



# **Portsmouth and Winchester Diocesan Board of Education**



Report and Financial Statements

For the period  
12 January 2024 to 31 December 2024

Registered Charity Number: 1206508

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## Report of the Trustees

The trustees present their report and unaudited financial statements for the period from 12 January 2024 to 31 December 2024 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 Portsmouth and Winchester Diocesan Board of Education (DBE) was registered with the Charity Commission on 12 January 2024 to carry out the functions of the Diocesan Board of Education on behalf of the Dioceses of Portsmouth and Winchester, under the provisions of the Diocesan Boards of Education measure 2021.

The objects of the (DBE) are to:-

- Promote or assist in the promotion of education in each 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 each Diocese;
- Promote or assist in the promotion of church schools in each Diocese;
- Promote co-operation between itself and other persons concerned with education in either or both of the Dioceses.

### Strategic Aims and Objectives

Key areas of policy discussion & presentations at 2024 DBE & DBE Executive to ensure delivery of key objectives and priorities have been:

1. Ofsted & SIAMS inspection outcomes
2. Ampfield school closure
3. Resolution of ongoing issue regarding school noise
4. Media issue concerning a school
5. Isle of Wight School closure consultation
6. Academisation policy and consultation events
7. Year 6 Leavers Services
8. The National 'Flourishing for All' & anti-bullying suite of focused resources
9. The 'Difference' initiative
10. Relationships Health and Sex Education – policy and practice
11. Trustees' liabilities; CiO Insurance; The CiO; TUPE

### 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 are confident (having had regard to Charity Commission guidance) that the Charity delivers public benefit through carrying out its aims and strategies.

## Activities and Achievements

The DBE has established its new form as a CIO, elected/appointed and recruited its new trustees, agreed a Memorandum of Understanding with the Portsmouth Diocesan Board of Finance (PDBF) and Winchester Diocesan Board of Finance (WDBF), completed the TUPE process for the transfer of staff to the new organisation and approved the necessary suite of policies to underpin its functions.

The DBE became operational from 1 July 2024 once the appropriate functions were in place to enable the TUPE of the staff team from PDBF.

The DBE's financial report and budget shows that most of the expenditure is on staffing.

This summary aims to give an overview of some of the areas of priority and routine work to demonstrate how the staff salaries deliver the statutory and other work of the DBE.

Some of the work of the staff is on routine desk work – administrative, emails, phone calls, on-call for school; attendance at Diocesan meetings – not itemised below. Some is delivering training for teachers, governors and clergy; creating resources for teachers, schools and parishes; attending meetings e.g. statutory Local Authority panels, committees and boards.

The DBE is exceptional across all Dioceses in that it works across two Dioceses but with a joint DBE. This is itself doubles the number of Diocesan meetings, so that the team serves both dioceses equally. The DBE works across five Local Authorities.

Representation and membership across the two dioceses and five Local Authorities to ensure accountability of schools; to monitor education provision and standards; to develop strategic initiatives and delivery of Government policy:-

- Standing Advisory Councils for Religious Education (SACRE) & Monitoring Committees : 29 days
- Local Authority Boards, panels, committees, accountability & DM/LLP : 127 days
- SALIX, Net Carbon Zero, SCA projects, DFC : 142 days
- Attendance or inputting at Regional & National Conferences/seminars : 48 days
- Governor Training & Representation on Trusts : 61 days
- Area training sessions for HTs and CoGs : 60 days
- Creating resources for schools : 73 days
- School staff training & curriculum training for teachers : 134 days
- Induction sessions & formal welcome events for new Headteachers : 33 days
- Induction and training for new clergy : 40 days
- SIAMS feedback/follow-up/action meetings : 23 days
- OFSTED feedback/follow-up/action meetings : 21 days
- Headteacher recruitment : 83 days
- National Pilot & GFF : 33 days
- Racial Justice; Global Neighbours; Provincial Partners; Anti-Semitism : 34 days
- Preparation for 9x day sessions with Year 6 pupils : 51
- Land, Buildings, Insurance & Legal meetings/work : 57 days
- School Admissions / panels /OSA : 17 days
- Isle of Wight : place planning & related matters on proposed school closures : 35 days

Successful delivery of devolved funding projects with all associated work, meetings, and monitoring (with funds managed on behalf of PDBF). Projects included:

- The Priory - Fencing – £170,203
- William Gilpin – Windows and doors replacement - £70,897
- Ampert - Cobb Wall - £56,799
- Charles Kingsley – Roof works - £147,099

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- Hordle – WC refurbishment phase 2 - £224,930
- Newport – Boiler and Plant room - £64,312
- Smannell and Enham – Fencing - £22,334
- St Albans – Toilets - £397,994
- St John's Gosport Kitchen Works - £45,137
- St Mary's Bentworth – Oak class windows and WC refurbishment £59,466
- Alverstoke Heat Pump- £272,462

### **Future Plans**

The DBE continues to review and develop processes as a result of the new structure as a separate CIO. As a result of this, plans for the coming year include elements of strengthening governance and training, as well as developing the offering within the two dioceses:

- Expansion of the dedicated website for the DBE
- Enhanced Safeguarding Training for all officers
- Increased use of invited specialists to input on DBE Board agendas
- Potential additional in-person board meeting to include attendance of all officers to update on specific work streams
- Seeking funding for Project Roots; a new initiative focussing on antisemitism in children
- Looking towards Diocesan Project 2026 with greater involvement of linked churches
- Potential more focused link to Portsmouth partner dioceses (as already happens with Winchester diocese)

### **Financial Review**

#### **Principle funding sources**

An annual grant has been agreed by the PDBF and the WDBF to support the operational costs of the DBE. This is paid quarterly in advance based on the budgeted expenditure.

#### **Financial performance**

The financial reporting includes the income and expenditure for the DBE for the six months from 1 July 2024, when the TUPE of the staff team completed, and the DBE was able to operate independently.

Income includes the grants from Portsmouth DBF and Winchester DBF totaling £267k, as well as contributions of £10k from church school building funds towards the buildings officer's costs.

The DBE employs staff to offer advice and support to schools and assist with the delivery of maintenance and buildings projects, and the majority of the costs incurred in the period relate to the staff salaries for the 7 team members, and their expenses travelling to school sites. Other costs include a charge for the use of diocesan office space for the team and costs of the year 6 school leaver events held in their respective diocesan cathedrals. In addition, there have been some costs incurred as a result of setting up the structures and governance for the new CIO.

#### **Balance sheet position**

The net asset position at 31 December 2024 is £1,915. This reflects a small surplus in the period, which will contribute towards future costs. The majority of income in the period was provided in the form of grants from PDBF and WDBF however income was also received in contribution to the cost of the buildings projects officer role from the Portsmouth and Winchester Church Schools Governors Fund.

### Reserves policy

Having considered financial risk, liquidity requirement and the timing of cash flows throughout the period, The Board's policy is to aim to hold cash equivalent to no more than 3 months budgeted unrestricted expenditure at any time. At 31 December, the DBE held £154k in cash which is equivalent to 3.1 months budgeted expenditure. Due to the nature of the funding commitment from PDBF and WDBF to meet the expenditure of the DBE, the Board have agreed that it is not necessary to hold reserves. A small balance of £2k is held at the 31 December which will be offset against future expenditure.

### Going concern

The PDBF and WDBF have agreed to provide grant funding to the DBF for at least the next two years, with an expected on-going commitment. 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 DBE 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 Executive Committee.

### Principal Risks and Uncertainties

The Trustees and management of the DBE are responsible for the identification, mitigation and management of risks. To manage this, a risk register is maintained and subject to regular review by Trustees and the subcommittees noted below to ensure that any changes to risks are identified. Responsibility for the management of strategies to mitigate these risks is delegated to the Director of Education.

Key risks	How managed
<b>Political/legislative</b> The work of the DBE is guided by current government policy and inspection regimes. Any changes to policy can create challenge for the management team and other stakeholders.	The DBE maintains links to local and national networks to ensure changing requirements are well understand and effectively responded to.  There are clear strategies for communicating any changes to schools and other stakeholders.
<b>Safeguarding</b> Any failure of safeguarding. Health and safety or employment policies could lead to failure to protect children or adults and could result in significant reputational impact.	The DBE has clear policies in place for child protection, health and safety and employment for staff. A programme of training is available for both staff and trustees to ensure the team remain aware and up to date with the current requirements of their roles.
<b>Funding</b> The DBE generates low levels of income from external sources, and is reliant on grant funding from PDBF and WDBF.	The diocesan secretaries of WDBF and PDBF meet regularly with the Director of Education to ensure understanding of the financial needs and commitments of the DBE. Both dioceses have committed the required funding for the operations of the DBE will continue.
<b>People</b> Loss of key staff could have significant impact on operational capacity, even in the short term.	The staff team have regular opportunities for sharing knowledge to support in case of staff absence. Resources are made available on the DBE website to support schools and other stakeholders, reducing the reliance on the presence of key staff.

## **Structure, Governance and Management**

### **Organisational Structure**

The DBE was registered with the Charity Commission on 12 January 2024 in response to the Diocesan Boards of Education Measure 2021 and is a Charitable Incorporated Organisation (CIO). The DBE began operating from 1 July 2024.

The DBE operates under a Foundation Model Constitution. Those persons who are normally referred to as members of the Board of Education are Trustees in charity law.

The Board of Education, as defined in statute, has overall control of the activities of the CIO. Trustees meet as the Board four times a year. Between meetings, the Executive Committee, comprising the Chair of the Board, the Director of Education, the Diocesan Secretaries from PDBF and WDBF will meet to action any urgent business and oversee the work of the staff team.

The DBE operates with three sub committees:

- Schools Building Committee
- Academisation Committee
- Safeguarding Committee

The Trustees are responsible for strategy, financial management and all major decisions. Oversight of day to day detailed work and management of the charity's activities is undertaken by the senior staff listed on page 7 of this report.

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

The trustees of the DBE are:

- One trustee appointed by the Bishop of PDBF
- One trustee appointed by the Bishop of WDBF
- Three trustees elected by PDBF diocesan synod
- Three trustees elected by WDBF diocesan synod
- Not less than eight elected and co-opted trustees

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 DBE's objects. Induction and training is given to new trustees and is 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 term.

### **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, vision, strategy and support as well as an overview of how the DBE fits within the Dioceses.

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

The Board of Education administers the charity and also has a Memorandum of Understanding the PDBF and the WDBF for services connected with financial resources and human resources.

### **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.

## Reference and Administrative Details

### Trustees

The following are the Trustees who served at any time during 2024 up to the date of this report:

Bishop's Appointment:	Mr Bill Lucas (Chair) Mr Tim Pike The Ven Richard Brand (resigned 1 March 2025) The Ven Kathryn Percival The Ven Jean Burgess (appointed 1 March 2025)
Elected by Diocesan Synod:	Mr Alastair Barron Mrs Gemma Elsworthy (resigned 1 February 2025) The Rev Andrew Micklefield The Rev Sue Jones (resigned 8 May 2025) Mrs Julie Kelly Mrs Lucy Docherty
Co-opted:	Mrs Catharina Van Den Akker Mr Ian Wollam

### Senior staff and advisers

Director of Education:	Jeff Williams
Deputy Director of Education:	Rob Sanders
Registered Charity Number:	1206508
Registered Office:	Diocesan Office, Peninsular House, Wharf Road, Portsmouth, PO2 8HB
Bankers:	NatWest Bank PLC, Western Avenue, Waterside Court, Chatham Maritime, Kent ME44RT
Independent Examiners:	Jane Askew FCA, HaysMac LLP, 10 Queen Street Place, London, EC4R 1AG
Solicitors:	Batt Broadbent, 42-44 Castle Stret, Salisbury, Wiltshire, SP1 3TX



### Statement of Trustee Responsibilities

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 4 June 2025 and signed on their behalf by



Bill Lucas  
Chair, Portsmouth and Winchester Diocesan Board of Education

## Independent Examiner's Report

I report to the Trustees on my examination of the accounts of Portsmouth and Winchester Diocesan Board of Education for the period from 12 January 2024 to 31 December 2024.

### Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act"). The trustees are satisfied that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and have chosen instead to have an independent examination.

I report in respect of my examination of the Trust's accounts as carried out under section 44 (1) ( c) of the 2005 Act and section 145 of the 2011 Act. In carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

The charity's income exceeded £250,000 during the period, and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no matters have come to my attention giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Jane Askew FCA  
HaysMac LLP  
10 Queen Street Place  
London  
EC4R 1AG

Date: 7 June 2025

## Statement of Financial Activities

		General fund	Total funds 2024
	Note	£	£
<b>Income and endowments from:</b>			
Grants and donations	2	267,001	267,001
Charitable Activities	3	10,809	10,809
		<u>277,810</u>	<u>277,810</u>
<b>Expenditure on:</b>			
Charitable activities	4	275,895	275,895
		<u>275,895</u>	<u>275,895</u>
<b>Net movement in funds</b>	9	1,915	1,915
<b>Total funds at 1 January</b>		-	-
<b>Total funds at 31 December</b>		<u>1,915</u>	<u>1,915</u>

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 12 to 17 form part of the financial statements.

## Balance Sheet

	Note	2024 £
<b>Current Assets</b>		
Debtors	7	8,311
Cash at bank and in hand		<u>154,324</u>
		162,635
<b>Creditors: amounts falling due within one year</b>	8	(160,720)
<b>NET ASSETS</b>		<u><u>1,915</u></u>
<b>The funds of the charity:</b>		
General fund		1,915
<b>Total funds</b>	9	<u><u>1,915</u></u>

Approved by the Trustees on 4 June 2025 and signed on their behalf by



Bill Lucas

Chair Portsmouth and Winchester Diocesan Board of Education  
Charity number: 1206508

The notes on pages 12 to 17 form part of the financial statements.

## Notes to the Financial Statements

### 1. Accounting policies

#### 1.1. Basis of preparation

The Portsmouth and Winchester Diocesan Board of Education is a Charitable Incorporated Organisation. The registered office is Diocesan Office, Peninsular House, Wharf Road, Portsmouth, PO2 8HB and the registered charity number is 1206508. The charitable objectives are disclosed on page 2 of the Trustees report.

The financial statements have been prepared on a going concern basis, under the historical cost accounting convention.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (2<sup>nd</sup> Edition, effective 1 January 2019).

The charity is a public benefit entity for the purposes of FRS102 and therefore the Charity also prepares 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 Ireland (The FRS102 Charities SORP including update Bulletin 2) and the Charities Act 2011).

The financial statements have been prepared in UK pound sterling, the charity's reporting currency, and are rounded to the nearest pound.

The principal accounting policies and estimation techniques are as follows:

#### 1.2. Going Concern

The Trustees have a reasonable expectation that the charity has adequate resources to meet its liabilities as they fall due for the foreseeable future. The trustees consider that there are no material uncertainties that may cast doubt on the charity's ability to continue as a going concern and they therefore continue to prepare the financial statements on the going concern basis. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

#### 1.3. Income

All income is included in the Statement of Financial Activities (SOFA) when the DBE is legally entitled to it as income or capital respectively, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

Grants from Winchester and Portsmouth Dioceses are accounted for on a time-apportioned basis to align on a quarterly basis with the costs towards which they are contributing.

#### 1.4. Expenditure

Expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the Statement of Financial Activity category.

### 1.5. Pension costs

The DBE's staff are either members of the Church Workers Pension Fund or the Teachers' Pension Scheme. The pension costs charged reflect the DBE's contributions made in respect of the accounting period.

### 1.6. Financial Instruments

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. The charity only has financial assets and liabilities which qualify as basic financial instruments.

### 1.7. Debtors

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

### 1.8. Creditors

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

### 1.9. Critical judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charity does not currently have any significant accounting estimates or areas of judgement.

## 2. Grants and donations

	General fund £	Total funds 2024 £
<b>Donations</b>		
Diocesan Board of Finance Grants	267,001	267,001
	<b>267,001</b>	<b>267,001</b>

## 3. Income from charitable activities

	General fund £	Total funds 2024 £
School buildings support	10,309	10,309
Sundry Income	500	500
	<b>10,809</b>	<b>10,809</b>

#### 4. Expenditure on charitable activities

	General fund	Total funds 2024
	£	£
Other Activity costs	3,276	3,276
Staff costs	242,573	242,573
Other staff expenses	4,005	4,005
Office support costs	13,706	13,706
Independent examiner's costs	2,220	2,220
Professional fees	4,490	4,490
Subscriptions and publications	4,156	4,156
Legal Costs	1,469	1,469
	<b>275,895</b>	<b>275,895</b>

#### 5. Staff costs

Employee costs during the period were as follows:

	2024
Salaries and wages	183,405
Social security costs	16,005
Pension costs	43,162
	<b>242,573</b>

At the end of the period the staff head count was 6.6 FTE. The average number of staff employed in the period was 7.

No employees earned over £60,000 during the period.

#### Remuneration of Key Management Personnel

Key management personnel are deemed to be those having authority and responsibility delegated to them by the trustees, for planning, directing and controlling the activities of the organisations.

Remuneration, employers NI, and pension contributions and amounted to £54,541.

#### 6. Trustees' emoluments

No remuneration has been paid to Trustees during the period.

No expenses have been reimbursed to the Trustees during the period.

## 7. Debtors

	2024
	£
Sundry Debtors	<u>8,311</u>

## 8. Creditors – amounts due within one year

	2024
	£
Trade creditors	9,351
Deferred income	141,508
Tax and social security	5,594
Other creditors	<u>4,267</u>
	<u>160,720</u>

Deferred income balances relate to the grants from PDBF and WDBF which are received quarterly in advance. The balance is recognised in full in the subsequent financial year.

## 9. Movement of funds

	At 1st January 2024	Income	Expenditure	Transfers	Gains	At 31st December 2024
	£	£	£	£	£	£
General fund	-	277,810	(275,895)	-	-	1,915
	-	277,810	(275,895)	-	-	1,915

## 10. Analysis of assets by fund

### Description of funds:

**General Fund** - These funds are unrestricted and to be used for the furtherance of the charitable objectives of the DBE as detailed on page 2 of the annual report.

## 11. Related parties

The WDBF and PDBF provides support to the charity in the form of grants and a memorandum of understand for the provision of services. The DBE is dependent on these grants to continue its charitable activities. During the period £178,000 was received from WDBF and £89,000 from PDBF. The DBE received charges for office space from PDBF totalling £8,318 of which £1,965 was owing at 31 December 2024.

## 12. Pensions

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



CWPF has two sections:

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

### **Pension Builder Scheme**

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

***Pension Builder Classic*** provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending 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 period are the contributions payable of £15,939.

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 2022.

For the Pension Builder Classic section, the valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2025, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 2.7% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2024. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2025.

For the Pension Builder 2014 section, the valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

### **Teachers' pension scheme (TPS)**

The DBE made contributions to the TPS on behalf of 3 employees who had previously been teachers. The TPS is a statutory, unfunded, defined benefit scheme, governed by the Teachers' Pensions Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Membership is automatic for full-time teachers and from 1 January 2007, automatic for teachers and lecturers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme, and members contribute on a 'pay as you go' basis, these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020 and full details are available on the Government website at: <https://www.gov.uk/government/collections/teachers-pension-scheme>.