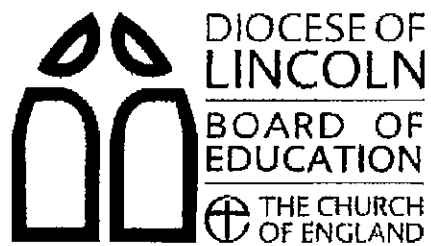


Company registered number (England & Wales) : 08334622
Charity registration number : 1151733

LINCOLN DIOCESAN BOARD OF EDUCATION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



Report of the Director of Education

The Lincoln Diocesan Board of Education (LDBE) Team has continued to support schools in what has been a very challenging year for school communities. At the start of the year, the country went into another lockdown and the LDBE team had to adapt their provision to a hybrid model to meet the needs of all pupils in school and at home. Covid cases have impacted on many schools throughout the year and the LDBE team have supported leaders to cope with significant logistical challenges such as covering high levels of staff absence and making changes to school organisation. Working with school leaders, the LDBE team have enabled schools to continue to live out their Christian vision for education within a safe and nurturing environment.

The LDBE team have needed to review and tailor their working practices throughout the pandemic to ensure the schools are provided with all the support they need. For example, the team have led high quality training on Zoom and ensured that strong and effective communication with schools has been maintained when working from home.

At Easter, the senior School Effectiveness Adviser (SEA) retired from her post, who was a key member of the team, leading the diocesan school improvement services very effectively. A new SEA was appointed to lead on school improvement, SEND and diversity but unfortunately, resigned at the end of the year due to ill health.

It was in the last half term of the year when the LDBE team was impacted with Covid related illness but with great resilience and commitment, the team along with its Associate Advisers were able to sustain high quality services such as headteacher performance management and training for schools.

A significant change to the LDBE team was when the Diocesan Director of Education (DDE), Jackie Waters-Dewhurst resigned from her post in August 2021. The DBE would like to thank Jackie for her excellent work in leading diocesan education during her time as DDE. In the summer term, the LDBE approved a leadership restructure to be implemented in September 2021. Having been Deputy DDE for 11 years, I was appointed as DDE in September 2021 and Lynsey Norris was promoted from the role of Education Development Officer to Assistant DDE.

In December 2021, LDBE then approved a staffing restructure to be implemented in February 2022. In order to respond to the pandemic and meet the DBE strategic priorities, the LDBE proposed to remove the Events Administrator post and create a new post entitled a Governance and Compliance Lead.

Despite all the challenges in schools and changes in the education team throughout 2021, LDBE sustained high quality work and were able to recognise many achievements. For example, a new LDBE strategic plan was developed, a new majority church MAT was formed, a 'Culture of Kindness Toolkit' was produced for school staff, and a comprehensive training programme was delivered which included bundle packages for RE, SIAMS and Governance. The LDBE team also delivered a virtual Church School Festival and Carol Service; and a commissioning service for newly appointed headteachers, DDE and Assistant DDE was held in the Cathedral.

Members of the LDBE team engaged in a range of professional development activities including training on Unconscious Bias, EYFS and Diversifying Governance. The DDE and Assistant DDE completed the Diocesan Education Leaders Programme (DELP) and the RE/SIAMS adviser has undertaken SIAMS inspection training.

The LDBE team supported the transition of SIAMS management to the National SIAMS team, enabling the arrangement of church school inspections to be co-ordinated through a nationally consistent approach. The LDBE MAT strategy remains a key part of the DBE vision and provides church schools with a range of options when exploring academisation. There are now 4 'majority' church MATs in the diocese plus the option for groups of schools to come together to form a new MAT or a hub within an existing MAT.

Throughout the year, the LDBE team have proved to be a highly resilient and creative team with the energy and drive to provide church schools the support they need for all adults and pupils to flourish.

Paul Thompson

Diocesan Director of Education

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The Trustees present their report and audited financial statements for the year ended 31 December 2021.

Reference and Administrative Details of the Charity

Name of the Charity	Lincoln Diocesan Board of Education
Company registration number	08334622 registered in England and Wales
Charity registration number	1151733
Trustees	The constitution of the Board of Education and appointment of Directors is described in the section on "Structure, Governance and Management" on pages 18 et seq. Trustees in post at the date of signing of this report are shown on page 25.

Diocesan Director of Education Mr Paul Thompson

Contact information The registered office of the company and principal trading address of the charity with other contact details are shown on page 25 at the back of the Report.

Professional advisers Details are shown on page 24.

Objectives

Objects as set out in the Articles

Church schools serving their communities through excellence,
exploration and encouragement within the love of God.

The Diocese of Lincoln is called to faithful worship, confident discipleship and joyful service and our Church Schools bear witness to our belief that every child is made in the Image of God and loved by him. They were founded for the good of their local communities so that children can be educated through the values and stories of Christianity.

The objects of LDBE as stated in its Articles are:

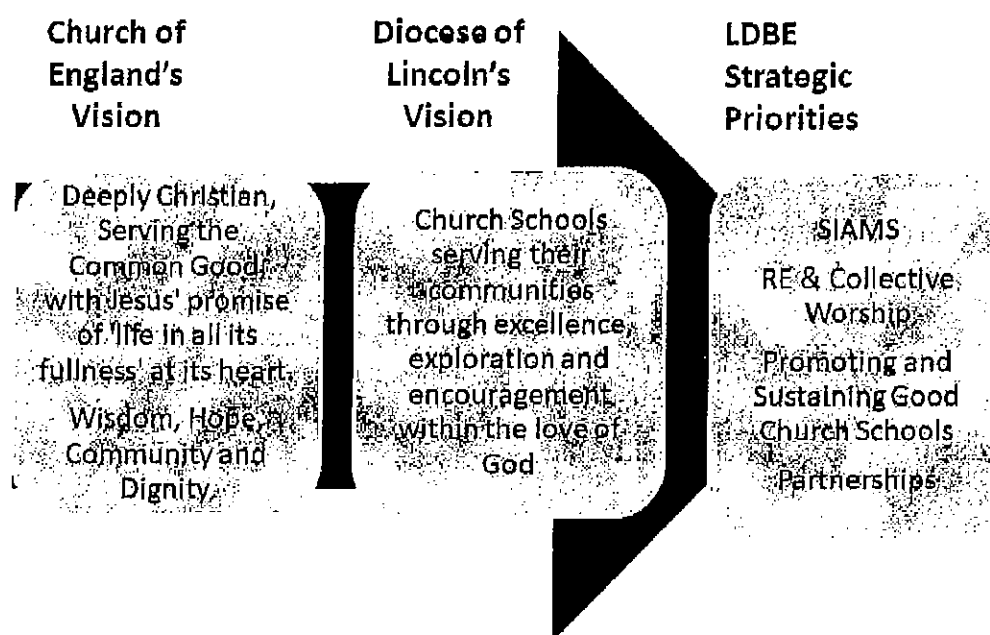
- 1.1 The Objects of the Board are to promote or assist in the promotion of education for the public benefit of the Diocese
- 1.2 The Objects shall be carried out in accordance with the doctrines and principles of the Church of England

This is consistent as required by The Measure (see "Structure, Governance and Management" on pages 18 et seq.).

Vision and Mission

The LDBE staff team have worked to ensure that our work can be assessed against the vision. The following diagram shows how this is managed. It shows how our work is intrinsically tied in to the LDBE vision, the National vision and the diocesan vision.

A Vision for Education



Strategy

The LDBE developed a new strategic plan for 2021 to 2024 to set out its key operational approaches for carrying out the functions of the DBE Measure 2021 and realising the national and diocesan vision for education. The plan is organised into four key sections which relate to our core business: SIAMS, RE and Collective Worship, Promoting and Sustaining Good Church Schools, and Partnerships. The strategic plan addresses key priorities from a national, diocesan and school perspective such as strengthening governance, promoting diversity and ensuring high quality RE is taught in all schools.

The LDBE team meet regularly to monitor the progress made in the detailed operational plans that sit behind the strategic overview. Evaluations and RAG (Red, Amber, Green) ratings are presented to the LDBE directors each term so they are able to appropriately hold LDBE team leaders to account.

Public Benefit

In determining which activities the charity will pursue, the Board has had due regard to the guidance on Public Benefit Issued by the Charity Commission.

LDBE works with the various partners described on pages 22 to 24 and with the 141 Church Schools within the diocese. Services are generally delivered to schools and to teachers, but the Board and staff are continually aware of the impact of its work on the pupils and students within the schools, then on the wider community.

Risk management

The key financial, educational and reputational risks, to which the charity is exposed, as identified by the Trustees, has been reviewed and systems established to manage those risks.

The Risk Register provides detailed information about the risks to the charity, the potential consequences if the risks are not managed, the actions being taken and a RAG rating of how well the risks are being managed. An example of key risks and actions being taken are as follows:

Insufficient growth in number of majority church MATs

Actions include a strategy to develop up to 6 majority MATs. The LDBE team is working with existing MATs to develop promotional strategies. There are ongoing conversations with groups of schools and non-church MATs to become church MATs.

Inability to appoint suitably skilled foundation governors

Actions include the LDBE approving a staffing restructure to create a new post for Governance and Compliance Lead. A new adviser is being appointed to enhance governor training. Diversity training for governors has been delivered. New guidance issued to PCCs and schools working together to recruit foundation governors.

Inability to maintain links between schools and church and the clergy to understand their role to protect and develop distinctively Christian education in their local church school/s

Actions include the LDBE is engaging in the diocesan wide project, 'Time to Change Together' to ensure schools have good links with the local church community following diocesan reorganisation. The LDBE is also engaging with the Church of England Education Office to promote links between church, school and home (Growing faith Adventure).

Inability to recruit appropriately skilled and qualified people to the LDBE team.

Actions include training and deployment of Associate advisers to support central team.

The LDBE continues to review and develop terms and conditions on a regular basis. Leadership and staffing structures have taken place to ensure team is well placed to meet the needs of the organisations and schools – taking into account staff workload and wellbeing.

Inability to support LAs and schools robustly enough to improve and maintain standards of education

Actions include diocesan advisers supporting and challenging LA and school leaders on issues impacting on quality of education. The LDBE has developed robust and effective Head Teacher Performance Management (HTPM) service for schools. A new adviser is being appointed to further develop the SIP programme and school improvement offer.

Covid-19 - Disruption and business continuity

Actions include the Senior Leadership Team responding to government guidance and national and local restrictions accordingly. The LDBE creating new ways of maintaining close relationships and stay in contact with schools to compensate for reduced face to face visits e.g. Zoom meetings.

Break even budget moving to profit

Actions include implementing a leadership and staffing restructure to enable LDBE team to best meet the needs of the schools and generate income from services provided to schools. Reduced expenditure on travel and office costs continue as the LDBE work makes better use of technology to provide support through a hybrid approach. The LDBE keeps the Investment strategy under review to ensure the returns are maximised.

Activities

LDBE's work can be described in several streams, although in practice these feed into each other:

Diocesan Boards of Education Measure 2021

Our core work is included under this heading. It includes support to the governing bodies of church schools in leadership and in ensuring the excellence of Religious Education. We also help where schools are revising their governing document, federating, joining academy trusts or otherwise considering the way they are constituted.

School Improvement

Primarily the role of the advisers is one of support, training and encouragement for school leaders, in response to requests and invitations from schools. The advisers have specialisms but there is always a degree of overlap and their work is often interchangeable. Our breadth of support and involvement with schools and academies continues to grow and many services have become well embedded in schools such as the Headteacher Performance Management programme.

Advisers are as likely to be discussing strategies for developing diversity across the curriculum, enhancing provision for SEND as well as developing the quality of collective worship and RE. This shift in culture and expectation is absolutely in line with the Diocesan vision for education: excellence, exploration and encouragement. If all church schools are to be excellent schools then children should be receiving an excellent all-round education. They should be given every opportunity to reach their God-given potential.

The Assistant DDE is supporting the parish/school connections as well as enabling further partnerships to flourish with the diocese as well as increasing on-line engagement, introducing well-being training for schools and making better use of the website to facilitate the promotion of courses, resources and guidance.

In 2021 as a result of the pandemic, from January through to March, schools were closed except for key worker and vulnerable children. The focus on school improvement inevitably changed from providing a typical service where we provided support and challenge to improve the quality of church school education for all pupils to a service of supporting school leaders to establish a covid-secure learning environment with systems for remote learning, training and pastoral support for the school community.

Throughout much of the year, it was not possible to carry out school-based visits or face-to-face training events. OfSTED and SIAMs inspections were stopped in the first part of the year. School development plans changed and head teachers no longer prioritised training such as preparation for OfSTED, curriculum development and improving academic outcomes.

During the year, the LDBE team and associate advisers primarily continued to support school leaders and governors through virtual means. School leaders and governors welcomed their network sessions where they had the opportunity to receive national and diocesan updates as well as the time to discuss pertinent issues and share

good practice with each other. Governors stated they found the virtual training and support more accessible than the central based face to face training that has been in Lincoln. They also valued the wealth of resources on the website that the Assistant DDE had previously developed to support them with developing mental health and well-being of staff and pupils.

We carried out Headteacher Performance Management reviews for many heads and we conducted a number of Service Level Agreement visits. The joint strategy school improvement meetings with the Local Authorities continued as we work collaboratively with school leaders to refocus on school improvement.

Courses, conferences and festivals

The pandemic continued to impact the way courses, conferences and festivals were run through 2021. All events continued running virtually until September 21. Since that time, where some courses are not suited to being online, courses were planned to be reintroduced face to face once again. This however is drastically reduced from 100% face to face course in 2019 to 5% in 2021. Due to the impact Covid had on staff absences and staff unable to leave school, some of those courses have been moved back to being virtual. Feedback from schools is that they prefer virtual training because it is easier to access and more cost effective. The reduction of travel for our team and for school leaders has been of significant benefit as it reduces carbon emissions and time travelling. LDBE continues to insist on top quality leaders and speakers for our portfolio of big conference events and key training courses which give our events programme a solid base.

Topics for training events include in addition to RE and Christian Distinctiveness and Collective Worship courses, training related to pupil and staff mental health and well-being, preparing for Ofsted and SIAMS Inspection, Governing Body training and networking and support for school leaders.

The four Church School Festivals for Infant, primary and secondary schools were put on hold in 2021 due to the national restrictions and in 2021 the primary school festival was conducted virtually however while we had a Church School's Carol Service online as we did in 2020, we also were able to hold a face to face one in Lincoln Cathedral.

Achievements and performance

LDBE Strategic Overview

Education

SIAMS inspections

From January to August 2021, SIAMS Inspections were suspended due to the pandemic. In September, the National SIAMS team was formed to take over the management and scheduling of inspections. From September to December, there were two SIAMS Inspections. One was graded to be 'good' overall and one was graded to be 'excellent' overall. Another school received the call from the inspector but the school's request to defer the inspection was granted as the school was heavily impacted by Covid at that time.

The Diocesan RE Adviser has taken on responsibility for delivering SIAMS training and support to schools. The job title has changed to reflect this change of responsibilities: Diocesan RE and SIAMS Adviser. In order to increase the effectiveness of this role, the SIAMS inspector training programme has been completed, awaiting the sign-off inspection.

The education team have continued to provide SIAMs support and training for schools through virtual courses and SLA visits. The LDBE has also supported the RE adviser and some leading church school heads to engage in inspector training. These trainee inspectors are now waiting to do a shadow inspections so they can be signed off.

School leadership

Partnerships

The pandemic has not prevented the diocesan education team from working closely with a variety of organisations to support church schools. Partnership with the Local Authorities have taken place mostly through virtual meetings which have been productive in providing collaborative support and advice to schools. The LDBE senior leadership team continues to be a member of a number of partnership boards including Lincolnshire Learning Partnership Board, the North Lincolnshire Education Standards Board, the Teaching School Hub partnership board and LA School Forums.

At any one time, there are around 45 schools in vulnerable situations for reasons such as Ofsted judgements, declining standards and leadership incapacity. Officers have met with representatives from the schools' leadership team, Local Authority, DfE, teaching schools, HMI and Ofsted to provide tailored appropriate support.

The LDBE continues develop its bank of Associate Advisers to enhance the capacity of the LDBE team. Associate advisers are serving Headteachers with the knowledge and proven track record in church school leadership to be able to support other schools. They are briefed on national and diocesan policy and provided with templates and website resources to support schools in Service Level Agreement visits. This year, they also stepped in to undertake Headteacher Performance Management reviews with school leaders.

The Diocesan Education Team has continued to develop partnerships with independent consultants to provide specialist support for schools. Our working partnership with a Psychotherapeutic Counsellor is proving to be very beneficial for schools. Feedback from schools shows they welcome the Education Team brokering specialist support.

Support for Schools

Service Level Agreement

In 2021, 119 (84%) of all Church of England schools chose to subscribe to the Diocesan Service Level Agreement (SLA) (2017 – 121, 2018 – 122, 2019 -124, 2020-116). A Diocesan Officer or a Diocesan Associate Adviser (who is usually a current serving Headteacher) makes an annual SLA support visit to every school. These visits, some in virtual setting some face to face for 2021, have enabled the team to have a clearer insight in to the schools' strengths and areas for future development. Through these visits the team have been able to celebrate successes with the schools, identify and share good practice and provide appropriate support.

Schools in Focus

Due to the pandemic, the withdrawal of formal examinations and the inability to conduct face to face visits in schools for much of the year has meant it has been more difficult to monitor and support schools considered to have a 'vulnerability' be that related to standards, leadership, sustainability etc. We have however maintained

regular contact with LA Locality Leads to share information and provide collaborative support to schools in focus. We have provided virtual pastoral meetings and phone calls to help school leaders' deal with the logistical challenges related to navigating the school through the pandemic. Joint strategy meetings with the Lincolnshire LA and schools resumed March 2021. Without data from exams and a lack of first-hand evidence from physical visits, the challenge to obtain robust and secure information to support schools has been a challenge. School leaders are also encouraged to contact the Diocese for support when they need it.

Headteacher recruitment

Four new head teachers started in January 2021 – just as the schools went into lockdown for three months. The LDBE carried out induction meetings via Zoom and ensured they had access to the resources and guidance to begin church school headship. In the spring and summer terms, the Deputy DDE/DDE supported governors to recruit a new head teacher in seven schools. Six out of seven schools successfully appointed and one school is to advertise the post in the new year. Six out of seven appointments were done face to face and one was conducted on zoom. All recruitment processes involved candidates undertaking a range of rigorous tasks, leading a presentation and responding to formal interview questions.

In the autumn term, induction visits took place and all new heads appointed in the past two years were invited to a special commissioning service in Lincoln Cathedral.

Religious Education

Partnerships

The RE Adviser from LDBE (Gillian Georgiou) attends Standing Advisory Council for Religious Education (SACRE) meetings in Lincolnshire, North Lincolnshire and North East Lincolnshire. In addition, also working closely with the Local Authority RE Adviser for Lincolnshire and with staff at Bishop Grosseteste University on their regional RE hub meetings. Training has been provided on Religious Education for Schools Direct, Primary PGCE, LEAD Equate Teaching School Alliance, North Lincolnshire and East of England SCITT groups. A series of regular regional RE networking meetings are run that are affiliated with the National Association of Teachers of RE (NATRE). These sessions are open to all schools and academies in line with the requirements of the LDBE Measure in relation to RE.

As well as actively supporting and promoting high quality RE within the Diocese, Gillian Georgiou works regionally and nationally; a member of the Church of England Education Office's RE Working Group and a representative of the Archbishop's Council on the RE Council of England and Wales. In addition, also a member of the Editorial Group of Grove Education and has recently supervised *Sustaining Faith in School Leadership* (Alan Flinham, eD50) and, of the Education Committee of the Faith and Belief Forum. Gillian continues to work as a supervisor for the Farmington Scholarship (Farmington Institute, University of Oxford) and as a mentor on the Leadership Programme offered by the Culham St Gabriel's Trust. Gillian continues to work with colleagues in a number of other Dioceses nationally to produce guidance materials and training on RE curriculum design for Church of England schools and academies around the country.

As the result of work carried out by the Diocesan RE Adviser on Lincolnshire, North Lincolnshire and North East Lincolnshire SACREs, the Lincolnshire locally agreed syllabus for RE has now been adopted across greater

Lincolnshire. This has enabled the Diocesan RE Adviser to offer more consistent support to church schools across the Diocese. In addition to this, significant RE curriculum, subject knowledge and assessment training has been provided to both church and community schools, particularly in response to the Ofsted RE Research Review (May 2021). The need to meet changing circumstances during the pandemic has meant that the majority of RE training and support has moved to a virtual delivery, although the Diocesan RE Adviser has begun to carry out school visits and training where circumstances allow. This has enabled the Diocesan Education Team to build on and develop relationships established virtually during the previous year.

This work forms the basis of support of teachers and subject leaders around the Diocese of Lincoln.

Work with schools

A Diocesan Board of Education should "promote or assist in the promotion of religious education and religious worship in schools in the diocese" (LDBE Measure, 2.1a). Gillian delivers primary and secondary RE networking meetings annually around the Diocese of Lincoln. These sessions remain free and open to all teachers and subject leaders of RE (both church and non-church). Three annual newsletters are produced as well as running social media accounts on Twitter and Facebook, to keep in touch with RE teachers, subject leaders and other professionals around the country.

The courses and conferences programme includes training sessions on teaching different religious worldviews, designing an RE Curriculum, meeting the expectations of Ofsted and SIAMS in relation to RE, assessing pupil progress in RE and other relevant topics. Bespoke training is frequently requested. Gillian provides support for teachers taking on the role of RE subject leader, as well as supporting head teachers and governors in their monitoring of RE. There is close working with colleagues to support schools to develop their distinctively Christian vision and monitor their effectiveness as church schools using the revised SIAMS evaluation framework. This includes working with schools to ensure they are meeting the expectations of the updated Church of England Education Office's *Statement of Entitlement for Religious Education* (2019). In addition to this, Gillian has delivered keynote and workshop sessions at conferences accessed by teachers within and beyond the region.

Work beyond schools

Gillian is currently working with a variety of collaborative partners, including Shooting Fish Theatre Company and cultural solutions UK, to deliver *Empowering Voices, Exploring Worldviews*, the fourth phase of *REConnecting Lincolnshire* project. This project has received grant funding from a number of funders, including Culham St Gabriel's. The project team held a national virtual symposium in 2021, which increased the organisation's national reputation.

Bishop's Visitors

The Education team tries to ensure that each school has a Bishop's Visitor. In 2021 we had 74 active Bishop Visitors, this does not cover all schools. In 2022 there is going to be a piece of work looking at where Bishops Visitors are working, and how we can improve the system and recruit more people.

School Improvement

School Reviews and general school work

Due to the pandemic, there was little demand for school reviews in 2021. Those which did take place were undertaken to establish readiness for inspection to highlight areas of strength and areas for development. School reviews involve working with the Headteacher to review key documentation such as development plans and data, discussions with school leaders and governors, learning walks, planning and work scrutiny. The adviser then issues a written report. Schools have found the reviews to be robust and effective but also encouraging and supportive.

The LDBE team have carried out a number of bespoke training sessions. Topics have included developing a Christian vision, developing middle leaders and understanding governor roles and responsibilities. Other areas of school support and input have been:

- Advice when writing the school evaluation form and action plan.
- Develop remote education plans.
- Developing the learning environment.
- EYFS (Early Years Foundation stage) enhancement.
- Guidance for governing bodies in relation to fulfilling core functions
- HTPM (Headteacher Performance Management) – the review of the previous year's targets and setting new targets, plus mid-year reviews.
- School Improvement Partner work.
- Working with the local authority – LA schools in focus review meetings, school improvement work in partnership with Locality Leads
- Working with National and Local Leaders of Education to develop bespoke packages of school improvement.

Church School Distinctiveness and Statutory Inspection of Church Schools (SIAMS)

The LDBE team have continued to provide the support schools need to further develop an effective and distinctive Christian character. There has been an ongoing focus on developing a Christian vision for their schools. Support and training have been provided to help school leaders and governors to develop and embed a vision that is rooted in theology in line with the Church of England and Diocesan vision for education and meet the needs of the community. This focus on vision has been particularly powerful for many schools as they have used this to steer through the challenges of the pandemic and provide wisdom, hope, dignity and community for their stakeholders. With the LDBE training offer in place and the schools increasing engagement in virtual training, schools are well placed to further develop their Christian character and be successful at their next inspection.

In response to requests from schools the team has:

- Provided SIAMS training and support for school leaders and governors;
- Developed resources and training for collective worship;
- Focused professional dialogue at SLA visits on developing Christian character;
- Delivered a RE, SIAMS and Governor bundle of training as well as RE cluster meeting and surgeries.

Courses, Conferences and Festivals

1,308 delegates attended a total of 88 training events in 2021, some of these courses were repeats at different times to accommodate schools working under national restrictions (2020 - 625 delegates at 48 events, 2019 - 1,066 delegates at 49 events, 2018 - 787 delegates at 52 events, 2017 - 731 delegates at 53 events), preparing for the new SIAMS framework the most significant change year on year. The programme of courses, conferences and training opportunities is usually reviewed annually and aimed at a range of stakeholders including senior leaders, governors, and teachers, RE subject leaders, support staff, Bishop Visitors and clergy. During this year due to not being able to visit schools and less travelling time we were able to increase our events significantly.

In addition to central training, the team has provided the equivalent of school based training for individual schools and collaborative partnerships virtually.

Schools' capital (2021)

22 of the Church Schools in the Diocese of Lincoln, including 2 in North Lincolnshire, were Voluntary Aided (VA) status at the beginning of the year. The figure reduced by 1 to 21 by the end of year after one school in the Diocese of Lincoln joined a church MAT.

The 2021/22 academic year was the second year of the School Condition Allocation (SCA) grant. The Lincoln Diocesan Board of Education (LDBE) continued the partnership with the Diocese of Sheffield established in 2020, sharing knowledge and expertise. LDBE remained the lead receiving the grant allocation for 2021/22 for organisations.

The grant was allocated to priority works identified in the conditional surveys of all the VA schools across both Dioceses. The grant was to priority works that cost tens if not hundreds of thousands of pounds, financial sums schools simply would not have within their own resources. Plenty of projects met the criteria, it then came down to identifying which were most urgent as there were insufficient funds to support them all in 2021. The majority of the grant was allocated to roof and boiler replacement. Due to the amount of roof space that needed to be replaced, it was necessary to split the work over a number of years for three reasons; to work within the funding allocation, the rising cost of raw materials and, the affordability for the schools to contribute their required 10% of the gross costs. The SCA grant covers the remaining 90% of the costs.

The Church of England has pledged to be zero carbon by 2030 and schools have their part to play in achieving this aim. On the boiler replacement programme, schools agreed to ground heat source pumps but it had to be ruled out on the grounds of the additional cost. The higher cost would also put enormous pressure on the remaining grant and other projects would have been scaled back or delivered over a longer time period. There was the opportunity to bid for government funding to support the implementation of ground heat source pumps, unfortunately all attempts were to no avail. What is being planned is a half-way house. The infrastructure being installed will support a ground heat source pump if further funding is available in future years. The schools have raised concerns over the costs and to achieve zero carbon, in their view, some of the financial burden is being placed unfairly on their shoulders.

The SCA grant continues to be received into the LDBE bank account. The contracts remain between the Governors and the suppliers and for the grants between the Governors and the DfE. The income and expenditure are not included in the LDBE Statement of Financial Activities for the charitable company. Note 12 to the Financial Statements discloses the amount of grant involved.

LDBE accounts continue to show a fee charged to the schools for administering the funds and completing the relevant returns to the DfE.

Site Trusts

Site trustees hold the school buildings and playground on trust for education in accordance with the principles of the Church of England. In many cases, the trustee was Lincoln Diocesan Trust and Board of Finance Limited (LDTBF), but often the Vicar and Churchwardens of the parish were appointed and sometimes a local charity is the Trustee, or the land, rather than being freehold, is leased.

Under the Transfer Agreement of 2018, all LDTBF site trusts and custodian trusteeships have transferred to LDBE. To ensure the directors of LDBE, as trustees of the sites, are made aware of site matters – these are presented to the Finance & Administration Committee, and ratified by the full board.

During 2021 we have continued the exercise to ensure that all such trusts and land holdings are in order.

The table below indicates the types of trusteeship, and number of schools included in each category –

Trustees

• Lincoln Diocesan Board of Education (LDBE) -	60
• Lincoln Diocesan Trust Board of Finance (LDTBF) -	1
• Vicar & Churchwarden -	47
• Charity / Committee -	16
• Archdeacons -	4
• Lease Interest -	3
• No Trustee -	4
• Orphans -	2
• Unknown -	4

Custodian Trusteeships

• LDBE Custodian Trusteeships -	20
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The category 'Orphan' is used to indicate sites where work is needed with the Charity Commission; essentially, these are sites where the trustees no longer exist. It is hoped these can be brought into LDBE's trusteeship.

Four sites remain completely unknown; work is ongoing – but it is possible that all routes may be exhausted without success. In such cases, work with the Charity Commission to determine a trustee will be needed.

Closed Schools General Purpose Reserve Fund

This is a Restricted Fund of LDBE; its purpose is to support Christian education within the Diocese of Lincoln. During the year grants of up to £500 totalling £4,420 (2020 - £3,645) were made to individual schools. There were fewer applications submitted for approval in 2021, the schools dealing with staff self-isolating with covid, adapting to changing government guidelines and increased pressure and challenges, the closed school grant application drop down the agenda.

The 2021 budget had Board approval to transfer £20,000 recorded as part of the grant income, from the fund to support the Schools Improvement programme.

Financial Review

Reserves policy

The Directors of LDBE considered the reserves policy at the Finance and Administration Committee in February 2022 and agreed to hold reserves equivalent to 12 months of operating costs.

At the end of the 2021 financial year, the total reserves have increased to £6,534,092 with unrestricted accounting for £933,314 and restricted £5,600,778. The level of free reserves, unrestricted less fixed assets, equates to £921,533.

Income

- The significant income sources are investments and properties held under the Uniform Trusts along with courses, conferences and training primarily for school teachers and governors.
- After taking a hit in 2020 due to covid, the areas of income most affected, investments and course fees have recovered but not to pre-pandemic levels.
- Investments are managed by LDBE investment managers. The original aim was for a 4% annual return. Due to external world events, the annual percentage return is subject to volatility and therefore to maintain a more consistent income stream, a total returns policy is being pursued.
- In terms of courses, it has not been possible to deliver all events as restrictions at the time prevented them from going ahead. However, training provided in a virtual setting has continued in many cases due to favourable feedback from delegates for convenience, timing and reduced travel. LDBE also recognised the similar benefits in many cases.
- The sale proceeds from one surplus asset has been invested by the LDBE investment managers, with the aim to generate dividends in future years.
- The LDTBF currently provides a £100,000 grant subject to a triennial review shown under Note 2 as part of the Other Grants, General Funds.

Expenditure

- At the beginning of 2021, the charity employed 9 people. In the spring of 2021, the Incumbent Diocesan Director of Education (DDE) stated their intention to resign resulting in a senior management team restructure. The incumbent DDE worked 2 days a week for LDBE, the remaining 3 days at the church multi-academy trust, LAAT, remained unaffected by this decision.
- The restructure resulted in a full-time DDE position for LDBE but no requirement for a deputy position which was made redundant. However, the new DDE would require support to fulfil their role, an assistant director position was created. The position of the diocesan educational development officer (DEDO) was also reviewed since it was established over 2 years earlier, and made redundant as part of the process. The two employees holding the positions being made redundant, deputy DDE and DEDO, were a close match to the new roles and subsequently appointed, no individual was made redundant.
- In financial terms, the new management structure saves LDBE a recurrent £30k per annum, a key factor in addressing the deficit. The new structure clearly shows LDBE independent from LAAT, no member of staff working for both organisations.
- At the end of 2021, LDBE employed 8 members of staff, one of whom had resigned with the 31 December 2021 being their last official working day. A second restructure within the organisation had been approved by the Board in December 2021. The second restructure focuses on the needs of LDBE in the future in an ever-changing environment, strengthening areas of governance and compliance. The changes of this restructure are cost neutral but will bring opportunities to generate new income streams.
- Staff costs remain the largest area of expenditure.
- A hybrid method of working has been adopted with more time based at home as opposed to the office. Generally staff felt working from home worked well from a productivity point of view, it also allowed

LDBE to keep variable costs at the office down and, identified opportunities of reducing costs in the future as contracts come up for renewal.

- The cost of running the office could not be covered by LDBE alone. The costs have been shared and recharged to LAAT over the years. LAAT have been growing as schools have joined, increasing the work load. As LAAT staff numbers increased it became clear, in the short / medium term, alternative accommodation would be required. LDBE were aware of LAAT plans and had begun discussions with the Diocese of Lincoln about moving back to LDBE's registered office. This was agreed as the way forward. In December 2021, LAAT gave notice of their intention to leave as alternative accommodation had been secured, moving in February 2022. LDBE will move to the registered office in the new year. LDBE will be recharged for the percentage of space occupied at the Diocese without having the need to enter into separate contracts associated with accommodation.
- The Church of England and Dioceses are looking to reduce their carbon footprint. LDBE are aware of this and are looking to do their bit by continuing with virtual training where possible to reducing travel costs. LDBE is looking to promote green alternative to schools on capital projects, as mentioned earlier, the cost of doing so is proving to be an additional hurdle to negotiate.
- Expected annual operating costs in future years are forecast at circa £600,000.

Based on the above in the context of the current economic and political environment, the Charity will aim to hold free reserves equivalent to 12 months of operating costs, in line with the reserves policy, based on the figure above of circa £600,000. At the 31 December 2021, the general funds stand at £933,314 ratio of 1 : 1.56 of operating costs.

The Directors note that in the current five-year plan, maintaining free reserves equivalent to 12 months operating cost is achievable but, subject to market fluctuations and the effect on the value of investments.

The management restructure in the last 12 months has reduced the deficit in the current five year plans. The plans do not include the sale proceeds of surplus assets. Progress is being made towards the sale of these assets, all are at different stages. The final release on the majority of the funds to the LDBE lies with the Secretary of State. Based on current valuations, once all of those properties have been sold and, the proceeds are available to be invested, the deficit could be cleared.

As the timing is out of LDBE's hands, a total return policy is being pursued to provide additional income to support the day to day operations. The total return policy was initially suggested by the investment managers as a number of charities are pursuing this route for a more reliable and consistent level of income. Progress towards this policy is expected in 2022.

Risks identified by the directors and associated with the forecast deficit is the cash flow position. The investment managers are aware of the cash flow position of LDBE and have sold unrestricted funds to build up a cash balance to be drawn down when required.

A small team presents its own challenges when having to deal with unplanned absences. This was managed in other parts of the team when covid hit in the latter half of the autumn term, as mentioned earlier in this report, the challenge and risk remains within financial areas. Moving into serviced offices at the Diocese will alleviate responsibility for building costs and contracts as that will be managed. Contingency plans are being developed for other areas that remain a risk for unplanned absences.

The directors are satisfied the reserves at 31 December 2021 are sufficient and the policy will be kept under review and revisited in 12 months' time. The review will compare 2022 performance against budget, income assumptions in future years, any sale proceeds from properties invested, new income streams, changes in policies, the implementation of any further cost reduction plans and the impact on the forecast reserves.

Principal funding sources

The Income and Expenditure Account shows Grants for the year totalling £176,234 compared to £209,246 in 2020, as per note 2.

The Investments generated £190,461 of income compared to £161,418 in 2020.

Fees are charged for School Improvement work and for attendance at courses, conferences and festivals. The way courses are being delivered has been mentioned, the majority of courses have remained virtual to benefit of both parties. Schools are given the option for certain training to be delivered either virtually or face to face. There are requirements for some courses to only be delivered face to face. There is a preference for conferences to remain face to face, allowing delegates to network. LDBE has offered more courses as a bundle where you sign up for all topics at a financial benefit or, individuals attend the most relevant subject matter for their individual circumstances. This has proved popular as the sessions are delivered over more but shorter periods of time. LDBE continues to adapt to what works best for the delegates and has ceased printing a glossy brochure of courses to be delivered in an academic year, updating the programme of event on the website only. The total income earned from fees charged is shown in note 3.

The Closed Schools General Purpose Reserve Fund receives income from investments which must be spent or granted in accordance with the terms of the fund. This is the Restricted Fund of the charity.

Plans for future periods

In September 2021, the LDBE approved a new Strategic plan for 2021 to 2024. The plan is shaped by the DBE Measure 2021, the Church of England vision for Education, the diocesan vision for education and the DfE policy expected to impact on church schools. The plan is set out in 4 key sections to reflect the LDBE's core business – SIAMS, RE and Collective Worship, Promoting and Sustaining Good Church Schools and Partnerships.

A key priority in the plan is to ensure there is good capacity for 'majority' church multi-academy trusts (MATs) to support all church schools requiring to become an academy. It is clear that the DfE ambition is for all schools to become academies in the future and the LDBE needs to ensure its MAT strategy is effective to meet this government priority and preserve the Christian foundation of all church schools.

The LDBE MAT strategy aims to ensure that the four existing church MATs in the diocese are supported to grow and develop so that they can serve church schools of different sizes and in different contexts. The strategy also aims to support school leaders / groups of schools to form a new MAT or a new hub within an existing MAT where there is an identified need. The LDBE's strategic approach will be to carefully enhance MAT capacity so that all MATs can flourish and all schools within them will thrive upon a secure Christian foundation.

Factors affecting our success

All church schools are subject to UK law and quality standards. The many and substantial changes over recent years are therefore significant to LDBE, as to other DBEs:

- Government policy (national level) directly impacts our work
 - Regional Schools Commissioner
 - Teaching School Hubs
 - Changing school improvement funding streams

- Ofsted framework
 - Curriculum expectations
 - Leadership and Management capacity
- National Church policy
 - Understanding Christianity
 - The new National SIAMS management of SIAMS
 - The Growing Faith Adventure
- Diocesan Church Policy
 - Time to Change Together – Resourcing Sustainable Church
- Economic climate
 - Restrictions on budgets for the Board itself and for schools
 - New funding formulas for school improvement
 - Covid-19
- The new DBE Measure 2021
 - The Scheme for the new DBE Measure 2021 was approved at Diocesan Synod in November and a new Board of Education with revised Articles of Association will come into effect in March 2022.

Lincolnshire in particular is working under constraints of its geography with challenges relating to rural, coastal and urban poverty. There are many rural small schools that are increasingly finding it difficult to attract a high calibre of staff or the resources they need to sustain a high quality of education. Promoting diversity in leadership and through the curriculum is also a challenge in some mono-cultural villages and towns in the diocese.

The LDBE continually reviews its Risk Register to ensure there are strategies in place to address the factors that may affect our success.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Lincoln Diocesan Board of Education 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the 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 in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

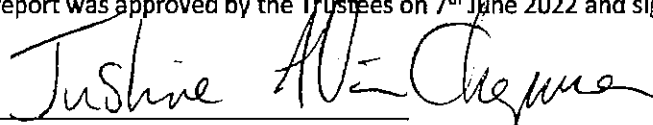
Disclosure of information to Auditor

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 company's auditors are unaware, and
- each 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 company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 7th June 2022 and signed on their behalf by:



Venerable Dr Justine Allain-Chapman, Archdeacon of Boston, Chair of Trustees

Structure, Governance and Management

Diocesan Boards of Education

Diocesan Boards of Education are regulated by measures – which stipulate how the board that oversees the Director of Education's work should be made up.

From 1991 to 2021, the appropriate measure stated that the board should comprise of:

The Bishop

2 persons appointed by the Bishop, being suffragan or assistant bishops or archdeacons

At least 14 but not more than 18 elected every three years by the Diocesan Synod

2 persons nominated by the Bishop

At least 4 but not more than 8 co-opted by the Board.

Members of the unincorporated Diocesan Board of Education became the first Members and Directors of LDBE on incorporation in 2013 and the company became active on 1 January 2014. Triennial elections to Diocesan Synod were held in 2018, followed by election of Members of LDBE.

In April 2021, a new measure was approved by the General Synod. This required that a new scheme of the board be drafted, and certified by the Archbishops' Council, allowing it to then be ratified by Diocesan Synod. This scheme will come into force on 1st March 2022, and states that the board will be comprised of:

(a) The Bishop,

(b) at least 1 but not more than 5 members appointed by the Bishop,

(c) at least 5 but not more than 8 members elected by the Diocesan Synod, and

(d) at least 4 but not more than 6 members co-opted by the DBE

This new measure also required that new articles for the company be drafted, which were adopted by special resolution of the directors of the board on 10th February 2022, and which came into effect from 1st March 2022.

Committees of the Board

The Board delegates closer involvement in the work of LDBE to two committees, Learning & Development and Finance and Administration, each supported by a designated Officer. A Committee will be quorate at least 40% or five Members being present. In addition, the Director of Education or his Assistant Director must be present.

Trustees

The Trustees who have served at any time during the year or who were in post at the date of signing this Report are noted below:

Surname	Forename(s)	Date appointed	Date retired	Committee	Appointment
Adnitt	Michael Iain	01/01/19		F&A	CO-OPTED
Allain - Chapman	Justine Penelope Heathcote	19/04/22		n/a	BN
Bacon	Julie Kathleen	21/11/20		L&D	E

Surname	Forename(s)	Date appointed	Date retired	Committee	Appointment
Barron	Sonia Patricia	01/01/16		L&D	E
Beverley	Joan Hilary	01/01/16		L&D	E
Brewster	Paul David	01/03/22		F&A	CO-OPTED
Brown	Nicholas James Watson	01/03/22		F&A	BN
Chamberlain	Nicholas Alan	21/01/16	18/04/22	n/a	BN
Clements	David	01/01/19		F&A	E
Conway	Stephen David	01/01/22		n/a	EX-OFFICIO
Edwards	Cherry Anne	01/01/16		L&D	E
Edwards	Sheridan	12/03/20	28/02/22	L&D	CO-OPTED
Ely	Sonya	12/03/20		L&D	CO-OPTED
Fisher	Nicolete	16/12/13		F&A	BN
Green	Denise Penelope	01/01/19		L&D	E
Hicks	Garth	29/01/19	27/05/21	F&A	CO-OPTED
Johnson	Philip Anthony	07/11/15	28/02/22	L&D	E
Kyle	Martin James	10/10/19		L&D	CO-OPTED
Lowson	Christopher	18/12/12	31/12/21	n/a	EX-OFFICIO
Machell	Georgina	07/05/19		L&D	BN
Mann	Frederick Frank	01/03/22		F&A	E
Marsden	Gregory	29/01/19	28/02/22	L&D	CO-OPTED
Robb	Jayne Elizabeth	01/01/16	04/02/21	F&A	E
Robinson	Ian	01/03/22		L&D	BN
Snelling	Nicola	21/11/20	28/02/22	L&D	E
Steadman	Mark	21/01/16	01/09/21	F&A	BN
Stern	Julian	01/03/22		L&D	CO-OPTED
Warrick	Allison	01/01/16		F&A	E
Whiteoak	Daphne	12/03/19		L&D	CO-OPTED

F&A – Finance & Administration Committee

L&D – Learning & Development Committee

E – Elected by Diocesan Synod

BN – Bishop's Nomination

Remuneration of Key Personnel

LDBE officers and staff are all employees of the LDBE and become a key responsibility of the Directors. The Finance & Administration Committee will make a recommendation to the Board on pay awards using the previous 12 months CPIH statistics as a guide. Affordability and the current economic trends will form part of those discussions. Benchmarking with other organisations is also considered, provided the information is available.

Induction and training of Trustees

Members are supplied with a Directors Induction Pack, which includes the Measure, the Memorandum and Articles of Association. Members also received Charity Commission guidance on the Responsibilities of Trustees

on appointment. In reporting to the Board and Committees, Officers ensure that they provide sufficient background information and explanations to enable Members to make informed decisions.

Conduct of Business

The full Board meets four times a year. It is responsible for ensuring that the charitable company complies with the requirements and regulations outlined above and that it works efficiently and effectively to further the diocesan vision for education. Board members are volunteers.

The Board delegates business to two sub-committees. Committee responsibilities are broadly as follows:

Finance and Administration Committee Chair: Mr G Marsden Members: 7	Reviews budgets and forecasts for the company and monitors financial results. Oversees the Implementation of policies and procedures, processes and systems. Supervises the appointment process for Foundation Governors and Academy
Learning and Development Committee Chair: Rev S Barron Members: 10	Monitors school effectiveness Considers school place provision Produces strategy around teaching and learning particularly of RE
Standing Committee	Will meet when the Diocesan Director of Education or Chair of the Diocesan Board of Education decides that there is a decision that needs making which is too urgent to leave until the next Board meeting.

The Board has delegated day to day management of the charity to the Diocesan Director of Education and their team. During 2021 this included:

Education Officers	Deputy Diocesan Director of Education (until 31-08-2021) Assistant Diocesan Director of Education (from 01-09-2021)
School Improvement Officers	Three Schools Effectiveness Advisers
Courses and conferences	Education Development Officer (until 31-08-2021) Events organiser
Core support staff	Finance & Operations Manager Two Administration Officers

Within a small team it is often the case that we are working across different activities and helping each other.

Charitable company

Until 31 December 2013, the Board of Education of the Diocese of Lincoln operated from within the Lincoln Diocesan Trust and Board of Finance Limited (company registered number 97256, charity registration number 249355). With effect from 1 January 2014, operations transferred to a new company, limited by guarantee, which is also a registered charity.

The governing document of LDBE is its Articles of Association. The Board must also comply with The Measure, with company and charity law.

Working partnerships : related parties

LDBE is not part of a "group" of companies, but it has close operational and financial links with certain other bodies, as noted below.

Lincoln Diocesan Trust and Board of Finance Limited (LDTBF)

LDBE works closely with LDTBF. The Diocesan Director of Education attends Heads of Department meetings as well as being a member of Bishop's Staff. LDBE rented serviced offices from LDTBF for the whole of 2021, but the location will change in the new year.

The two organisations have a data sharing agreement which is GDPR compliant and allows us to work together to further the work of the schools and parishes.

Lincoln Anglican Academy Trust (LAAT)

The Diocesan Director of Education was also the CEO of the LAAT at the beginning of 2021. A management restructure implemented on 01 September 2021 broke that link of the same person heading up both organisations. The new current DDE was appointed to work solely for LDBE.

Working partnerships : wider network

Diocesan Education Officers are members of numerous networks meeting regularly to share good practice with colleagues from other Dioceses and the Church of England Education Office.

The LDBE works closely with Lincolnshire, North Lincolnshire and North East Lincolnshire Local Authorities, the Lincolnshire Learning Partnership, the Teaching School Council, Ofsted, the Department for Education and the Regional Schools Commissioner's Office to support church schools and academies in the Diocese.

Every church school sits within a parish. The LDBE supports schools to develop a strong and fruitful relationship with the parish.

Some of these relationships ensure officers keep up to date with new initiatives in order to provide appropriate support and advice to schools. Some are about influencing policy and others about working in partnership to ensure schools get a cohesive and relevant offer.

Table 1 below shows how we work with other organisations.

Table 1 : working with other organisations

Professional body	Main involvement
Department for Education	Working with Regional Schools Commissioner/DfE to convert church schools in to academies; and to monitor performance in schools and academies.
HMI (Her Majesty's Inspectorate)	Meetings to share updates and monitor school performance
Ofsted	Feedback at inspections and monitoring visits
Church of England Education Office	National guidance and support e.g. relating to SIAMs inspections
National College / Teaching School Council	Systems Leaders and School-to-School Support
Westminster Education Forum	National updates on education policy
North Lincolnshire County Council	School improvement, headship recruitment, Education Standards Board, Scrutiny Panel and SACRE
Lincolnshire County Council	Children's and Young People Scrutiny Panel, Schools Forum, SACRE, Supporting vulnerable schools, Head teacher recruitment
North East Lincolnshire County Council	Children's and Young People Scrutiny Panel , SACRE
The Lincolnshire Learning Partnership (LLP)	Board member to support new sector led school improvement in Lincolnshire
The South Lincolnshire Learning Partnership (SLLP)	Board Member to assist this new Teaching School Alliance to provide support for schools
Association of Anglican Directors of Education (AADE)	National updates and strategy on church school education
Diocesan Admissions Group	National updates on admission policy
Diocesan Governance Group	National Updates on Governance
Midlands SIAMS Inspector Network	Updates on SIAMS inspections
Association of RE Advisers, Inspectors and Consultants	National updates on Religious Education
Bishop Grosseteste University	Members of University Council (from LDBE) Member of LDBE (from the University) Support with ITT, Interview prospective students
Lincoln Cathedral	Church Schools Festivals LDBE Carol Service

Reference and Administrative Details of the Charity: Itemised

Bankers	NatWest Bank plc Smiths Bank 225 High Street Lincoln LN2 1AZ	
Solicitors	Lee Bolton Monier-Williams 1 the Sanctuary Westminster SW1P 3JT	Chattertons Solicitors 9 Broad Street Stamford PE9 1PY
Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	

LINCOLN DIOCESAN BOARD OF EDUCATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

Company registered number : 08334622
Charity registration number : 1151733

Trustees

At the date of signing

Venerable Dr Justine Allain-Chapman, Archdeacon of Boston, Chair
Mr M Adnitt
Mrs J K Bacon
Revd S Barron
Dr H Beverley
Mr P Brewster
Revd N Brown
Mr D Clements
Rr Revd S Conway
Mrs C Edwards OBE
Mrs S Ely
Canon N Fisher
Revd D Green
Mr M Kyle
Revd G Machell
Mr F Mann
Canon I Robinson
Prof J Stern
Mrs A Warrick
Mrs D Whiteoak

Diocesan Director of Education

Mr P Thompson

Registered office

Edward King House
Minster Yard
Lincoln
LN2 1PU

Principal address

Edward King House
Minster Yard
Lincoln
LN2 1PU

Telephone number

01522 504010

Website

www.lincoln.anglican.org

Email

education.events@lincoln.anglican.org

Independent auditor's report to the members of Lincoln Diocesan Board of Education

Opinion

We have audited the financial statements of the Lincoln Diocesan Board of Education for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 19, 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.

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Church of England Measures, health and safety and employment (including taxation), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011 and Church of England Measures.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fund accounting and revenue recognition. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries with unusual descriptions or those with related individuals and companies;
- Challenging assumptions and judgements made by management in their critical accounting estimates; and
- Cut-off testing in respect of revenue.

LINCOLN DIOCESAN BOARD OF EDUCATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

Company registered number : 08334622
Charity registration number : 1151733

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

Use of our report

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



Lee Stokes (Senior Statutory Auditor)
For and on behalf of HaysmacIntyre LLP, Statutory Auditor
Date 7 June 2022

10 Queen Street Place
London
EC4R 1AG

LINCOLN DIOCESAN BOARD OF EDUCATION
STATEMENT OF FINANCIAL ACTIVITIES
and Income and Expenditure Account
FOR THE YEAR ENDED 31 DECEMBER 2021

		2021			2020
		General funds	Restricted Funds	Total	Total
	Note	£	£	£	£
INCOME FROM:					
Donations and legacies					
Grants	2	145,374	30,860	176,234	209,246
Charitable activities					
Special projects	3	58,467	-	58,467	92,807
School buildings	3	1,636	-	1,636	1,919
School Improvement	3	125,687	-	125,687	121,791
Courses, conferences and festivals	3	62,649	-	62,649	37,459
Other Income	3	5,180	-	5,180	4,310
Investments		166,277	24,184	190,461	161,418
TOTAL INCOME		565,270	55,044	620,314	628,950
EXPENDITURE ON:					
Charitable activities					
Diocesan Board of Education Measures	4	329,265	-	329,265	388,402
Special projects	4	84,467	-	84,467	97,247
School buildings	4	10,174	-	10,174	62,414
School Improvement	4	152,143	-	152,143	160,529
Courses, conferences and festivals	4	36,376	-	36,376	38,310
Grant-making	4	-	24,476	24,476	23,645
Multifaith project	4	-	21,160	21,160	17,421
TOTAL EXPENDITURE		612,425	45,636	658,061	787,968
NET (EXPENDITURE)/ INCOME		(47,155)	9,408	(37,747)	(159,018)
Net gains / (losses) on Investments	9	58,410	530,389	588,799	(48,085)
NET MOVEMENT IN FUNDS		11,255	539,797	551,052	(207,103)
TOTAL FUNDS BROUGHT FORWARD		922,059	5,060,981	5,983,040	6,190,143
TOTAL FUNDS CARRIED FORWARD	13	933,314	5,600,778	6,534,092	5,983,040

The notes on page 33 to 46 form part of these Financial Statements.

Details of comparative figures by fund are disclosed in note 13.

Company number : 08334622

Charity number : 1151733

LINCOLN DIOCESAN BOARD OF EDUCATION

BALANCE SHEET

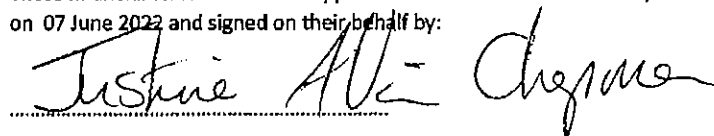
AT 31 DECEMBER 2021

		2021	2020
		Total	Total
	Note	£	£
FIXED ASSETS			
Tangible fixed assets	8	11,781	14,401
Investments	9	5,826,154	5,350,238
		<u>5,837,935</u>	<u>5,364,639</u>
CURRENT ASSETS			
Debtors	10	314,388	291,444
Cash at bank		<u>546,814</u>	<u>529,410</u>
Total current assets		861,202	820,854
CREDITORS : Amounts falling due within			
one year	11	<u>(165,045)</u>	<u>(202,453)</u>
NET CURRENT ASSETS		<u>696,157</u>	<u>618,401</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,534,092</u>	<u>5,983,040</u>
NET ASSETS		<u><u>6,534,092</u></u>	<u><u>5,983,040</u></u>
FINANCED BY RESERVES :			
General Funds	13	933,314	922,059
Restricted Funds	13	<u>5,600,778</u>	<u>5,060,981</u>
TOTAL RESERVES OF THE CHARITY		<u><u>6,534,092</u></u>	<u><u>5,983,040</u></u>

The notes on page 33 to 46 form part of these Financial Statements

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

These financial statements were approved and authorised for issue by the directors on 07 June 2022 and signed on their behalf by:



Venerable Dr Justine Allain-Chapman, Archdeacon of Boston, Chair of the Trustees

Company number : 08334622

Charity number : 1151733

LINCOLN DIOCESAN BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
Cash flows from operating activities:	(282,940)	(224,349)
Cash flows from investing activities:		
Purchase of investments	(354,602)	(776,036)
Sales of investments	467,485	646,362
Investment income	190,461	161,418
Purchase of property, plant and equipment	(3,000)	-
Net cash provided by (used in) investing activities	300,344	31,744
Change in cash and cash equivalents in the reporting period	17,404	(192,605)
Cash and cash equivalents at the beginning of the reporting period	529,410	722,015
Cash and cash equivalents at the end of the reporting period	546,814	529,410
Reconciliation of net income to net cash flow from operating activities		
	2021	2020
	£	£
Net income for the reporting period (as the Statement of Financial Activities)	551,052	(207,103)
Adjustments for:		
Depreciation charges	5,620	5,588
(Gains) / Losses on investments	(588,799)	48,085
Investment income	(190,461)	(161,418)
Decrease / (Increase) in debtors	(22,944)	54,150
(Decrease) / Increase in creditors	(37,408)	36,349
Net cash (used in) / provided by operating activities	(282,940)	(224,349)
Analysis of cash and cash equivalents		
	2021	2020
	£	£
Cash in hand	546,814	529,410
Total cash and cash equivalents	546,814	529,410

LINCOLN DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES

a Basis of accounting and going concern

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the 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) Second Edition.

The financial statements are prepared under the historical cost convention.

The trustees consider there are no material uncertainties around the charity's ability to continue as a going concern. Short term cash flow issues that are recognised by the trustees over the summer and festive period where income generation from schools is limited due to holidays. Plans are in place to cover any short falls and there are longer term plans. On the basis of reviewed cash flow forecast and risk planning, the directors can sign the Charity accounts as a going concern.

b Critical accounting judgements and key sources of estimation uncertainty

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

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

Investment properties are valued on the basis of capitalised rent yields or reference to external market data. Capitalised rents are based on a 5% yield due to the nature and term of the tenancy. The existence of any restrictions on the investment properties and their realisable value, due to their educational background, would be highlighted in the Charity Report produced at that point in time.

c Fund accounting

LDBE holds funds of the following types:

Restricted funds - which are subject to specific conditions imposed by the donor.

General funds - which are available for any purposes within the LDBE's objects.

d Income

Income is accounted for when the charity is entitled to receive the income, when it can be valued accurately and when it is probable that it will be received. It is deferred to the extent that it is contractually related to a later accounting period.

Grants in kind are valued at the cost to the grant-making body.

e Expenditure

Expenditure is recognised on an accruals basis and wherever possible charged directly to the activity concerned. This includes staff costs. Certain support costs are apportioned to activities proportionately to the staff costs charged to that activity.

LINCOLN DIOCESAN BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES - continued

f School buildings and capital

As explained in note 12 to the Financial Statements, capital grants and costs of schools projects which are the responsibility of the governing body of the school concerned have been excluded from these accounts.

g Grants payable

Grants are included in the period in which the charity has committed the expenditure and when it can be quantified with reasonable certainty.

h Tangible fixed assets

Expenditure on assets is capitalised if it is over £500 and written off on a straight line basis over the expected useful life of the asset. This varies from 3 to 5 years.

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.

i Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

j Investments

Investments are stated in the balance sheet at their fair value. All movements in value arising from investment charges and revaluations are included in the Statement of Financial Activities.

Investment properties valuation, a tenant in residence, are calculated based on the average annual rent for the lease term. The average annual rent represents 5% of the property's valuation. The directors have agreed this method after discussions and contributions with professionals within this field. A full red book estate valuation has been discussed by directors, but considering the cost and longer terms plans, the average annual rent representing an agreed percentage of a property's valuation was agreed as the most appropriate method at this point in time. The valuation of vacant properties to be sold, is based on the charity report market estimates.

Company number : 08334622

Charity number : 1151733

LINCOLN DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER 2021

	General funds £	2021 Restricted Funds £	Total £	2020 Total £
2 INCOME FROM GRANTS				
Furlough Grant	-	-	-	23,859
Other grants	145,374	30,860	176,234	185,387
	<u>145,374</u>	<u>30,860</u>	<u>176,234</u>	<u>209,246</u>

3 INCOME FROM ACTIVITIES

All income from activities is attributable to the charity's general funds.

	General funds £	2021 Restricted Funds £	Total £	2020 Total £
<u>Special projects</u>				
Staff release fees and trust work	58,467	-	58,467	92,807
<u>School buildings</u>				
Fees for administrative support	1,636	-	1,636	1,919
<u>School improvement</u>				
Service level agreement and fees	125,687	-	125,687	121,791
<u>Courses, conferences and festivals</u>				
Course fees and festival attendance	62,649	-	62,649	37,459
<u>Other Income</u>				
Other income	5,180	-	5,180	4,310
	<u>253,619</u>	<u>-</u>	<u>253,619</u>	<u>258,286</u>

LINCOLN DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER 2021

4 COSTS OF CHARITABLE ACTIVITIES

	Staffing	Other direct costs	Support costs	Grants	2021 Total	2020 Total
	£	£	£	£	£	£
Diocesan Board of Education Measures	222,776	1,368	105,121	-	329,265	388,402
Special projects	54,966	-	29,501	-	84,467	97,247
School buildings	8,972	-	1,202	-	10,174	62,414
School improvement	136,476	-	15,667	-	152,143	160,529
Courses and conferences	32,202	1,293	2,881	-	36,376	38,310
Grant-making	-	-	-	24,476	24,476	23,645
Multi-Faith project	-	-	-	21,160	21,160	17,421
	<u>455,392</u>	<u>2,661</u>	<u>154,372</u>	<u>45,636</u>	<u>658,061</u>	<u>787,968</u>

The Grant-making costs are to CoE schools to enhance their christian ethos. Further details can be found on page 14 of the Trustee Report under Closed School General Purpose heading.

The Multi-Faith project delivered by a production company, details on page 10 of the Trustee Report under the title Working Beyond Schools

	Staffing	Other direct costs	Support costs	Grants	2020 Total
	£	£	£	£	£
Diocesan Board of Education Measures	273,704	331	114,367	-	388,402
Special projects	92,972	-	4,275	-	97,247
School buildings	8,837	44,704	8,873	-	62,414
School improvement	149,460	880	10,189	-	160,529
Courses and conferences	30,908	1,735	5,667	-	38,310
Grant-making	-	-	-	23,645	23,645
Multi-Faith project	-	-	-	17,421	17,421
	<u>555,881</u>	<u>47,650</u>	<u>143,371</u>	<u>41,066</u>	<u>787,968</u>

5 SUPPORT COSTS

	2021 £	2020 £
Diocesan Board of Education Measures	105,121	114,367
Special projects	29,501	4,275
School buildings	1,202	8,873
School improvement	15,667	10,189
Courses, conferences and festivals	<u>2,881</u>	<u>5,667</u>
	<u>154,372</u>	<u>143,371</u>

Company number : 08334622

Charity number : 1151733

LINCOLN DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
6 NET INCOME BEFORE TRANSFERS		
Net income is stated after		
Depreciation	5,620	5,588
Audit fees	15,480	12,000

Board members were not entitled to, and did not receive any remuneration in their capacity as trustees in the year ended 31 December 2021 (2020 - £nil).

No travel expenses were claimed as meetings were held virtually (2020 - £205).

7 STAFF COSTS

	2021	2020
	£	£
Wages and salaries	361,783	412,725
Social Security	39,512	45,124
Pension	36,017	41,330
Redundancy costs	-	22,692
Other staff costs	18,079	34,010
	<u>455,391</u>	<u>555,881</u>

The average number of people employed during the year were 9 (2020 ; 10).

Remuneration and benefits received by key management personnel, Diocesan Director of Education and their Deputy or Assistant Director, including employers national insurance and pension contributions amounted to £138,046 (2020 ; £129,732)

The number of staff whose emoluments amounting to more than £60,000 were as follows

	2021	2020
	Number	Number
£70,000 - £80,000	-	1
£80,000 - £90,000	1	1

LINCOLN DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER 2021

8 TANGIBLE FIXED ASSETS	2021
<u>Fixtures, fittings and equipment</u>	<u>£</u>
Cost at 1 January 2021	24,917
Additions in year	3,000
Disposals in year	(7,219)
Cost at 31 December 2021	<u>20,698</u>
Accumulated depreciation at 1 January 2021	10,516
Charge for in year	5,620
Disposals in year	(7,219)
Accumulated depreciation at 31 December 2021	<u>8,917</u>
Net book value at 31 December 2021	<u>11,781</u>
Net book value at 31 December 2020	<u>14,401</u>

9 INVESTMENTS

	2021			2020
	Listed investments	Investment property	Total	Total
	£	£	£	£
Brought forward	4,427,605	922,633	5,350,238	5,268,649
Additions	354,602	-	354,602	776,036
Disposals	(255,756)	(211,729)	(467,485)	(646,362)
Investment Gains / (Losses)	381,450	207,349	588,799	(48,085)
Carried forward	<u>4,907,901</u>	<u>918,253</u>	<u>5,826,154</u>	<u>5,350,238</u>
Historical cost of investments	<u>4,364,003</u>	<u>711,966</u>	<u>5,075,969</u>	<u>5,075,969</u>

	Listed Investments		
	2019	2020	2021
	£	£	£
Equities	2,573,339	2,386,668	2,621,007
Bonds	386,377	441,938	478,001
Multi Asset Funds	755,977	776,609	855,855
Alternatives	648,310	822,390	953,038
Market value of Investments	<u>4,364,003</u>	<u>4,427,605</u>	<u>4,907,901</u>

Company number : 08334622

Charity number : 1151733

LINCOLN DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
10 DEBTORS		
Trade debtors	20,200	13,075
Amounts owed by related parties	8,775	1,520
Prepayments and accrued income	285,413	276,849
	<u>314,388</u>	<u>291,444</u>
	2021	2020
	£	£
11 CREDITORS - amounts due within one year		
Trade creditors	15,452	3,404
Amounts owed to related parties	1,954	26,177
Deferred Income	88,956	98,843
Other creditors and accrued expenses	58,683	74,029
	<u>165,045</u>	<u>202,453</u>

LINCOLN DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER 2021

12 SCHOOL BUILDINGS AND CAPITAL PROJECTS

School buildings partnership scheme

The Charity assists Voluntary Aided (VA) schools with capital projects. It acts as a banker for the DfE / Education Skills Funding Agency in receiving the funding and settling costs on their behalf. 2021 is the second year of the School Condition Allocation (SCA) funding where LDBE is the lead partner with the Diocese of Sheffield. LDBE receives the funding allocation for both organisation which is then allocated according to need identified in the conditional surveys for all VA schools across both Dioceses.

This is a significant activity of the charity but the capital projects are not reflected in the Statement of Financial Activities as the contracting party is the School's Governing Body and not LDBE.

There has been more activity and projects completed in 2021 compared to 2020. After the initial round of priority projects were identified from the conditional surveys in late 2020, funding allocated, tenders dispatched and returned, work commenced and continued throughout 2021. The programme has been affected by the rising cost of raw materials that has delayed the start of projects, with the need to split over into phases to be delivered over a longer time period. This allows the funding to address more projects whilst also reducing the burden on schools to find their 10% contribution by completing smaller sections at a time.

A summary of transactions during the year is set out below:

	2021	2020
	£	£
Department for Education capital grants	536,666	40,582
School Governors' contribution	79,177	267,643
	<u>615,843</u>	<u>308,225</u>
Project expenditure	<u>615,843</u>	<u>308,225</u>

At the year end, LDBE held the following assets and liabilities for ongoing projects at Voluntary Aided (VA) schools. The assets and liabilities do not form part of the LDBE's accounts, as described below.

	2021	2020
	£	£
Debtors and accrued income	193,204	158,855
Cash at bank	1,050,563	1,125,393
Creditors and deferred income	<u>(1,243,767)</u>	<u>(1,284,248)</u>
	<u>-</u>	<u>-</u>

LDBE acts as a banker for SCA grant for VA schools across both the Diocese of Lincoln and Sheffield.

The delayed start approving projects in 2020 and, the way the grant was paid compared to previous years, as described above, has resulted in the large cash balance and deferred income at the end of financial year. The debtors / creditors are associated with the multiple projects that are ongoing at any one time and do not relate to the day operations of LDBE. LDBE is the facilitator of the funds receiving 90% of projects cost via the grant and then collects the remaining 10% from the governing body of the school.

LINCOLN DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER 2021

13 FUNDS OF THE CHARITY

Summary of the activities of the funds of the charity in the year:

	Balance at				Transfers - Closed School General Purpose Fund	Balance at
	01/01/2021	Income	Expenditure	Investment gains/(losses)		31/12/2021
	£	£	£	£	£	£
Unrestricted Funds						
General funds	922,059	565,270	(612,425)	58,410		933,314
Restricted Funds						
Closed Schools General Purposes Fund	818,478	24,184	(24,476)	67,644		885,830
Uniform Trust	4,242,503	30,860	(21,160)	462,745		4,714,948
	5,060,981	55,044	(45,636)	530,389	-	5,600,778
	5,983,040	620,314	(658,061)	588,799	-	6,534,092

	Balance at				Transfers	Balance at
	01/01/2020	Income	Expenditure	Investment Gains		31/12/2020
	£	£	£	£	£	£
Unrestricted Funds						
General funds	1,133,709	548,822	(702,198)	(58,274)	-	922,059
Restricted Funds						
Closed Schools General Purposes Fund	835,622	20,909	(68,349)	30,296		818,478
Uniform Trust	4,220,812	59,219	(17,421)	(20,107)	-	4,242,503
	5,056,434	80,128	(85,770)	10,189	-	5,060,981
	6,190,143	628,950	(787,968)	(48,085)	-	5,983,040

Closed Schools General Purposes Reserve Fund

This fund is for educational purposes in the Diocese of Lincoln. Activities are required to develop the Christian character of the school. The fund operates by making grants. At 31 December 2021 the fund included investment assets of £606,888 (2020: £606,926), with the balance within net current assets.

Uniform Trust

The income generated from investments are a major source of LDBE income, a key part of the future financial strategy. A fund manager allows LDBE to look longer term and invest in assets with the potential for a higher return. A total returns policy was suggested by the fund managers as a way to generate a more predictable income stream, less susceptible to market fluctuations. In principle the trustees agreed to the idea and this will be actively pursued, although no progress was made in 2021. There is work required around regulatory requirements on passing resolutions and determining the original capital value of the assets.

In the current year the closing balance of the fund included investment assets of £3,297,999.

LINCOLN DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER 2021

13 FUNDS OF THE CHARITY continued - STATEMENT OF FINANCIAL ACTIVITIES year end 31 DECEMBER 2020

	General funds	Restricted Funds	Total
	£	£	£
INCOME FROM:			
Donations and legacies			
Grants	150,027	59,219	209,246
Charitable activities			
Diocesan Board of Education Measures	-	-	-
Special projects	92,807	-	92,807
School buildings	1,919	-	1,919
School Improvement	121,791	-	121,791
Courses, conferences and festivals	37,459	-	37,459
Other Income	4,310	-	4,310
Investments	140,509	20,909	161,418
TOTAL INCOME	548,822	80,128	628,950
EXPENDITURE ON:			
Charitable activities			
Diocesan Board of Education Measures	388,402	-	388,402
Special projects	97,247	-	97,247
School buildings	17,710	44,704	62,414
School Improvement	160,529	-	160,529
Courses, conferences and festivals	38,310	-	38,310
Grant-making	-	23,645	23,645
Multi faith project	-	17,421	17,421
TOTAL EXPENDITURE	702,198	85,770	787,968
NET INCOME	(153,376)	(5,642)	(159,018)
Net gains / (losses) on investments	(58,274)	10,189	(48,085)
NET MOVEMENT IN FUNDS	(211,650)	4,547	(207,103)
TOTAL FUNDS BROUGHT FORWARD	1,133,709	5,056,434	376,942
TOTAL FUNDS CARRIED FORWARD	922,059	5,060,981	5,983,040

Company number : 08334622

Charity number : 1151733

LINCOLN DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER 2020

13 FUNDS OF THE CHARITY continued

Net Asset by Fund - 2021

	General funds £	Restricted Funds £	Total £
Tangible fixed assets	11,781	-	11,781
Investments	690,366	5,135,788	5,826,154
Current assets	380,747	480,455	861,202
Current liabilities	(149,579)	(15,466)	(165,045)
Total Net Assets by Fund	933,315	5,600,777	6,534,092

Net Asset by Fund - 2020

	General funds £	Restricted Funds £	Total £
Tangible fixed assets	14,401	-	14,401
Investments	685,863	4,664,375	5,350,238
Current assets	403,027	417,827	820,854
Current liabilities	(181,232)	(21,221)	(202,453)
Total Net Assets by Fund	922,059	5,060,981	5,983,040

LINCOLN DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER 2021

14 RELATED PARTIES

LAAT

The Chair and Vice Chair of LDBE, are members of Lincoln Anglican Academy Trust (LAAT). One trustees of LDBE is also a Director of LAAT (2020 - two). Accordingly LAAT is related to LDBE. Transactions with LAAT during the year are summarised below:

	2021	2020
	£	£
Sales to LAAT	107,828	144,813
Balance owed to LDBE at 31 December 2021	-	60
Purchases from LAAT	(430)	(525)
Balance owed by LDBE at 31 December 2021	-	-
Accrued income at 31 December 2021	3,193	10,435

At the beginning of the financial year, the Diocesan Director of Education (DDE) was also the Chief Executive Officer of LAAT. That all changed on 01 September. The incumbent DDE resigned from the post at LDBE. The Deputy DDE was appointed the new DDE for LDBE. The role is 100% LDBE and there are no split roles across LDBE and LAAT, bringing that related party relationship to an end. Up to the 31 August 2021, DDE time was charged to LAAT at full cost including overheads.

LDTBF

Two directors of the company are also directors of the Lincoln Diocesan Trust and Board of Finance (LDTBF) (2020 - two). The Lincoln Diocesan Board of Education was established to fulfil the requirements of LDTBF under the Measure. LDBE operates out of premises owned by LDTBF and pay rent through a signed lease. Contracts in place before LDBE was established as a charity in its own right are honoured and payments made to LDTBF. LDBE is free to enter into new contracts where there are no tied obligations with LDTBF.

Accordingly LDTBF is a related party for LDBE. Transactions during the year were as follows:

<u>Grants received from LDTBF</u>	Note	General Fund	Restricted Fund	2021	2020
		£	£	£	£
<u>Other grants</u>					
Grant	2	106,553	-	106,553	185,387
		106,553	-	106,553	185,387

LINCOLN DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER 2021

14 RELATED PARTIES continued

<u>Other transactions with LDTBF</u>	General Fund	Restricted Fund	2021	2020
	£	£	£	£
Sales to LDTBF	90	-	90	-
Purchases from LDTBF	49,384	-	49,384	96,777
Balance owed by LDBE at 31 December	1,335	-	1,335	26,177

Schools

Some Trustees of LDBE were also school governors during 2021. Accordingly these schools are related parties of LDBE. The names of the schools and the total of transactions with them during the year are noted below:

	2021	2020
St Hugh's School, Scunthorpe	Y	Y
Spalding Parish CofE School	N	Y
Lisle Marsden Church of England Primary Academy	N	Y
Denton & Harlaxton Federation	Y	Y
The St Lawrence Academy	Y	Y
West Grantham Academy Trust	N	Y
Rauceby CofE School	Y	Y
Ancaster CofE School	Y	Y
Edenham CoE Primary School	Y	Y
Horbling Brown CoE Primary School	Y	Y
Tydd St Mary CoE Primary School	Y	Y
Weston Hills CoE Primary School	Y	Y
Limeswood Federation	Y	Y
Aspire Federation	Y	Y
Fiskerton CofE Primary School	Y	N
Little Gonerby CofE Infant School	Y	N
Reepham CofE Primary School	Y	N
Saxilby CofE Primary School	Y	N

Company number : 08334622

Charity number : 1151733

LINCOLN DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER 2021

14 RELATED PARTIES continued

	2021	2020
	£	£
Sales to schools	49,286	23,792
Balance owed to LDBE at 31 December	8,475	890
Purchases and payments to schools	600	500
Balance owed by LDBE at 31 December	<u>-</u>	<u>-</u>