OFSTED visited 22 schools during 2023 with 19 receiving a 'Good' classification, 4 of these making progress from a previously requires improvement judgement. Two schools received a requires improvement classification, one for the second time which has resulted in a Direct Academy Order and one school received a serious weaknesses classification also triggering a Direct Academy Order. The DBE continues to work with Local Authorities, Multi Academy Trusts and the Department for Education to ensure that schools have appropriate school improvement support when needed. Overall, Diocesan schools are 90% Good or better in terms of OFSTED grades compared to a national picture of 88%.

The DBE continues to provide support and advice to those schools that have not yet converted to become an academy as they determine the best course for their future. Four schools became academies during 2023.

Through activities which promote and assist education in the diocese, consistent with the faith and practice of the Church of England, the trustees are confident that a significant benefit has been delivered for a significant section of the public – our children and young people.

b. Volunteers

These activities and achievements depend upon significant amounts of time contributed by 12 unpaid DBE members, 16 Members and 44 Directors of the 6 DBE controlled Multi Academy Trusts, alongside 233 foundation governors in individual schools, who contribute to the strategic development of the DBE. The value of this time cannot be quantified and recognised in the financial statements of the DBE, but it is not forgotten and is of huge benefit.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance (continued)

Financial review

Total income in the year was £621,000 (2022: £499,000). Grants from Coventry Diocesan Board of Finance included in this figure amounted to £160,000 (2022:£159,000).

After expenditure and gains on investments the net income for the year was a surplus of £602,000 (2022: deficit of £882,000). The net income on unrestricted operations was a surplus of £18,000 (2022: deficit of £41,000).

Investments

The DBE's investment policy as trustee of the s.554 Trust is to safeguard capital values of investments in real terms over the long term and to produce real growth in net investment income, whilst complying with the Church of England Ethical Investment Policy.

Investments are principally held in two funds managed by CCLA Investment Management Limited -the CBF Church of England Investment Fund and the CBF Church of England Global Equity Income Fund. The total value of investments at 31 December 2023 was £6.6 million (2022: £5.9 million).

The Trustees decided to consolidate all their investments with CCLA Investment Management Limited, to ensure compliance with the requirements of the Church of England's Ethical Investment Policy, and the transfer of funds out of Brewin Dolphin was effected during the first half of the year.

Reserves policy

Reserves held in restricted or designated funds are held for the purpose of those funds, as described in note 21 to the financial statements. Free reserves are held in the DBE's General Fund. The trustees' reserves policy is to ensure the provision of adequate financial resources in an environment of constant change and increasing challenge, without having to make sudden increases in charges for services. The policy is therefore for General Fund reserves not held in fixed assets to be within a wide range of between three and twelve months' worth of the year's total resources expended.

General Fund reserves not held in fixed assets at 31 December 2023 were £658,000 (2022: £693,000), amounting to 12 months (2022:12 months) of the total resources expended in the year, which was therefore within the policy range.

Plans for future periods

The DBE plans to continue and to extend its existing activities, and in particular:

- a) to continue to provide quality services to Church of England schools and academies and other schools who wish to participate at a time when their own budgets are facing ever increasing pressures;
- b) to continue to develop the Christian distinctiveness of schools in partnership with parishes and the whole diocese, as they work together to enable their communities to live life in all its fullness.
- c) to work with the six CofE majority MATs in the Diocese, maintained schools, local authorities and the DFE Regional Director to develop a pipeline of conversions so that every school is in a strong MAT by September 2030.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

- d) to support schools who remain in the maintained sector to secure school improvement and financial support from their LA;
- e) to support opportunities for growth, both at existing schools and on new housing developments.
- f) to support schools in focusing upon improving educational provision for children with special educational and Social Emotional and Mental Health Needs in partnership with the local church within the community;
- g) to ensure that these activities are financed sustainably whilst keeping the General Fund reserves in line with the reserves policy;
- h) to bless the church schools in the diocese and the children attending them with new ways to experience the love and challenge of demonstrating the love of Christ

Governance and management

The DBE operates in accordance with the measure and its articles of association, which were last updated by a special resolution of the Board on the 6th January 2022 to come into effect on 1 March 2022.

The members of the DBE are members of the company for the purposes of company law, and as such each have a personal liability limited to £1 under their guarantee as company members. They are also the trustees of the DBE and the directors of the company for the purposes of company law. DBE members are determined by the measure and the DBE's articles of association and in 2023 comprised: the Bishop of Coventry; three persons appointed by the Bishop; five members elected by Diocesan Synod; and four persons co-opted by the DBE Board. Induction of new members is carried out by providing them with a summary of their responsibilities and other briefing material on appointment.

The DBE members, as trustees and directors, have and accept ultimate responsibility for directing the affairs of the DBE. The DBE Board has one sub-committee, the Business and Investment Committee. A skills audit is carried out periodically and skills are matched wherever possible to ensure sub-committee membership includes an appropriate skill base.

Day to day management is delegated by the trustees to the Diocesan Director of Education, who is appointed by the Bishop of Coventry. The Diocesan Director of Education is also the Company Secretary.

Under the leadership of the Diocesan Director of Education, the DBE maintains a Risk Register that identifies and assesses the key risks to the organisation and how these can be mitigated. This is updated as risks change and is reviewed at least annually by the Business and Investment Committee and the DBE Board. The major risks currently identified include changes to the level of income receivable, particularly from grants; financial and/or political pressure on schools' budgets threatening their ability to provide quality worship and RE teaching; insufficient suitably skilled and experienced people to fill foundation governor posts; competition from secular multi academy trusts seeking to acquire church schools and change their core purpose.

The s.554 Trust

The DBE is the sole (corporate) trustee of the s.554 Trust. In that capacity, the DBE has allocated the investment income and the use of the buildings of the trusts for the DBE's activities, subject to uses in accordance with section 554 of the Education Act 1996, which are set out in the notes to the financial statements.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Related Parties

The s.554 Trust is related to the DBE by virtue of the DBE being its corporate trustee and applying the investment income arising for the DBE's purposes, subject to the statutory restrictions applying to that income. Accordingly, the assets of the s.554 Trust, although not owned by the DBE in its own right, are included with the financial statements of the DBE.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the DBE for the purposes of company law) are responsible for preparing the Trustees' report and the directors' 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for the maintenance and integrity of the DBE's corporate and financial information included on the DBE's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statement may differ from legislation in other jurisdictions.

Disclosure of information to auditor

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the trustees has confirmed that they have taken all the steps that they ought to have taken as trustees and directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Auditor

The audit went to tender and Crowe were reappointed in 2023. A resolution to reappoint Crowe U.K. LLP as auditor to the company and to authorise the Board of Directors to fix the auditor's remuneration will be proposed at the Annual General Meeting.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Mr Michael Draper
(Chair of Trustees)

Date: 19 June 2024

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

Opinion

We have audited the financial statements of Coventry Diocesan Board of Education for the year ended 31 December 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COVENTRY DIOCESAN BOARD OF
EDUCATION (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COVENTRY DIOCESAN BOARD OF
EDUCATION (CONTINUED)**

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the legal and regulatory frameworks within which the Company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, environmental protection legislation, Health and safety legislation, Taxation legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be in the following areas: timing of recognition of income; the override of controls by management, including posting of unusual journals; inappropriate treatment of non-routine transactions and areas of estimation uncertainty; and manipulating the Company's key performance indicators to meet management targets.

Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, review and discussion of non-routine transactions, sample testing on the posting of journals and income transactions and review of accounting estimates for biases.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COVENTRY DIOCESAN BOARD OF
EDUCATION (CONTINUED)**

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

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

Use of our report

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

Helen Blundell LLB FCA FCIE DChA (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date:

COVENTRY DIOCESAN BOARD OF EDUCATION
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Endowment funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income and endowments from:						
Donations and legacies	4	301	12	-	313	210
Charitable activities	5	89	-	-	89	75
Other trading activities	6	12	-	-	12	7
Investments	7	-	207	-	207	207
Total income and endowments		402	219	-	621	499
Expenditure on:						
Raising funds	8	38	-	-	38	42
Charitable activities	9	346	312	-	658	597
Total expenditure		384	312	-	696	639
Net income/(expenditure) before net gains/(losses) on investments						
		18	(93)	-	(75)	(140)
Net gains/(losses) on investments		-	-	677	677	(742)
Net income/(expenditure)		18	(93)	677	602	(882)
Transfers between funds	21	(53)	64	(11)	-	-
Net movement in funds		(35)	(29)	666	602	(882)
Reconciliation of funds:						
Total funds brought forward		693	186	6,069	6,948	7,830
Net movement in funds		(35)	(29)	666	602	(882)
Total funds carried forward		658	157	6,735	7,550	6,948

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 16 to 37 form part of these financial statements.

COVENTRY DIOCESAN BOARD OF EDUCATION
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REGISTERED NUMBER: 3663851

BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	15	352	360
Investments	16	6,716	5,889
		<u>7,068</u>	<u>6,249</u>
Current assets			
Debtors	17	93	113
Cash at bank and in hand		1,064	1,039
		<u>1,157</u>	<u>1,152</u>
Current liabilities			
Creditors: amounts falling due within one year	19	(675)	(453)
		<u>482</u>	<u>699</u>
Net current assets			
		<u>7,550</u>	<u>6,948</u>
Charity funds			
Endowment funds	21	6,735	6,069
Restricted funds	21	157	186
Unrestricted funds	21	658	693
		<u>7,550</u>	<u>6,948</u>
Total funds			

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Mr Michael Draper
 (Chair of Trustees)

Date: 19 June 2024

The notes on pages 16 to 37 form part of these financial statements.

COVENTRY DIOCESAN BOARD OF EDUCATION
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash used in operating activities	24	(32)	(436)
Cash flows from investing activities			
Dividends, interests and rents from investments		207	207
Proceeds from sale of investments		-	2,692
Purchase of investments		(150)	(2,918)
Net cash provided by/(used in) investing activities		57	(19)
Change in cash and cash equivalents in the year		25	(455)
Cash and cash equivalents at the beginning of the year		1,039	1,494
Cash and cash equivalents at the end of the year	25	1,064	1,039

The notes on pages 16 to 37 form part of these financial statements

COVENTRY DIOCESAN BOARD OF EDUCATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

The company is a company limited by guarantee (registered number 3663851), which is incorporated and registered in England and Wales. Its charity registration number is 1091145. The registered office and principal place of business is The Benn Education Centre, Craven Road, Rugby, Warwickshire, CV21 3JZ.

The principal activity is to serve and equip Church of England school and academies in Coventry diocese to worship God, make new disciples and transform their communities.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Coventry Diocesan Board of Education meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost except the fixed asset investments which are included at fair value at the balance sheet date.

The trustees are satisfied that the DBE has adequate resources to continue to operate as a going concern for the foreseeable future and have prepared the financial statements on that basis.

2.2 Income

Income is included in the Statement of Financial Activities when the charity is legally entitled to it, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

Investment income from the managed portfolio is recognised when received by the fund manager. Investment income from Common Investment Funds managed by CCLA Investment Managers Ltd is recognised when dividends are declared.

Income is recognised as deferred where the event or period to which the income relates occurs beyond the end of the financial period being reported on.

2.3 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate similar costs under each category of the Statement of Financial Activities.

Support costs consist of staff costs, office costs, building costs and governance costs. All support costs are allocated to the purpose of charitable activities. Costs are allocated to activities using a time recording method.

Pension costs are charged to the Statement of Financial Activities in the year for which contributions are payable.

COVENTRY DIOCESAN BOARD OF EDUCATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.3 Expenditure (continued)

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.

Expenditure on raising funds includes all expenditure incurred by the DBE to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the DBE's objectives, as well as any associated support costs.

2.4 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 years
Office equipment	- 4 years

No depreciation is provided on freehold land.

2.5 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 the 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 presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.6 Debtors

Debtors are measured at the transaction price less any impairment losses.

COVENTRY DIOCESAN BOARD OF EDUCATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.7 Cash at bank and in hand

Cash and cash equivalents include cash at bank and short term deposits with any qualifying institutions repayable on demand without notice.

2.8 Liabilities and provisions

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources. Creditors are measured at transaction price less any amounts settled.

2.9 Agency arrangements

The charity acts as agent in the collection of grants from government, local authorities and other funds, and payment of approved invoices for school building projects on behalf of certain Church of England schools in the diocese. This income and expenditure is excluded from the income and expenditure of the charity and any balances due from or held on behalf of schools are excluded from the balance sheet and reported separately in the notes to the financial statements.

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the DBE and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the DBE for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds are funds to be retained as capital funds held on trust by The Coventry Diocesan Board of Education s.554 Trust, registered charity number 1159313, for which the DBE is the sole (corporate) trustee. As there is power of discretion for the trustee to convert the endowed funds into income, the funds are classed as expendable endowment.

3. Critical accounting estimates and areas of judgement

Estimates and judgements 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.

Critical accounting estimates and assumptions:

The DBE 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.

COVENTRY DIOCESAN BOARD OF EDUCATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. Income from donations and legacies

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Grants			
Grants from Coventry Diocesan Board of Finance Limited	160	-	160
Alternative Provision	-	12	12
	<u>160</u>	<u>12</u>	<u>172</u>
Donations	141	-	141
Subtotal	<u>141</u>	<u>-</u>	<u>141</u>
Total 2023	<u><u>301</u></u>	<u><u>12</u></u>	<u><u>313</u></u>

	<i>Unrestricted funds 2022 £000</i>	<i>Restricted funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Grants			
Grants from Coventry Diocesan Board of Finance Limited	159	-	159
Allchurches Trust	-	-	-
Culham St Gabriel	-	10	10
	<u>159</u>	<u>10</u>	<u>169</u>
Donations	5	-	5
Grants	-	36	36
Subtotal	<u>5</u>	<u>36</u>	<u>41</u>
<i>Total 2022</i>	<u><u>164</u></u>	<u><u>46</u></u>	<u><u>210</u></u>

COVENTRY DIOCESAN BOARD OF EDUCATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. Income from charitable activities

	Unrestricted funds 2023 £000	Total funds 2023 £000
Services to schools and academies	89	89
	<u>89</u>	<u>89</u>

	<i>Unrestricted funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Services to schools and academies	75	75
	<u>75</u>	<u>75</u>

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £000	Total funds 2023 £000
Accommodation charges	12	12
	<u>12</u>	<u>12</u>

	<i>Unrestricted funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Accommodation charges	7	7
	<u>7</u>	<u>7</u>

COVENTRY DIOCESAN BOARD OF EDUCATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7. Investment income

	Restricted funds 2023 £000	Total funds 2023 £000
Rental income	7	7
Dividend income	196	196
Bank interest	4	4
Total 2023	<u>207</u>	<u>207</u>

	<i>Restricted funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Rental income	9	9
Dividend income	195	195
Bank interest	3	3
<i>Total 2022</i>	<u>207</u>	<u>207</u>

8. Investment management costs

	Unrestricted funds 2023 £000	Total funds 2023 £000
Accommodation costs	<u>38</u>	<u>38</u>

COVENTRY DIOCESAN BOARD OF EDUCATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. Investment management costs (continued)

	<i>Unrestricted funds 2022 £000</i>	<i>Restricted funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Investment management costs	-	10	10
Accommodation costs	32	-	32
<i>Total 2022</i>	<u>32</u>	<u>10</u>	<u>42</u>

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total 2023 £000
Services to schools and academies	346	236	582
Other	-	76	76
Total 2023	<u>346</u>	<u>312</u>	<u>658</u>

	<i>Unrestricted funds 2022 £000</i>	<i>Restricted funds 2022 £000</i>	<i>Total 2022 £000</i>
Services to schools and academies	255	217	472
Other	-	125	125
<i>Total 2022</i>	<u>255</u>	<u>342</u>	<u>597</u>

COVENTRY DIOCESAN BOARD OF EDUCATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

9. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2023 £000	Other costs 2023 £000	Total 2023 £000
Services to schools and academies	281	301	582
Other	-	76	76
Total 2023	281	377	658

	Staff costs 2022 £000	Other costs 2022 £000	Total 2022 £000
Services to schools and academies	247	225	472
Other	-	125	125
Total 2022	247	350	597

10. Analysis of expenditure by activities

	Purchased services and materials 2023 £000	Support costs 2023 £000	Total funds 2023 £000
Services to schools and academies	339	243	582
Other	76	-	76
Total 2023	415	243	658

COVENTRY DIOCESAN BOARD OF EDUCATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2022 £000</i>	<i>Support costs 2022 £000</i>	<i>Total funds 2022 £000</i>
Services to schools and academies	305	167	472
Other	125	-	125
<i>Total 2022</i>	<u>430</u>	<u>167</u>	<u>597</u>

Analysis of support costs

Governance costs includes external audit fees of £9,000 (2022 - £10,000) and legal and professional fees £nil (2022 - £6,000).

11. Auditor's remuneration

	2023 £000	2022 £000
Fees payable to the DBE's auditor for the audit of the DBE's annual accounts	7	8
Fees payable to the DBE's auditor in respect of: All non-audit services not included above	<u>2</u>	<u>2</u>

12. Staff costs

	2023 £000	2022 £000
Wages and salaries	236	209
Social security costs	21	17
Contribution to defined contribution pension schemes	24	21
	<u>281</u>	<u>247</u>

COVENTRY DIOCESAN BOARD OF EDUCATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. Staff costs (continued)

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

	2023 No.	<i>2022 No.</i>
Administration and support	6	<i>6</i>

The average headcount expressed as full-time equivalents was:

	2023 No.	<i>2022 No.</i>
Administration and support	5	<i>5</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023 No.	<i>2022 No.</i>
In the band £80,001 - £90,000	1	<i>1</i>

Key management personnel are those having authority and responsibility, delegated to them by the trustees, for planning, directing and controlling the activities of the charity. The remuneration for key management personnel, including employer's national insurance and pensions contributions was £100,521 (2022 - £88,933).

13. Trustees and volunteers

The DBE benefits from significant amounts of time contributed by unpaid DBE members (who are also trustees) and other volunteers by their attendance at meetings and contribution to the strategic development of the DBE. The value of this time cannot be quantified and recognised in the financial statements of the DBE.

COVENTRY DIOCESAN BOARD OF EDUCATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, expenses totaling £24 were reimbursed or paid directly to 1 Trustee (2022 - £153 to 5 Trustees). These expenses relates to claims made by trustees for attending DBE meetings.

15. Tangible fixed assets

	Freehold land & buildings £000	Office equipment £000	Total £000
Cost or valuation			
At 1 January 2023	410	33	443
At 31 December 2023	410	33	443
Depreciation			
At 1 January 2023	53	30	83
Charge for the year	5	3	8
At 31 December 2023	58	33	91
Net book value			
At 31 December 2023	352	-	352
At 31 December 2022	357	3	360

All tangible fixed assets were used for direct charitable purposes.

Freehold land & buildings includes land of £153,000 which is not depreciated.

COVENTRY DIOCESAN BOARD OF EDUCATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

16. Fixed asset investments

	Unlisted investments £000
Cost or valuation	
At 1 January 2023	5,889
Additions	150
Gains	677
At 31 December 2023	<u>6,716</u>

Investments are held primarily to provide an investment return. Unlisted investment consist of holdings in CBF Church of England Common Investment Funds managed by CCLA Investment Managers Ltd.

17. Debtors

	2023 £000	2022 £000
Due within one year		
Trade debtors	29	64
Prepayments and accrued income	64	49
	<u>93</u>	<u>113</u>

18. Cash at bank and in hand

Cash and cash equivalents include short term deposits of £281,000 (2022 - £431,000) and cash balances held as agent on behalf of Diocesan schools of £338,000 (2022 - £373,000).

COVENTRY DIOCESAN BOARD OF EDUCATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

19. Creditors: Amounts falling due within one year

	2023	<i>2022</i>
	£000	<i>£000</i>
Trade creditors	270	25
Other taxation and social security	13	9
Pension contributions	3	5
Accruals and deferred income	51	41
Balances held as agent on behalf of Diocesan schools	338	373
	<u>675</u>	<u>453</u>

20. Financial instruments

	2023	<i>2022</i>
	£000	<i>£000</i>
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>6,716</u>	<u>5,889</u>

Financial assets measured at fair value through income and expenditure comprise listed and unlisted investments.

COVENTRY DIOCESAN BOARD OF EDUCATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

21. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 December 2023 £000
Unrestricted funds						
Designated funds						
Lucy Price Fund	266	-	-	(64)	-	202
General funds						
General Funds	427	402	(384)	11	-	456
Total Unrestricted funds	693	402	(384)	(53)	-	658
Endowment funds						
s.554 Trust Capital Fund	6,069	-	-	(11)	677	6,735
Restricted funds						
The Beacon Fund	-	-	(64)	64	-	-
Cullham St Gabriel Grant	4	-	(3)	-	-	1
s.554 Trust Income Fund	178	215	(241)	-	-	152
REC Worldwide	4	4	(4)	-	-	4
	186	219	(312)	64	-	157
Total of funds	6,948	621	(696)	-	677	7,550

COVENTRY DIOCESAN BOARD OF EDUCATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

21. Statement of funds (continued)

Description of Funds:

s.554 Trust Capital Fund - Expendable Endowment

The s.554 Trust Capital Fund consists of the funds and property of The Coventry Diocesan Board of Education s.554 Trust ("the s.554 Trust"), registered charity number 1159313 for which the DBE is the sole (corporate) trustee. These assets arose from redundant educational properties and their sales proceeds. The assets were originally held under separate uniform statutory trusts with the same permitted uses, treated in recent years as a single trust and fund for the purposes of inclusion in these financial statements. On 5 March 2014, the DBE members passed a resolution to manage the uniform statutory trusts as a single united charity, which was registered with the Charity Commission on 21 November 2014.

The DBE as trustee of the s.554 Trust may, after payment of any expenses incurred in connection with the administration of the trusts, apply the capital of the s.554 Trust's assets:

- (a) In or towards the purchase of a site for, or the erection, improvement or enlargement of:
 - (i) the premises of any Church of England school in the Diocese of Coventry or
 - (ii) the premises of a teachers' house for use in connection with any Church of England school in the Diocese of Coventry; and
- (b) for the maintenance of any Church of England school in the Diocese of Coventry or of a teacher's house for use in connection with any Church of England school in the Diocese of Coventry

s.554 Trust Income Fund - Restricted

This fund has arisen from income from the assets of the Uniform Statutory Trusts which are combined into a single trust as described above. This fund may be used for any of the following purposes:

- (a) for the same purposes as the s.554 Trust Capital Fund as laid out above.
- (b) in or towards the provision of advice, guidance and resources (including materials) in connection with any matter related to the management of, or education provided at, any Church of England school in the Diocese of Coventry.
- (c) the provision of services for the carrying out of any inspection of any Church of England school in the area required by Part 1 of the School Inspection Act 1996(a); and
- (d) to defray the cost of employing or engaging staff in connection with the application of the s.554 Trust Income or Capital Funds.

The Beacon Fund - Restricted

The Beacon Project has been established to fund a new approach to working with children at risk of exclusion focusing upon improving educational provision through trauma and attachment aware practices for children with social, emotional and mental health needs (SEMH). Grants and donations received for the specific purpose of supporting this project are accounted for in this fund. Project expenditure in excess of the restricted funds receivable is funded out of the Lucy Price designated fund.

Lucy Price Fund - Designated

This fund was established when the Lucy Price Wasperton Estate Charity made a donation to the DBE of £515,000 upon its winding up and realisation of its assets in 2018. The trustees have resolved that this donation should be designated for specific purposes, which include the bidding for new schools, supporting school improvement and academisation in existing voluntary aided and controlled schools and creating additional alternative provision in existing or new schools (including the Beacon Project).

COVENTRY DIOCESAN BOARD OF EDUCATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

21. Statement of funds (continued)

REC Worldwide

Jennifer Jenkins, RE and Spirituality Officer, has been selected by the Religious Education Council to lead one of three teams set up to create a framework and exemplary units to exemplify best practice in Religion and Worldviews in Religious Education. This is a project of national significance as it will inform the way that religious education is taught in the context of worldviews, a paradigm change in the way religious education is taught. Jennifer's team is focusing on the theme of reconciliation, which lies at the heart of the mission of the Coventry Diocese.

General Fund

Unrestricted funds that are not held for any specific purpose are held in the General Fund.

COVENTRY DIOCESAN BOARD OF EDUCATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

21. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2022 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 December 2022 £000</i>
Unrestricted funds						
Designated funds						
Lucy Price Fund	419	-	-	(153)	-	266
General funds						
General Funds - all funds	405	246	(287)	63	-	427
Total Unrestricted funds	824	246	(287)	(90)	-	693
Endowment funds						
s.554 Trust Capital Fund	6,811	-	-	-	(742)	6,069
Restricted funds						
The Beacon Fund	-	35	(125)	90	-	-
Cullham St Gabriel Grant	3	10	(9)	-	-	4
s.554 Trust Income Fund	192	203	(217)	-	-	178
REC Worldwide	-	5	(1)	-	-	4
	195	253	(352)	90	-	186
Total of funds	7,830	499	(639)	-	(742)	6,948

COVENTRY DIOCESAN BOARD OF EDUCATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

22. Summary of funds

Summary of funds - current year

	Balance at 1 January 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 December 2023 £000
Designated funds	266	-	-	(64)	-	202
General funds	427	402	(384)	11	-	456
Endowment funds	6,069	-	-	(11)	677	6,735
Restricted funds	186	219	(312)	64	-	157
	<u>6,948</u>	<u>621</u>	<u>(696)</u>	<u>-</u>	<u>677</u>	<u>7,550</u>

Summary of funds - prior year

	Balance at 1 January 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 December 2022 £000
Designated funds	419	-	-	(153)	-	266
General funds	405	246	(287)	63	-	427
Endowment funds	6,811	-	-	-	(742)	6,069
Restricted funds	195	253	(352)	90	-	186
	<u>7,830</u>	<u>499</u>	<u>(639)</u>	<u>-</u>	<u>(742)</u>	<u>6,948</u>

COVENTRY DIOCESAN BOARD OF EDUCATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Endowment funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	183	169	352
Fixed asset investments	150	-	6,566	6,716
Current assets	1,183	(26)	-	1,157
Creditors due within one year	(675)	-	-	(675)
Total	658	157	6,735	7,550

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Endowment funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	1	179	180	360
Fixed asset investments	-	-	5,889	5,889
Current assets	1,145	7	-	1,152
Creditors due within one year	(453)	-	-	(453)
Total	693	186	6,069	6,948

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

24. Reconciliation of net movement in funds to net cash flow from operating activities

	2023	2022
	£000	£000
Net income/expenditure for the year (as per Statement of Financial Activities)	602	(882)
Adjustments for:		
Depreciation charges	8	9
(Losses)/Gain on investments	(677)	742
Dividends, interests and rents from investments	(207)	(207)
Decrease in debtors	20	99
Increase/(decrease) in creditors	222	(197)
Net cash used in operating activities	(32)	(436)

25. Analysis of cash and cash equivalents

	2023	2022
	£000	£000
Cash in hand	783	608
Notice deposits (less than 3 months)	281	431
Total cash and cash equivalents	1,064	1,039

26. Analysis of changes in net debt

	At 1		At 31
	January		December
	2023	Cash flows	2023
	£000	£000	£000
Cash at bank and in hand	1,039	25	1,064
Debt due within 1 year	(5)	2	(3)
	1,034	27	1,061

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27. Pension commitments

The DBE participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

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

Pension Builder Scheme

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

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

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

There is no sub-division of assets between employers in each section of the Pension Builder Scheme. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2022: 21,000, 2021: £22,000).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 3% following improvements in the funding position over 2021. There is no requirement for deficit payments at the current time.

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

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

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28. Operating lease commitments

At 31 December 2023 the DBE had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £000	2022 £000
Not later than 1 year	3	3
Later than 1 year and not later than 5 years	1	4
	<u>4</u>	<u>7</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2023 £000	2022 £000
Operating lease rentals	<u>3</u>	<u>3</u>

29. Related party transactions

Coventry Diocesan Board of Finance Ltd (CDBF) provided the DBE with grants of £160,000 (2022: £159,000) in the year towards the costs of the DBE's charitable activities including its statutory obligations. The amount owing to the CDBF at 31 December 2023 in relation to transactions between the two parties was £1,004 (2022: £0).

The DBE provided no services to the CDBF and Coventry Cathedral and as such the amount owing to the DBE at 31 December 2023 was £nil (2022: £3,414).

The DBE provided the Coventry Diocesan Multi Academy Trust (DMAT) with invoiced services totalling £15,601 in the year (2022: £13,468) with no profit element. The amount owed to the DBE at 31 December 2023 in relation to transactions between the two parties was £nil (2022: £1,590).

The s.554 Trust is related to the DBE by virtue of the DBE being its corporate trustee and applying the investment income arising for the DBE's purposes, subject to the statutory restrictions applying to that income. Accordingly, the assets of the s.554 Trust, although not owned by the DBE in its own right, are included with the financial statements of the DBE.

