

Gloucester Diocesan Board of Education

Report and Financial Statements

For the year ended  
31 December 2023

Registered Charity Number: 1199117

Gloucester Diocesan Board of Education  
Report and Financial Statements  
For the year ended 31 December 2023

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## **Trustees' report**

The trustees present their report and financial statements for the year ended 31 December 2023 and confirm the financial statements comply with current statutory requirements, the charity's governing document, the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS 102)) and the Financial Reporting Standard 102 applicable in the United Kingdom and Republic of Ireland (UK Generally Accepted Practice) and the Charities Act 2011.

## **Objects, Strategies and Activities**

The objects of the charitable incorporated organisation (CIO) are to advance or assist in the advancement of education consistent with the faith and practice of the Church of England for the public benefit in the Diocese, in particular by carrying out the functions of the Diocesan Board of Education for the Diocese under the provisions of the Diocesan Boards of Education Measure 2021 ('the Measure').

The Gloucester Diocesan Board of Education (GDBE) seeks, as required by the Measure, to:

- a) promote or assist in the promotion of education in the Diocese that is consistent with the faith and
- b) practice of the Church of England;
- c) promote or assist in the promotion of religious education and religious worship in schools in the Diocese;
- d) promote or assist in the promotion of church schools in the Diocese;
- e) promote co-operation between itself and other persons concerned with education in the Diocese.

The GDBE does this in accordance with the LIFE Together Vision of the Diocese.

*With high aspiration for excellence, we are passionate for all within our family of schools to experience God's love in a culture of care, dignity and hope.*

In accordance with the Measure, the Diocesan Director of Education, DDE, who leads a team of Principal Advisors and administrators who fulfil the objects of the CIO and requirements of the Measure. These staff members are employed by GDBE. Principal advisors and DDE have specific areas of responsibility related to Christian character; Statutory Inspection of Anglican and Methodist Schools (SIAMS) Religious Education (RE); collective worship; courageous advocacy; relationships, sex and health education (RSHE); wellbeing; governance; buildings; admissions; and trusts.

The GDBE has established trustee committees to monitor the wellbeing and progress of the schools through the work of the Education Team

Standards and Ethos Committee – to maintain strong oversight of the educational standards and Christian character within all Church of England schools and academies driven by the GDBE Vision.

Finance, Audit and Resources Committee – to maintain oversight of financial and audit related matters, and of the charity risk register; to maintain a strong oversight of the land, buildings and trusts for which the GDBE has responsibility, and to make recommendations to the full board in this regard in order to support the Christian education of the pupils in our schools.

Academisation Committee – to receive and consider applications from Church of England schools in the Diocese for conditional consent to convert to an academy trust and/or to join a multi-academy trust and to make consequent recommendations to the full board.

A further temporary Executive Committee was in operation during 2023 with a specific function of overseeing the transition to CIO status. This has subsequently been disbanded by the GDBE when its function had been concluded.

The full board meets four times a year, with extraordinary meetings as required. Committees meet at least three times a year depending on remit and need.

In addition to the committees there is a Foundation Governor Appointment Panel who undertake the delegated responsibility regarding the appointment of foundation governors/trustees.

### **Schools**

The GDBE has oversight of 116 Church of England schools in the Diocese, one of which is a secondary academy and the remainder primary (including infant and junior) schools. The Diocese of Gloucester family of schools spans two local authorities (Gloucestershire and South Gloucestershire). There are a variety of schools across the Diocese, including small rural primary schools with mixed-age classes, large city schools, schools with attached nursery provision and wrap-around care, as well as All Saints' Academy (secondary). 75 schools are maintained by the local authorities and are designated either voluntary aided or voluntary controlled. Some of these schools have entered into formal federation arrangements. The remaining schools are part of multi-academy trusts. The multi-academy trusts currently containing GDBE schools are the Diocesan MAT: the Diocese of Gloucester Academies Trust (DGAT), Corinium Education Trust (CET), North Cotswolds Federation Multi-Academy Trust (NCS MATF), Primary QuEST (PQ), and the Severn Federation Academy Trust (SFAT).

### **Key Priority Foci in 2023**

Annual priorities are set by academic year, and therefore the financial period with which this report is concerned bridges two academic years. Key foci for the period covered by this report have been:

- Support for the development of the MAT landscape in the Diocese and for schools seeking to find a good home within a MAT that will uphold and continue to develop their distinctively Christian flourishing
- Supporting schools to understand the 2023 SIAMS inspection framework and its implications for their development, including the provision of training and regular cycles of monitoring and support visits between inspections
- The establishment and development of the new CIO including transition arrangements, with particular reference to HR and finance
- Developing medium-term and longer-term strategic planning for the GDBE as a CIO
- Developing vision, leadership and governance within our Church schools, including provision of pastoral support for leaders and governors
- Supporting and facilitating Carbon-Net Zero strategy and action
- Support for RE, Collective Worship and Courageous Advocacy
- Developing strategy for future income generation in a changing education and financial landscape

## **Achievements and Performance**

The GDBE was established as a Charitable Incorporated Organisation (CIO), with clear governance and committee structures. A new Diocesan Director of Education has been appointed, starting in September 2023, with a clear mandate for strategic development of the work of the GDBE.

The GDBE has been active in the securing of good homes for Church schools within the MAT landscape, working closely with local authority partners, the Regional Director for the DfE and multi-academy trusts. The Education Team have provided appropriate advice and guidance to governors to ensure that due diligence is followed in decisions around academisation and federation. The Academisation Committee has ensured the robust enactment of conditional consent processes to ensure that conditional consent is appropriately considered and decisions made in the best interests of the current- and long-term distinctively Christian flourishing of Church schools in accordance with the Memorandum of Understanding between the DfE and National Society.

The Finance, Audit and Resources Committee has considered with care the distribution of the SCA grant to schools, taking into account their safeguarding, health and safety, and urgent needs, and has continued to follow up, with advice from the solicitors, several issues pertaining to trusts, buildings and land in order to make recommendations to the full board. Although the responsibility rests with the GDBE, the accounting is carried out by VSF.

## **Public Benefit Statement**

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

- promote or assist in the promotion of education in the diocese that is consistent with the faith and practice of the Church of England,
- promote or assist in the promotion of religious education and religious worship in schools in the diocese.
- promote co-operation between itself and other persons concerned with education in the diocese. The trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have carefully referred to this guidance when reviewing the board's aims and objectives and when planning its future activities, acting in accordance with the Church of England's Vision for Education for the common good of the whole human community and its environment: hospitable to diversity, respecting freedom of religion and belief, encouraging all to contribute from the depths of their own traditions and understandings, inviting collaborations, alliances and negotiation of differences in order to serve the flourishing of a healthily plural society and democracy.

## **Financial Review**

### **Principal Funding Sources**

There is an annual grant agreed in advance by the Gloucester Diocesan Board of Finance (GDBF) as agreed by the Diocesan Synod. A grant of service is provided in addition to cash for the provision of finance.

### **Financial Performance**

The charitable incorporated organisation will employ staff to support schools in their maintenance and building projects.

Additional school support is provided by staff for the development and delivery of religious education and collective worship. This may be in the form of staff directly supporting the school or running training courses and events for the schools.

### **Balance Sheet Position**

Net liabilities at 31 December 2023 are £(19,279) (2022: £nil). The GDBF has agreed an annual grant of £123,050 for 2024 (2023: £115,445) to assist with the ongoing costs of the charity. The GDBF has awarded a grant of £500,000 to the GDBE which is potentially repayable dependent upon the release of funds from the Bishop Headlam Fund.

### **Reserves Policy**

Having considered financial risk, liquidity requirement and the timing of cash flows throughout the year, the board's policy is to aim to hold reserves equivalent to three months' budgeted unrestricted expenditure for the year. At the year end, the GDBE had deficit reserves, and the board is working on a strategy to start building these reserves. Phase I involves applying to the Charity Commission to alter the objectives of the Bishop Headlam Fund (BHF) to enable this to support the ongoing costs of the GDBE.

### **Going Concern**

The board recognises the risk of financial viability and this is reflected in the actions taken by the Board. The GDBF has agreed an annual grant for the next two years, with an expected ongoing commitment. The Voluntary Schools Fund (VSF) also pays an ongoing grant to cover expenses. Other income sources are being explored by the board.

Accordingly, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and do not believe that there are any material uncertainties as to the going concern of the charity. Therefore, the trustees are content that the charity continues to adopt the going concern basis of accounting in preparing the annual accounts.

### **Risk Management**

The trustees are responsible for the identification, mitigation and management of risk. The GDBE maintains a risk register to identify and support the mitigation of risks, via implementation of a management and mitigation strategy. This will be reviewed by trustees annually, with the responsibility for risk management delegated to the Finance, Audit and Resources Committee, where it is a standing item on each meeting agenda.

### **Principal risks and uncertainties Principal Risks and Uncertainties**

The risks identified as most significant for the period of this report, and their mitigation strategies, are identified below:

- 1) Lack of clarity of responsibility for financial management, policies and procedures, including lack of commercial banking arrangements leading to material errors in administration

Mitigation strategies:

- Close liaison with the Diocesan Board of Finance to support transition to CIO status
- Agreement of new processes and procedures for financial transactions, budget-setting and monitoring
- Service level agreement with Diocesan Board of Finance

- 2) Loss of corporate memory due to staff and trustee turnover leading to inefficient practices, or decisions made without understanding of consequences

Mitigation strategies:

- Skills audit of trustees and provision of training as identified necessary
- Support from broader GDBF and GDBE team
- Recruitment of high-quality staff

- Good quality induction processes
- To ensure accurate recording of key decisions

3) Reputational risk caused by pressure on school budgets affecting their staff turnover, viability, effectiveness and ability to find a 'good home' within a MAT landscape

Mitigation strategies:

- Close working with local authorities on debt reduction plans
- Advocacy around solutions to issues at regional and national level

### **Future Plans**

Following the transition to a CIO, key work will be being undertaken in the next 12 months to develop the structural relationship between the GDBE and its subsidiary entities to enable more effective medium- and long-term financial planning. This will enable us to support our Church schools through what we anticipate will be a critical period for their flourishing as detailed below in relation to the multi-academy trust landscape in the region, while safeguarding the long term ability of the GDBE to support its Church schools in accordance with their foundations.

The development of the MAT landscape in the diocese is a critical period for the continued flourishing of Church schools. A key priority for the GDBE is therefore to be an active voice in shaping that landscape to ensure the long-term flourishing of its Church schools. Decisions made by schools, and by the GDBE on their behalf through the conditional consent process, and the establishment of ways of working with MATs and other local partners, in a mixed landscape of maintained and academised schools, are critical turning points. A key focus of our current and medium-term work will be to provide advice, guidance and support to schools with this decision-making and with smooth transitions into suitable MATs.

Meanwhile there is a need to continue to provide ongoing support for all our Church schools in relation to the areas covered by the DBE Measure, including governance, RE, collective worship and buildings. A key aspect of our current and future work is the development of income generation structures that will enable us to continue to provide the level of highly valued support available to our schools.

We also recognise the importance of strong leadership and governance to enable the flourishing of schools and ensure the impact of our support and advice. Therefore, a key aspect of our work will be to support recruitment of headteachers and provide training for leaders and governors in their roles.

### **Structure, Governance and Management**

The GDBE was registered with the Charity Commission on 27 May 2022 in response to the Diocesan Boards of Education Measure 2021 and is a charitable incorporated organisation (CIO). The Gloucester Diocesan Board of Education Scheme dated 13 July 2022 came into operation on 1 September 2022. Those persons who are normally referred to as members of the Board of Education are trustees in charity law.

The GDBE became the sole trustee of the Voluntary Schools Fund and the Bishop Headlam Fund on 4 July 2023. The GDBE has taken advantage of the exemption for groups with income of less than £1 million not to prepare group accounts.

### **Organisation**

The Board of Education, as defined in statute, has overall control of the activities of the CIO. This operates with four committees:

- Executive Committee, comprising the Chair of the board and the Chairs of the other committees.
- Standards and Ethos Committee
- Finance, Audit and Resources Committees

- Academisation Committee

### **Trustees and Method of Appointment**

The trustees of the GDBE are:

- (a) The Bishop
- (b) One trustee appointed by the Bishop
- (c) 8 trustees elected by the Diocesan Synod, and
- (d) At least 4 and up to 5 trustees co-opted by the GDBE.

When recruiting new trustees, consideration is given to the skills and experience of existing trustees in order to ensure a sufficiently wide range of skills is in place to enable furtherance of the CIO's objects. Induction and training are given to new trustees and are ongoing for existing trustees. The term of each elected trustee may last no longer than three years. A trustee may serve no more than three consecutive terms of office without a break of at least one year.

### **Induction and Training**

New trustees undergo a comprehensive period of orientation and induction with the Chair of trustees, Diocesan Director of Education and other members of the board to brief them on their legal obligations under charity and company law; role and responsibilities; and vision, strategy and support as well as an overview of how the GDBE fits in with the other entities within the Diocese.

### **Organisational Structure and Decision-Making**

The Board of Education administers the charity and also has a service level agreement with the Gloucester Diocesan Board of Finance for services connected with financial and human resources.

A Diocesan Director of Education is appointed by the trustees to manage the day-to-day operations of the Charity. Key personnel of the GDBE are:

Jo Hunter	Interim Diocesan Director of Education (until September 2023)
Jane Borgeaud	Diocesan Director of Education (from September 2023)

### **Remuneration of Key Management Personnel**

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

### **Custodian Trustee**

The CIO is the custodian trustee for all voluntary aided Church of England schools in the Benefice area (Diocese of Gloucester) except in cases where it is the actual trustee either by right of the trustee document or following an order under S86 of the 1944 Education Act.

Under the 2021 Diocesan Boards of Education Measure, governors are required to consult the board and seek written permission to do any work on their school buildings which involves governor liability. The board's main objective is to support Christian education and governors in the maintenance and development of school buildings.



**Registered Charity Number** 1199117

**Registered Office and  
Operational Address** 4 College Green  
Gloucester  
GL1 2LR

**Board of Trustees**

Ex-officio (as Diocesan Bishop) The Right Reverend Rachel Treweek

Diocesan Bishop's Appointment The Right Reverend Robert Springett – Chair

Elected by Diocesan Synod Dr Matthew Andrews  
The Reverend Rachel Beck  
Dr Joan Grills – Vice Chair  
Miss Jennifer Lane (appointed 14 February 2023)  
Mr Jonathon Millin  
Mr Ian Moore  
Mrs Susan Padfield  
Mrs Bernice Webber-Brown

Co-opted Mrs Emma Mignaud  
Mr Guy Phillips  
The Reverend Alice Wood (co-opted 14 November 2023)

**Bankers** Barclays Bank plc  
18 Southgate Street  
Gloucester  
GL1 2DH

**Auditor** Adam Halsey FCA DChA  
On behalf of Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

**Investment Managers** CCLA Investment Management Ltd  
80 Cheapside  
London  
EC2V 6DZ

### **Trustees' Responsibilities in Respect of the Financial Statements**

The trustees are responsible for preparing the trustees' report and financial statements in accordance with 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure for that period. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed/constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The trustees' report, incorporating the strategic report, was approved by the board of trustees on 25 September 2024

*+Robert Tewkesbury*

The Right Reverend Robert Springett  
Chair, Gloucester Diocesan Board of Education

# Independent Auditor's Report To the Trustees of Gloucester Diocesan Board of Education

## Opinion

We have audited the financial statements of the Gloucester Diocesan Board of Education for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet 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 charity's affairs as at 31 December 2023 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 group'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 Trustee's Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

# Independent Auditor's Report To the Trustees of Gloucester Diocesan Board of Education

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

## **Auditors' responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, 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 Charities Act.

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, including transfers between funds, and revenue recognition.

Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- 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;
- Challenging assumptions and judgements made by management in their critical accounting estimates;

## Independent Auditor's Report To the Trustees of Gloucester Diocesan Board of Education

- Testing transfers between funds; and
- Cut-off testing in respect of revenue.

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

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

### **Use of our report**

This report is made solely to the charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee 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 charity's trustee as a body for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP  
Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: 15 October 2024

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Gloucester Diocesan Board of Education  
Statement of Financial Activities  
For the year ended 31 December 2023

		<b>2023 Unrestricted Total £</b>	<b>2022* Unrestricted Total £</b>
<b>Income and endowments from:</b>	<b>Note</b>		
Donations and grants	2	588,749	175,374
Other income	2	22,711	3,140
<b>Total income and endowments</b>		<b>611,460</b>	<b>178,514</b>
<b>Expenditure:</b>			
Charitable activities	3	630,739	178,514
<b>Total expenditure</b>		<b>630,739</b>	<b>178,514</b>
<b>Net expenditure</b>	5	<b>(19,279)</b>	-
<b>Net movements in funds</b>		<b>(19,279)</b>	-
<b>Reconciliation of funds</b>			
<b>Funds at the beginning of year</b>		-	-
<b>Funds at the end of the period</b>	12	<b>(19,279)</b>	-

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 16 to 23 form part of these financial statements.

\*period 27 May 22 to 31 December 2022

Gloucester Diocesan Board of Education  
Balance Sheet  
31 December 2023

	Note	2023 £	2022 £
<b>Current assets</b>			
Debtors	9	266,762	9,949
Cash at bank and in hand		-	-
<b>Total current assets</b>		<b>266,762</b>	<b>9,949</b>
Creditors: amounts due within one year	10	(286,041)	(9,949)
<b>Net current liabilities</b>		<b>(19,279)</b>	<b>-</b>
<b>Net liabilities</b>		<b>(19,279)</b>	<b>-</b>
<b>Funds</b>			
<i>Income funds</i>			
Unrestricted funds:			
General Funds	12	(19,279)	-
<b>Total funds</b>		<b>(19,279)</b>	<b>-</b>

Approved by the Trustees on 25 September 2024 and signed on their behalf by

*+Robert Tewkesbury*

The Right Reverend R Springett  
Chair, Gloucester DBE

Charity number: 1199117

The notes on pages 16 to 23 form part of these financial statements.

## **I Accounting Policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. They have been applied consistently during the period and in the preceding period.

### **I.1 Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments and fixed asset land & buildings being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (2nd Edition, effective 1 January 2019).

The Charity is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with 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 (The FRS 102 Charities SORP including update Bulletin 2) and the Charities Act 2011.

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

GDBE has taken advantage of the disclosure exemptions permitted by the Charities SORP FRS 102 to not prepare a statement of cash flows.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

### **I.2 Going concern**

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions, that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and cash flow projections and have factored in pressures on grants and donations with the situation being kept under constant review. After making enquiries the trustees have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

### **I.3 Income**

All income is included in the Statement of Financial Activities when all of the following criteria are met:

- Entitlement - control over the rights or other access to economic benefit has passed to the Charity.
- Probable - it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity.
- Measurement - the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

#### ***Grant from Gloucester Diocesan Board of Finance***

The annual grant is agreed in advance by the GDBF as approved by the Diocesan Synod. A grant of service is provided in addition to cash for the provision of finance and other services.



#### **1.4 Expenditure**

Liabilities and constructive obligations are recognised in the Statement of Financial Activities in the year in which approval is given by the Trustees regardless of the due dates for payment. All charitable activities expenditure relates to grants awarded and there are no directly undertaken activities.

Exemptions to this are as follows:

- Commitments which are dependent upon explicit conditions being met by the recipient are treated as contingent liabilities where those conditions have not yet been met.
- Support costs have been allocated to funds on the basis of the time spent during the period.

#### **1.5 Financial instruments**

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

#### **1.6 Pension costs**

The GDBE's staff are members of the Church Workers Pension Fund.

The charity operates two pension provisions. Staff who were formerly employed by Gloucester Diocesan Board of Finance, participate in a direct contribution scheme at the same employer's contributory rate. New employees participate in a direct contribution scheme set up by the new entity to which the employer's contribution is 10%.

#### **1.7 Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and assumptions that affect the amounts reported for income and expenditure during the period. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements are considered by the Trustees to have the most significant effect on amounts recognised in the financial statements.

There were no significant areas of uncertainty that would affect the carrying value of assets held by the Charity.

#### **1.8 Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

#### **1.9 Creditors**

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 reliably. Creditors and provisions are normally recognised at the settlement amount after allowing for any trade discounts due.

## 2 Analysis of income

	2023 £	2022* £
<b>Donations and grants</b>		
Diocesan Board of Finance Grant	115,445	35,987
Voluntary Schools Fund	418,304	117,887
St Matthias Trust	55,000	21,500
	<u>588,749</u>	<u>175,374</u>
<b>Income from charitable activities</b>		
Training and courses	<u>22,711</u>	<u>3,140</u>

## 3 Governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

	Governance £	Support costs £	2023 £	2022* £
Staff costs	-	514,047	514,047	140,502
Office expenses	-	21,131	21,131	7,447
Professional fees	11,042	-	11,042	14,374
Miscellaneous costs	-	24,164	24,164	4,489
Audit (2022 Independent examination)	19,000	-	19,000	2,000
	<u>30,042</u>	<u>559,342</u>	<u>589,384</u>	<u>168,812</u>
Other charitable activities	-	41,355	41,355	9,702
	<u>30,042</u>	<u>600,697</u>	<u>630,739</u>	<u>178,514</u>

Comparative analysis for the period ended 2022

	Governance £	Support costs £	2022* £
Staff costs	-	140,502	140,502
Office expenses	-	7,447	7,447
Professional fees	14,374	-	14,374
Miscellaneous costs	-	4,489	4,489
Independent examination	2,000	-	2,000
	<u>16,374</u>	<u>152,438</u>	<u>168,812</u>
Other charitable activities	-	9,702	9,702
	<u>16,374</u>	<u>162,140</u>	<u>178,514</u>

Administration, management and governance costs have been allocated to charitable activities based on staff time.

\*period 27 May 22 to 31 December 2022

#### 4 Charitable expenditure

	2023 £	2022* £
School and governor support	512,717	138,845
School buildings support	118,022	39,669
	<b>630,739</b>	<b>178,514</b>

#### 5 Net expenditure

This is stated after charging the following:

	2023 £	2022* £
Audit Fee	14,400	-
Independent Examiner's remuneration	4,600	2,000

#### 6 Staff costs and numbers

	2023 £	2022* £
Staff costs were as follows:		
Salaries and wages	365,841	108,648
Redundancy and termination payments	42,167	-
Social security costs	40,763	11,741
Pension costs	65,276	20,113
	<b>514,047</b>	<b>140,502</b>

The number of employees who earned more than £60,000 during the period was as follows:

	2023 No.	2022* No.
£60,000 - £69,999	-	1
£100,000-£109,000	1	-
	<b>2023 No.</b>	<b>2022* No.</b>
The average number of employees in the period was:	9	9

The employer's pension contribution for staff earning over £60,000 was £10,610 (2022: £4,491).

The GDBF acted as a paymaster for the GDBE from 1 January 2023. The Charity considers its key management personnel comprises the Trustees and the Director of Education. The total employment benefits including pension contributions of the key management personnel were £153,421 (2022: £29,749) for the year.

\*period 27 May 22 to 31 December 2022

## 7 Trustee and connected persons transactions

No Trustee received any remuneration for services as a Trustee. The Trustees received travelling and out of pocket expenses, totalling £166 (2022 - £nil) in respect of other duties as Trustees.

## 8 Subsidiaries

The GDBE has two wholly owned subsidiaries:

Subsidiary name	Charity number	Relationship
Bishop Headlam Fund (BH)	1049016	GDBE sole trustee of Charity from 4 July 2023
Voluntary Schools Fund (VSF)	1043116	GDBE sole trustee of Charity from 4 July 2023

The transactions and balances for these wholly owned subsidiaries were as follows:-

	Income £		Expenditure £		Assets £		Liabilities £		Net assets £	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
BH	83k	67k	(38k)	(388k)	2.764 million	2.486 million	(408k)	(370k)	2.356 million	2.116 million
VSF	229k	220k	(467k)	(470k)	6.281 million	5.785 million	(1.703) million	(1.360) million	4.578 million	4.425 million

The Gloucester Diocesan Board of Education became sole trustee of the VSF and BH on 4 July 2023. VSF makes grants to the GDBE to fund posts which are to provide assistance to church schools in the Diocese with buildings and to provide advice on the RE curriculum and assist with inspections.

VSF has also covered legal expenses relating to the work of the GDBE in accordance with its objectives.

During the year VSF paid grants of £418,304 (2022: £117,887) to GDBE. At 31 December 2023, GDBE was owed £234,665 by VSF.

BH originated from an appeal launched by Bishop Headlam in 1937 to build new secondary schools. The purposes to which it may be applied were widened by two Charity Commission schemes, the most recent of which was in 2010. The trustee is in the process of updating the objectives to allow it to make grants to the GDBE to fund the advancement of Education to church schools in the Diocese including assistance with buildings and to provide advice on the RE curriculum and assist with inspections.

On 5 March 2024, VSF and BH were formally linked to GDBE and all financial information will be presented in the GDBE statutory accounts from the year ended 31 December 2024.

\*period 27 May 22 to 31 December 2022

## 9 Debtors

	2023 £	2022* £
<b>Amounts falling due within one year</b>		
Trade debtors	2,830	1,850
Prepayments and accrued income	29,267	2,581
VSF Inter group debtor	234,665	-
Other debtors	-	5,518
<b>Total due within one year</b>	<b>266,762</b>	<b>9,949</b>

## 10 Creditors: amounts falling due within one year

	2023 £	2022* £
Trade creditors	1,280	6,644
Accruals and deferred income	23,595	3,305
GDBF	254,112	-
Other creditors	7,054	-
<b>Total</b>	<b>286,041</b>	<b>9,949</b>

## 11 Related parties

The GDBF provides financial support to the charity in the form of grants and a service level agreement. The charity is dependent on the grants to continue its charitable activities. The GDBF Board has authorised £500,000 as a repayable loan to support the GDBE during its initial restructuring period. This will start to be drawn down during 2024. During the year GDBF paid grants of £115,445 (2022: £35,987) to GDBE. At 31 December 2023, GDBE owed £254,112 to GDBF.

## 12 Analysis of net liabilities by fund

	Unrestricted Funds £	Total 2023 £	Total 2022* £
Current assets	266,762	266,762	9,949
Current liabilities	(286,041)	(286,041)	(9,949)
	<b>(19,279)</b>	<b>(19,279)</b>	<b>-</b>

All funds in 2022 are unrestricted.

## 13 Analysis of funds

	Balance 01.1.2023 £	Income £	Expenditure £	Balance 31.12.2023 £
<b>Unrestricted funds:</b>				
<b>General Fund</b>	-	611,460	(630,739)	(19,279)
	-	611,460	(630,739)	(19,279)
<b>Total all funds</b>	<b>-</b>	<b>611,460</b>	<b>(630,739)</b>	<b>(19,279)</b>

\*period 27 May 22 to 31 December 2022

### 13 Analysis of funds cont.

Comparative analysis of funds

	Balance 01.1.2022 £	Income £	Expenditure £	Balance 31.12.2022 £
<b>Unrestricted funds:</b>				
<b>General Fund</b>	-	178,514	(178,514)	-
	-	178,514	(178,514)	-
<b>Total all funds</b>	-	178,514	(178,514)	-

### 14 Pensions

The GDBE participates in the Church Workers Pension Fund (CWPF) scheme administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the GDBE and the other participating employers.

For eligible salaried employees the GDBE participates in the Church of England Pension Builder Scheme (PBS), within the Church Workers Pension Fund.

#### Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

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

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

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

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

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

For the Pension Builder Classic section, the 2019 valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2024, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of

**14 Pensions cont.**  
**Pension Builder Scheme cont.**  
***Pension Builder 2014 cont.***

service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 5% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2023. There is no requirement for deficit payments at the current time.

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

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

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