

DERBY DIOCESAN BOARD OF EDUCATION

England & Wales · Charity number 527038

Details

Other names DERBY DIOCESAN COUNCIL OF EDUCATION

Status Registered

Legal form Charitable company

Company number 00463908

Registered 1967-07-27

Register [View on the Charity Commission register](#)

Contact

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Full Street
Derby
DE1 3DR

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Website <http://derby.anglican.org/education>

Activities

Objects: TO PROMOTE AND ASSIST RELIGIOUS EDUCATION IN THE DIOCESE AND IN PARTICULAR TO ORGANISE AND PROVIDE FUNDS IN AID OF SUCH WORK. FOR FURTHER OBJECTS SEE CLAUSE 3 OF MEMORANDUM AND ARTICLES OF ASSOCIATION.

Activities: To advance the work of Christian Education and training in the parishes of the Diocese of Derby and to enable and encourage the work of Church of England schools in the Diocese by: Maintaining and improving school buildings using EFA grants. Being an active partner in school improvement in Church schools. Increasing the quality and quantity of provision for children and young people in parishes.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, Religious Activities
- **Who:** Children/young People, Other Defined Groups

Geography

- **Area of benefit:** DIOCESE OF DERBY
- Derby City
- Derbyshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£444,808	£425,381	-	-
2023-12-31	£445,549	£449,178	-	-
2022-12-31	£348,450	£365,669	-	-
2021-12-31	£479,400	£353,158	-	-
2020-12-31	£482,631	£507,626	-	-

Trustees

Name	Role	Appointed
Aimee Catherine Tinkler		2024-08-28
Canon Christine Mary Holmes-Elener		2024-08-28
Carol Fearria		2024-08-28
Diane Gabrielle Fretwell		2025-01-01
Emily May Brailsford		2025-03-15
Jo-Anne Emma Richardson		2025-01-30
John Payne		2024-08-28
Oona Luise Gilbertson		2024-08-28
Rev Philip James Selby		2024-08-28
Sarah Helen Kerr Barley-McMullen		2024-08-28
Susan Jane Whyld		2024-09-12
Teresa Ann Nicholls		2024-08-28
The Right Reverend Elizabeth Jane Holden Lane		2024-08-28
The Venerable Nicola Jane Fenton		2024-08-28

Linked charities

- THE GELL MEMORIAL FUND (527038-1)

DERBY DIOCESAN BOARD OF EDUCATION

England & Wales - Charity number 527038

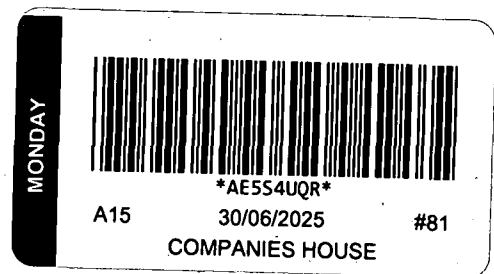
Accounts

Registered Company Number: 00463908
Charity Number 527038

DERBY DIOCESAN BOARD OF EDUCATION
(Incorporated as a company limited by guarantee)

REPORTS AND FINANCIAL STATEMENTS
YEAR ENDED

31st December 2024



DERBY DIOCESAN BOARD OF EDUCATION

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DERBY DIOCESAN BOARD OF EDUCATION

CHARITABLE COMPANY PARTICULARS

President & Chairman (& Trustee)	The Rt. Reverend Bishop Elizabeth Lane
Bishop's Nominee and Chair of the Board (& Trustees)	The Venerable N. Fenton The Rt. Reverend Bishop M. Macnaughton (Chair)
Trustees (Synod Appointments)	Mrs. S. Barley-McMullen Mrs C. Fearria Canon C. Holmes-Elener Mr S. Morris (resigned 31 December 2024) The Reverend D. Mundy (resigned 30 July 2024) Mr J. Payne The Reverend P. Selby The Reverend S. Watson (resigned 31 December 2024) Mrs S. Whyld (appointed 12 September 2024) Mrs D G Fretwell (appointed 1 January 2025) Mrs E Brailsford (appointed 15 March 2025)
Trustees (Co-opted)	Mr. J. Clapham (resigned 30 July 2024) Mrs O Gilbertson Mrs T Nicholls Mrs A Tinkler Mrs J E Richardson (appointed 30 January 2025)
Secretary and Director of Education	Canon C. Shoyer
Registered Office	Derby Church House Full Street, Derby, DE1 3DR
Senior Statutory Auditor	Mr D Meadows FCA
Independent Auditor	Bourne and Co Statutory Auditor 6 Lichfield Street Burton upon Trent, Staffordshire DE14 3RD
Bankers	National Westminster Bank. 58 St Peters Street, Derby, DE1 1XL
Solicitors	Lee Bolton Monier Williams 1 The Sanctuary, Westminster, London SW1P 3JT
Company Registered Number	00463908
Charity Registered Number	527038

DERBY DIOCESAN BOARD OF EDUCATION
CHAIR'S REPORT

Chair's report for year ending December 2024

It is my great honour and privilege to have chaired the Diocesan Board of Education (DBE) through 2024. All of us in the diocesan central team are proud of the work of our schools who serve their communities diligently and with great faithfulness.

Firstly, my thanks go to all of the team who have tirelessly supported schools, churches and households and worked professionally to continue to embrace the Church of England vision for Education, which is deeply Christian with Jesus' promise of "Life in all its fullness" at its heart. The Board continues to act as an advocate for children and young people supporting headteachers, governors, clergy and parishes in order that they may proclaim the gospel through their actions, words and the community life they build.

Our church school family has continued to face challenges through cost-of-living crisis which is affecting so many households. The fiscal environment for schools themselves is also highly challenging along with issues of teacher recruitment and retention and the mental health and well-being of staff and children. Meeting the needs of children and young people with Special Educational Needs and Disabilities (SEND) has become of critical importance as we experience greater levels of need within a system no longer able to cope.

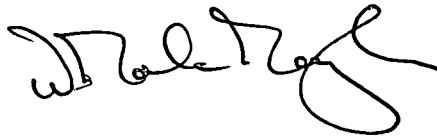
Throughout 2024 the DBE's responsibility for advancing the work of Christian education and training in the parishes of the Diocese has continued to develop and strengthen, enabling and supporting the work of the 111 Church of England schools, including one joint Church of England/Methodist and 1 joint Church of England/Roman Catholic School within the Diocese.

As Chair, I have continued to enjoy the role, working alongside the trustees and officers and seeing the Board grow in confidence and expertise. It has been a delight over the last year, to visit many schools and to see children, young people and adults flourish in their growing, learning and development

The Rt Rev'd Malcolm Macnaughton, Bishop of Repton

Date:

14/5/25



DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES

The Trustees present their report and the audited financial statements of the charity for the year ended 31st December 2024. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

OBJECTIVES AND ACTIVITIES

The Board continues to exercise many of its functions through the work of 2 sub committees, namely the School Effectiveness committee and the Business & Operations committee; each with their own Terms of Reference which are regularly reviewed. The aim of these groups was to facilitate more in depth working of key areas of the statutory functions determined by the Diocesan Boards of Education Measure 2021. The broad areas are as follows:

- 1 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.
- 2 to promote or assist in the promotion of religious education and religious worship in schools in the diocese.
- 3 to promote or assist in the promotion of church schools in the diocese.
- 4 to promote co-operation between itself and other persons concerned with education in the diocese.

More detail about the work of each committee and the links with the DBE Measure may be found in the Terms of Reference published on the DBE's website.

The DBE's principal activity is the provision of a wide range of services aimed at serving and equipping Church of England schools and academies and community schools in formal partnerships.

In recent years, the DBE re-defined its Vision and Strategy. As this is still recent, the vision is not yet fully embedded across the family of church schools and so work during 2024 has continued to raise its profile. The DBE's vision is as follows:

TRANSFORM, GROW, BUILD

Living out the values of generous faith, courageous hope and life-giving love, the DBE will support our diocesan family of schools to offer:

- life-giving, life-changing learning through excellent education, shaped by a distinctively Christ-like vision and ethos
- inclusive and inspirational Collective Worship, inviting all to grow in faith
- excellent Religious Education, enabling children and young people to reflect critically and explore faith, belief, and Christian responses to life's big questions
- hospitality, hope and love to children, young people and households
- a sense of belonging to those of all faiths and none, building community near and far, local and global

From the DBE's Vision, a 3-year Strategic Plan for 2025-2028 has been developed which focuses the work of the trustees and staff team. A range of aspirational success indicators have been identified which will enable trustees to evaluate the effectiveness of the Strategic Plan.

In addition to the 3-year Strategic Plan, the DBE has also formulated a Multi-Academy Trust (MAT) Strategy, recognising the direction of travel in terms of national policy but also following reflection on the local context of the Diocese of Derby. The Board was delighted to support the establishment of an additional MAT in 2024, ACE Derbyshire.

The principal beneficiaries of the DBE's work are approximately 15,000 children and young people attending the 110 Church of England primary schools and 1 Church of England secondary school within the diocese across 2 Local Authorities. These are the City of Derby and Derbyshire. Of the primary schools, 19 are Voluntary Aided (VA), 58 are Voluntary Controlled (VC) and 33 are academies. The 1 secondary school is an academy. Of the 34 academies, 14 previously VA primary schools, 13 previously VC primary schools and the 1 secondary school are in Derby Diocesan Academy Trust (DDAT). A second majority MAT, ACE Derbyshire, established on 1 September 2024 with 3 formerly VC Schools and 2 community schools. In addition, 2 schools are part of the Embark MAT and 1 school is part of the John Taylor MAT

Wider than this, the DBE also aims to promote and assist in the promotion of education consistent with the faith and practice of the Church of England across the diocese as a whole.

Public benefit

The Trustees confirm that they have given careful consideration to the Charity Commission's general guidance on public benefit.

**DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES**

The Statutory Inspection of Anglican and Methodist Schools (SIAMS)

During the spring and summer of 2024 there were 15 inspections which all received a J1 judgement stating that they were all living up to their foundations as a church school enabling pupils and staff to flourish.

During the autumn term there were 16 inspections which all received a J1 judgement.

As a DBE we are responsible for providing training, advice and guidance for schools in relation to their Christian vision, character, RE and Collective Worship. The Deputy Director has been visiting schools to discuss and identify areas for support. This support has been offered in the form of training, discussions with school leaders including governors and networking for RE and CW leads.

DBE Key Partnerships

a) National Society for Education & Church of England Foundation for Education and Learning

The Director and Deputy Director have continued to work in partnership with the National Society for Education.

b) Local Authority and other Dioceses

Small school sustainability continues to be a challenge. The DBE, in partnership with the Local Authority, continue to advise our schools to achieve a more sustainable and viable future.

As the number of VA schools across Derby City and Derbyshire not in a multi-academy trust has reduced over the past few years, the 'pot' from which they would access funding for building works has decreased. This led the Derby DBE to join with Leicester, Southwell & Nottingham and Coventry Dioceses to form a group with several schools large enough to carry on receiving funding. In 2023/2024, Derby Diocese received £294,077.88 in funding towards schools building projects. This funding is school conditions allocations (SCA) and the diocese received four equal payments of £73,519.47 in May, June, July and September.

c) Multi-Academy Trusts (MATs)

The DBE staff team works closely with the central team and trustee boards of the Diocese of Derby Academy Trust and ACE Derbyshire. These trusts have been established to provide a sustainable future for Church schools within the Diocese of Derby.

The DBE's officers also work in partnership with Embark MAT and John Taylor MAT.

d) Other

Other areas of development across the DBE have included the continued publication of policies where our Christian vision is now explicit. The DBE has a dedicated website which contains wide-ranging information to support schools, governors, clergy and parishes.

RISK MANAGEMENT

The trustees have considered the major strategic and operational risks, which the charitable company faces and are satisfied that the necessary steps have already been taken to lessen these risks.

The risk register, which is reviewed periodically, identifies key areas where the risk of either the failure to act or the impact of events could represent a material risk to the organisation. Each area is given a "RAG" (Red / Amber / Green) rating and mitigation strategies are put in place.

The risks are categorised as financial and non-financial. Currently there are no high (red rated) risk areas.

The two highest rated financial risks (both 12 on scale that goes to 25) relate to the DBE's budget and the annual grant from the DBF which underpins the DBE's long-term financial sustainability. The grant from the DBF and returns on the DBE's investments, which should increase over time as the value of additional assets are realised, provide a sound financial platform for the DBE. This means that the DBE is in a strong position in terms of its viability as a "going concern". The risk register simply recognises the potential scale of the impacts should the current arrangements and status quo change.

The highest rated non-financial risks (with the same rating of 12) relate to land and property owned by the DBE, specifically land registry matters, and health and safety related matters. A third non-financial risk with the same rating relates to the risks associated with the DBE being unable to maintain ongoing positive relationships with its schools.

**DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES**

FINANCIAL REVIEW

The Board invests most of its funds through CCLA Investment Management who are accountable for investment performance. A substantial element of the Board's funds need to be kept liquid because of its role in 'bridging' building projects in schools between payment of invoices to contractors and the receipt of grants from DfE.

The Board assists Voluntary Aided schools with the administration of funding for school building projects and provision of IT equipment. The Board acts as an agent on behalf of school governing bodies in receiving funds from the Department for Education, local authorities and other funding sources and settling contractors' costs and professional fees. The DfE Grant and associated expenditure are not costs of the charity and therefore are not reflected in the statement of financial activities. The statement of financial activities for the year and the statement of financial position of the charitable company at the year-end are shown on pages 11 and 13 respectively. Unrestricted funds show net income before transfers of £127,343 (2023: £133,018). Restricted funds show net expenditure of £250,914 (2023: £54,266). Endowment funds show net income of £200,723 (2023: £119,984).

As set out in Notes 17, 18 and 19 the Board holds and administers many restricted and endowment funds. As at 31 December 2024 restricted funds totalled £922,678 (2023 - £1,032,166) and endowment funds totalled £1,598,967 (2023 - £1,407,036). Neither are available for the general purposes of the Board. Unrestricted general funds totalled £1,057,759 (2023: £1,063,050).

Investment policy

Under the Memorandum and Articles of Association, the Board has the power to make any investment that the trustees see fit. The Board has an agreed ethical stance on investments and will not make investments in companies that deal in or produce armaments. Most of the investments are held with CCLA Investment Management Ltd. The value of financial investments has increased in the year with net gains of £57,726 (2023: £202,365). Investment properties had an unrealised gain of £nil (2023: £nil).

Reserves policy

The Board strives to ensure that it maintains sufficient reserves to enable it to continue to achieve the objectives of the charitable company for the foreseeable future. This involves, as of necessity, ensuring that adequate reserves are maintained to provide a level of income that will support future activity. This income is supplemented by capital arising from the sale of buildings which may become surplus to requirements. This flexibility permits the charitable company's capital to be depleted in years of high expenditure on building projects. The work of the Board is funded jointly by the Derby Diocesan Board of Finance, who make a grant towards operating costs, and income on the Board's financial investments. The Board also derives a small income from letting several properties. Additional income may be derived from the sale of redundant school buildings.

Free reserves

The trustees' reserves policy is to ensure the provision of adequate financial resources in an environment of constant change and increasing challenge, without having to make sudden increases in charges for services. The policy is therefore for general fund reserves, not held in fixed assets, to be within a wide range of between 3 and 12 months' worth of the year's total resources expended.

Free reserves include listed investments held by the Board. To maximise operational income, the Board holds shares, as these provide significantly better returns than reserves held in the bank. The Board can easily draw down these reserves should the need arise. The balance of unrestricted free reserves at 31 December 2024 was £975,440 (2023: £970,705).

Reserves tied up in fixed assets

Unrestricted funds comprise net assets amounting to £1,057,759 (2023: £1,063,050) of which £82,319 (2023: £92,345) is held as tangible fixed assets. Some of these reserves are designated for projects that will be carried out in the future in line with the vision of the DBE, such as an ongoing review of properties and options to maximise

STRUCTURE, GOVERNANCE AND MANAGEMENT

Derby Diocesan Board of Education is a charitable company limited by guarantee. The liability of the members is limited to £1.

As set out in the Articles of Association, the Chairman of the Board is either the Bishop of Derby or someone appointed by the Board in consultation with the Bishop.

The trustees are appointed as follows:

- (1) The Bishop who is the President of the Board
- (2) Two persons nominated by the Bishop
- (3) Not less than seven or more than nine persons appointed by the Diocesan Synod
- (4) Not less than one person or more than four persons co-opted by the Board.

**DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES**

Directors and Trustees

The Directors of the Board, are also the trustees of the charitable company during the year, and at the date of this report, are set out on page 1. The Board appoints a Director of Education to whom its officers are accountable.

Trustee recruitment, selection & induction

The Trustees of the charitable company ("the charity") are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Board. New members are offered an induction meeting with the Director (detailed below) and subsequently, training can be provided by Officers of the Board or by other providers. Decisions are made democratically at Board Meetings, of which at least three are held each year.

The Diocesan Director of Education holds the title 'Director', but this relates to their function within the organisation and has no legal meaning within the terminology associated with the Companies Act. All Trustees are required to maintain their entry in the record of declarations of interest and loyalty.

The Board has indemnity insurance for its trustees and key management personnel and £1,000,000 (2023 - £1,000,000) of cover is provided.

Remuneration of key management personnel

Emoluments of higher-paid employees are determined by the Business and Operations Committee, as and when required.

The terms of reference for this group is established by the Board and include:

- routine performance management
- remuneration and salary benchmarking and
- recommendation of changes where necessary.

Delegation of day to day delivery

The Trustees and the sub-committees which assist them in the fulfilment of their responsibilities, rely upon the Director of Education and colleagues for the delivery of the day-to-day activities of the company. The Director of Education is given specific and general delegated authority to deliver the business of the Board in accordance with the policies framed by the Trustees.

RELATED PARTIES

Derby Diocesan Board of Finance Ltd (DBF)

The primary object of the DBF is to act as the financial executive of the Diocesan Synod. Whilst the DBE is separately incorporated, the DBF provides resources which allow the DBE to fulfil its statutory functions and to facilitate the shared vision for mission and ministry with children and young people.

Multi-Academy Trusts (MATs)

Derby Diocesan Academy Trust Ltd

The primary object of each DDAT is outlined in its Articles of Association. Each MAT is related to the DBE in governance. Services that can only be delivered by the DBE, which provide essential functions fundamental to the religious character and ethos of the academy trust, are deemed as meeting the "at-cost" requirements. These transactions are declared by the academy trust to the Education & Skills Funding Agency.

Fundraising

The charitable company does not carry out significant fundraising activities.

**DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES**

TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Derby Diocesan Board of Education for the purposes of company law) are responsible for preparing the Report of the Trustees 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

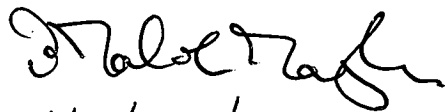
Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic and Directors' Report) Regulations 2013 has been omitted.

DISCLOSURE OF INFORMATION TO THE AUDITOR

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the Board of Trustees


14/5/25

The Rt Rev'd Malcolm Macnaughton, Bishop of Repton

Approved and authorised for issue by the Board on:

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

Opinion

We have audited the financial statements of Derby Diocesan Board of Education (the 'charitable company') for the year ended 31 December 2024 which comprise the statement of financial activities, statement of financial position, statement of cash flows and notes to the financial statements, including 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:

1. give a true and fair view of the state of the charitable company's affairs as at 31 December 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
2. have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
3. 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 other information comprises the information included in the report of the trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the report of the trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- 1 the information given in the report of trustees (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 2 the directors' report has been prepared in accordance with applicable legal requirements.

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

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 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:

- 1 adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- 2 the financial statements are not in agreement with the accounting records and returns; or
- 3 certain disclosures of directors' remuneration specified by law are not made; or
- 4 we have not received all the information and explanations we require for our audit; or
- 5 the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the entity through discussions with trustees and other management, and from our knowledge and experience of this charity's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the entity, including safeguarding legislation, health and safety and data protection laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the entity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

Auditor's responsibilities for the audit of the financial statements (continued)

To address the risk of fraud through management bias and override of controls, we

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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.

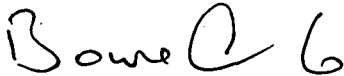
A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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.

David Meadows FCA (Senior Statutory Auditor)

For and on behalf of Bourne and Co, Statutory Auditor



6 Lichfield Street
Burton upon Trent
Staffordshire
DE14 3RD

Date: 16/5/25

DERBY DIOCESAN BOARD OF EDUCATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2024	Total 2023
		£	£	£	£	£
Income and endowments from						
Donations	2	-	-	-	-	-
Charitable activities	3	42,646	103,629	-	146,275	314,254
Investments	4	90,741	39,039	168,753	298,533	131,295
Total Income and endowments		133,387	142,668	168,753	444,808	445,549
Expenditure on						
Raising funds	5	2,595	48,641	-	51,236	28,791
Charitable activities	6	29,155	344,990	-	374,145	420,387
Total expenditure		31,750	393,631	-	425,381	449,178
Net income before investment gains/(losses)		101,637	(250,963)	168,753	19,427	(3,629)
Net (losses)/gains on investments	13	25,706	49	31,970	57,725	202,365
Net income		127,343	(250,914)	200,723	77,152	198,736
Gross transfers between funds	17	(132,634)	141,426	(8,792)	-	-
Net movement in funds		(5,291)	(109,488)	191,931	77,152	198,736
Reconciliation of funds:						
Total funds at 1 January		1,063,050	1,032,166	1,407,036	3,502,252	3,303,516
Total funds at 31 December		1,057,759	922,678	1,598,967	3,579,404	3,502,252

All activities derive from continuing activities.

The Statement of Financial Activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

**DERBY DIOCESAN BOARD OF EDUCATION
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2024**

	2024 £	2023 £
Total income (less endowment)	276,055	445,549
Total expenditure (less endowment)	(425,381)	(449,178)
Operating surplus for the year	<u>(149,326)</u>	<u>(3,629)</u>
Net (losses)/gains on investments	25,755	82,381
Total comprehensive income	<u>(123,571)</u>	<u>78,752</u>


The income and expenditure account is derived from the Statement of Financial Activities with movements in endowment funds excluded to comply with company law. All income and expenditure is derived from continuing activities.

DERBY DIOCESAN BOARD OF EDUCATION
STATEMENT OF FINANCIAL POSITION
(A company limited by guarantee)
REGISTERED NUMBER 00463908
AS AT 31ST DECEMBER 2024

	Notes	2024		2023	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	12		82,319		92,345
Investments	13		3,313,991		3,256,265
			<u>3,396,310</u>		<u>3,348,610</u>
Current Assets					
Debtors	14	44,724		60,410	
Cash at bank and in hand	15		999,225		1,007,128
			<u>1,043,949</u>		<u>1,067,538</u>
Creditors: amounts falling due within one year	16		(860,855)		(913,896)
Net Current Assets			<u>183,094</u>		<u>153,642</u>
Net assets			<u><u>3,579,404</u></u>		<u><u>3,502,252</u></u>
The Funds of the Charity:					
Unrestricted Funds (of which £350,974 (2023 - £325,268) is held in a revaluation reserve)	19		1,057,759		1,063,050
Restricted Funds (of which £735,584 (2023 - £735,351) is held in a revaluation reserve)	17		922,678		1,032,166
Endowment Funds (of which £475,284 (2023 - £323,330) is held in a revaluation reserve)	18		1,598,967		1,407,036
			<u><u>3,579,404</u></u>		<u><u>3,502,252</u></u>

The financial statements have been prepared in accordance with the special provisions relating to small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the Board


14/15/25

The Rt Rev'd Malcolm Macnaughton, Bishop of Repton

Approved and authorised for issue by the Board on

DERBY DIOCESAN BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
AS AT 31ST DECEMBER 2024

	2024 £	2023 £
Net cash (used in)/provided by by operating activities (see note below)		
Cash flows from Investing activities:	(297,644)	(106,481)
Dividends, interest and rents	289,741	131,295
Fixed asset additions	-	(1,087)
Investment additions	-	-
Net cash provided by/(used in) investing activities	289,741	130,208
Change in cash in the reporting period	(7,903)	23,727
Cash at the beginning of the period	1,007,128	983,401
Cash at the end of the period	999,225	1,007,128

Notes to the cash flow:

1 Cashflows from operating activities

	2024 £	2023 £
Net movement in funds	77,152	198,736
Depreciation	1,234	1,824
(Gains) / losses on fixed asset disposals	8,792	-
(Gains) / losses on investments	(57,726)	(202,365)
Donated assets	-	-
Dividends, interest and rents	(289,741)	(131,295)
Decrease / (increase) in debtors	15,686	(8,875)
Increase / (decrease) in creditors	(53,041)	35,494
Net cash provided / (used in) by operating activities	(297,644)	(106,481)

2 Analysis of changes in net debt

	As at 1st January 2024 £	Cashflows	Other non- cash changes £	As at 31st December 2024 £
Cash and cash equivalents:				
Cash	1,007,128	(7,903)	-	999,225
	1,007,128	(7,903)	-	999,225

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

1 Accounting policies Basis of preparation

The charitable company is a private company limited by guarantee registered and incorporated in England & Wales. The members of the company are the directors set out on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member. Derby Diocesan Board of Education meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the entity to continue as a going concern.

The Trustees make the assessment in respect of a period of at least one year from the date of authorisation of the financial statements and have concluded that the entity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the entity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets excluding freehold land, over their estimated useful lives, less residual value as follows:

Freehold property	2% straight line
Fixtures, fittings and equipment	33.3% straight line
Improvements to tenanted property	2% straight line

Freehold land is not depreciated.

The de minimis level used for asset capitalisation was £500 during the year.

**DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024**

1 Accounting policies (continued)

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

School properties

The charitable company acts solely as custodian trustee in respect of the school properties and the net acquisition costs, if any, of these properties are therefore written off in the year of acquisition. The proceeds of sale of any of these properties are therefore included in the charitable company's funds in the year of disposal. Costs incurred in respect of properties held for tenancy or ultimate sale are capitalised if material.

Debtors and creditors receivable/ payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Cash at bank and in hand

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

Fund accounting

Funds held by the charitable company are either:

Unrestricted funds - These are general funds which can be used in accordance with the charitable company's objectives at the discretion of the trustees.

Restricted funds - These are funds which are to be used in accordance with specific restrictions imposed by donors or which has been raised by the charitable company for particular purposes.

Endowment funds - These funds represent those assets which must be held permanently by the charitable company. The use of the income arising on these funds is restricted and specific. Any capital gains or losses arising on the investments form part of the fund. Further explanation of the nature and purpose of the restricted funds and endowment funds is included in note 16 and note 17.

Income recognition

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

Rental income is recognised on an accruals basis.

Schools' Devolved Formula Capital (DFC) and School Condition Allocation (SCA) Funds

The Department for Education (Dfe) make grants available to Voluntary Aided Church schools which can be used for 90% of the cost of capital works. The DBE holds these funds as agent and meets the 90% contributions from them. Each school's unspent amount of the DFC is identifiable.

The total DFC & SFA funds are reflected in Creditors with an equivalent amount held within Cash at Bank.

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

Expenditure recognition

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

Certain expenditure is directly attributable to specific activities and has therefore been included in these cost categories. Certain other costs which are attributable to more than one activity are apportioned across cost categories based on an estimate of the proportion of time spent on these activities. Irrecoverable Value Added Tax (VAT) is expensed in the SOFA (or if incurred as part of a fixed asset addition capitalised) and classified under the heading to which the expenditure relates to.

Employment benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Contributions in respect of the personal pension scheme of employees are charged to the statement of financial activities on an accruals basis.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term.

Redundancy payments

Redundancy benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The charity recognises redundancy benefits when it is committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal.

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.

Judgements and key sources of estimation uncertainty

There are no judgements (apart from those involving estimates) that have been made in the process of applying the above accounting policies that have had a significant effect on amounts recognised in the financial statements.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

An area of key estimation uncertainty, although not a significant risk due to annual professional valuations being undertaken, is the valuation of investment properties. The valuations are subject to judgements of an expert including, but not limited to, the state of repair of the properties, local knowledge and housing market fluctuations.

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

2 Donations

	Unrestricted	Restricted	Endowment	2024	2023
	£	£	£	£	£
Donated assets	-	-	-	-	-

3 Charitable activities

	Unrestricted	Restricted	Endowment	2024	2023
	£	£	£	£	£
DfE administration fee	3,875	-	-	3,875	9,544
Other income	24,963	-	-	24,963	20,031
School service legal agreements	13,808	-	-	13,808	12,129
Restricted Income - grants from Derby Diocesan Board of Finance	-	200,000	-	200,000	272,550
Restricted Income - grants repaid to Derby Diocesan Board of Finance	-	(96,371)	-	(96,371)	-
	<u>42,646</u>	<u>103,629</u>	<u>-</u>	<u>146,275</u>	<u>314,254</u>

In the previous year £41,704 related to unrestricted funds and £272,550 related to restricted funds.
During the year ended 31 December 2024, £96,371 of the grants received in the previous year, were repaid since they were ultimately not required.

4 Investment Income

	Unrestricted	Restricted	Endowment	2024	2023
	£	£	£	£	£
Rents receivable	43,980	-	-	43,980	51,671
Bank deposit interest	13,208	-	-	13,208	7,657
Other investment income	33,553	39,039	-	72,592	71,967
Sale of Great Longstone	-	-	168,753	168,753	-
	<u>90,741</u>	<u>39,039</u>	<u>168,753</u>	<u>298,533</u>	<u>131,295</u>

In the previous year, £93,163 related to unrestricted funds and £38,132 related to restricted funds.

5 Expenditure on raising funds

	Unrestricted	Restricted	Endowment	2024	2023
	£	£	£	£	£
Property running costs	-	38,972	-	38,972	26,818
Bad debts	2,595	-	-	2,595	745
Depreciation of improvements to tenanted properties	-	877	-	877	1,228
Disposal of improvements to tenanted properties	-	8,792	-	8,792	-
	<u>2,595</u>	<u>48,641</u>	<u>-</u>	<u>51,236</u>	<u>28,791</u>

In the previous year, £745 related to unrestricted funds and £28,046 related to restricted funds.

6 Charitable Activities

	Note	Direct Costs	Other Direct	2024	2023
		£	£	£	£
Grants payable		-	-	-	-
Administration costs	7	330,680	-	330,680	379,092
Establishment expenses	8	19,192	-	19,192	14,702
Training and resources	9	24,273	-	24,273	26,593
		<u>374,145</u>	<u>-</u>	<u>374,145</u>	<u>420,387</u>

All costs in the previous year were direct costs.

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

7 Administration costs

	Unrestricted	Restricted	Endowment	2024	2023
	£	£	£	£	£
Specialist conferences	-	-	-	-	-
Subscriptions	-	451	-	451	302
Officer expenses	3,328	2,928	-	6,256	8,000
Photocopier	-	-	-	-	-
Postage	-	208	-	208	180
Stationery	-	43	-	43	276
Telephone	-	286	-	286	170
Hospitality	-	1,017	-	1,017	843
Sundry expenses	-	511	-	511	212
Audit and accountancy fees	9,288	10,200	-	19,488	24,544
Legal and professional fees	-	41,908	-	41,908	53,185
Consultancy	1,688	80,246	-	81,934	78,300
Bank charges	-	507	-	507	471
Reimbursement to DBF	-	-	-	-	-
Office staff costs (note 11)	-	178,071	-	178,071	212,609
Appeals	-	-	-	-	-
Other expenditure	-	-	-	-	-
Derby Diocesan Academy Trust Expenditure	-	-	-	-	-
	<u>14,304</u>	<u>316,376</u>	<u>-</u>	<u>330,680</u>	<u>379,092</u>

In the previous year costs of £69,732 were unrestricted and costs of £309,360 were restricted.

8 Establishment expenses

	Unrestricted	Restricted	Endowment	2024	2023
	£	£	£	£	£
ICT costs	-	4,996	-	4,996	3,138
Lease hire of equipment	-	431	-	431	1,241
Insurance	-	13,408	-	13,408	9,727
Depreciation of fixtures, fittings and equipment	-	357	-	357	596
	<u>-</u>	<u>19,192</u>	<u>-</u>	<u>19,192</u>	<u>14,702</u>

All costs in the previous year were restricted.

9 Training and resources

	Unrestricted	Restricted	Endowment	2024	2023
	£	£	£	£	£
Events and publicity	14,851	9,422	-	24,273	26,593
Resources library	-	-	-	-	-
	<u>14,851</u>	<u>9,422</u>	<u>-</u>	<u>24,273</u>	<u>26,593</u>

In the previous year costs of £13,569 were unrestricted and costs of £13,024 were restricted.

10 Auditor's remuneration

	2024	2023
	£	£
Fees payable to the auditor for the audit of the Trust's annual accounts.	<u>10,200</u>	<u>10,200</u>
	<u>10,200</u>	<u>10,200</u>

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

11 Staff Costs

	2024	2023
	£	£
Wages and salaries	126,243	170,718
Social security costs	11,040	13,664
Other pension costs	40,788	28,227
	<u>178,071</u>	<u>212,609</u>

	2024	2023
	No.	No.
Average number of employees:	3	4

Number of employees earning more than £60,000 per annum:		
£60,001 to £70,000	1	-
£70,001 to £80,000	-	-
£80,001 to £90,000	-	-

Trustees' travel expenses of £NIL (2023: £227) were reimbursed during the year for 0 trustee (2023: 1 trustee). None of the trustees have been paid remuneration in either year.

Remuneration of key management personnel

As in 2023, the role of Acting Director of Education in 2024 was provided externally, the costs of which amounted to £79,908 (2023: £76,625)

12 Tangible fixed assets

	Freehold land and property	Fixtures fittings and equipment	Improvements to tenanted properties	Total
	£	£	£	£
Cost				
At 1st January 2024	74,485	26,189	64,353	165,027
Additions				
Disposals		(16,632)	(17,584)	(34,216)
At 31st December 2024	<u>74,485</u>	<u>9,557</u>	<u>46,769</u>	<u>130,811</u>
Depreciation				
At 1st January 2024	19,363	25,253	28,066	72,682
Charge for the year		357	877	1,234
Disposals		(16,632)	(8,792)	(25,424)
At 31st December 2024	<u>19,363</u>	<u>8,978</u>	<u>20,151</u>	<u>48,492</u>
Net book value				
At 31st December 2024	<u>55,122</u>	<u>579</u>	<u>26,618</u>	<u>82,319</u>
At 31st December 2023	<u>55,122</u>	<u>936</u>	<u>36,287</u>	<u>92,345</u>

Included within freehold land and property is land which is not depreciated with a cost of £55,122 (2023: £55,122).

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

13 Fixed asset investments

	2024	2023
	£	£
Investment securities within the United Kingdom (market value)		
At 1st January 2024	2,496,265	2,293,900
Additions	-	-
Disposals	-	-
Realised gains / (losses)	-	-
Unrealised gains / (losses)	57,726	202,365
At 31st December 2024	2,553,991	2,496,265
Investment properties (market value)		
At 1st January 2024	760,000	760,000
Additions	-	-
Disposals	-	-
Realised gains / (losses)	-	-
Unrealised gains / (losses)	-	-
At 31st December 2024	760,000	760,000
Total fixed asset investments	3,313,991	3,256,265
	2024	2023
	£	£
Market value of investment securities held with:		
CCLA Investment Management Ltd:		
COIF Charities Investment Fund income units	50,921	49,561
CBF Investment Fund income units	2,386,750	2,333,440
Investment in M&G Charfund units	116,320	113,264
	2,553,991	2,496,265
Historic cost of investment securities	1,729,786	1,729,786
Investment properties comprise:		
Ashford School House	400,000	400,000
Ashford Former School	350,000	350,000
Starkholmes	10,000	10,000
	760,000	760,000
Historic cost of investment properties.	22,364	22,364

The investment property valuations have been supplied by Milner Commercial (the DBE Chartered Surveyor), as 31st December 2024.

14 Debtors

	2024	2023
	£	£
Trade debtors	19,142	28,366
Other debtors and accrued income	18,338	29,789
Prepayments	7,244	2,255
	44,724	60,410

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

15 Cash at bank and in hand

Included within cash is £823,126 at the balance sheet date (2023: £818,540) which is Buildings Capital Grant held by the charitable company on behalf of a number of schools.

16 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	2,054	51,205
Accruals	35,675	44,151
Creditors (funds held as agent):		
School building and IT projects (note 28)	522,119	387,540
School DFC projects	301,007	330,242
Universal Infant Free School Meal (UIFSM)	-	100,758
	823,126	818,540
	860,855	913,896

17 Restricted funds

Current year	At 1st January 2024	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2024
	£	£	£	£	£	£
Restricted Income funds						
NCSL	5,016	-	-	-	-	5,016
Schools Improvement	-	-	-	-	-	-
System Leadership	1,872	-	-	-	-	1,872
Aspirant Heads	3,321	-	-	-	-	3,321
RE Net	2,189	-	-	-	-	2,189
Derby Diocesan Board of Finance Fund	-	103,628	(304,703)	-	201,075	-
Youth Anglo Catholic Work	-	-	-	-	-	-
Ashford School House	400,000	-	-	-	-	400,000
Ashford Former School	350,000	-	-	-	-	350,000
Starkholmes Land	10,000	-	-	-	-	10,000
Special Projects Funds	4,006	-	-	-	-	4,006
Derbyshire Association of Church Schools	6,074	663	-	-	-	6,737
Gell Memorial Prizes Fund	6,075	600	-	-	-	6,675
Byroms Charity	3,542	60	-	49	-	3,651
s554 Income Funds	240,071	37,717	(88,928)	-	(59,649)	129,211
	1,032,166	142,668	(393,631)	49	141,426	922,678

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

17 Restricted funds (continued)

Prior year	At 1st January 2023	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2023
	£	£	£	£	£	£
Restricted income funds						
NCSL	5,016	-	-	-	-	5,016
Schools Improvement	-	-	-	-	-	-
System Leadership	1,872	-	-	-	-	1,872
Aspirant Heads	3,321	-	-	-	-	3,321
RE Net	2,189	-	-	-	-	2,189
Derby Diocesan Board of Finance Fund	-	272,550	(364,632)	-	92,082	-
Youth Anglo Catholic Work	-	-	-	-	-	-
Ashford School House	400,000	-	-	-	-	400,000
Ashford Former School	350,000	-	-	-	-	350,000
Starkholmes Land	10,000	-	-	-	-	10,000
Special Projects Funds	4,006	-	-	-	-	4,006
Derbyshire Association of Church Schools	5,558	516	-	-	-	6,074
Gell Memorial Prizes Fund	5,987	588	(500)	-	-	6,075
Byroms Charity	1,159	59	-	184	2,140	3,542
s554 Income Funds	203,102	36,969	-	-	-	240,071
	992,210	310,682	(365,132)	184	94,222	1,032,166

NCSL Fund

Funding provided by the National College of School Leadership (NCSL) specifically to facilitate the development of leadership of teachers in church schools.

School Improvements Fund

Funding received from the Derby Diocesan Board of Finance £NIL (2023: £Nil) to facilitate the development of school improvement services.

System Leadership Fund

Funding provided by NCSL to support, develop and attract potential head teachers.

Aspirant Heads Fund

Funding provided by the National College School Development Support Agency to provide CPD for potential church leaders.

RE Net Fund

Funding received from St Christopher's College Education Trust for the professional development of Religious Education Coordinators and for the improvement of

Derby Diocesan Board of Finance Fund

During the year £200,000 (2023: £272,550) was received from the Derby Diocesan Board of Finance as a contribution towards officers' salaries and administration costs. £96,371 of the 2023 grant was voluntarily repaid in the year ended 31st December 2024.

Youth Anglo Catholic Work

Funding for expenditure on Youth Anglo Catholic projects. Income is released as expenditure is incurred for work on developing young people from Anglo Catholic backgrounds.

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

17 Restricted Funds (continued)

Ashford School House

In 2020, legal advice received from the DBE solicitor suggested it would be prudent to reclassify Ashford School House as a restricted fund. Clarity with regards to the sale proceeds, should a sale take place, would only be ascertained after the sale of the property.

Ashford Former School

In 2019, legal advice received from the DBE solicitor suggested Ashford Former School should be capitalised as an asset belonging to the DBE. The current condition of the property does not reflect the potential future value.

Land at Starkholmes

In 2019, legal advice received from the DBE solicitor suggested land at Starkholmes, valued at £10,000 in current conditions, could potentially be sold for up to £200,000 should development opportunities arise. The Board is currently investigating the potential opportunities available for development on the land.

s554 Income Funds

The income of the Trust may be applied in or towards the purchase of a site for, or the erection, improvement or enlargement of, or maintenance of, any relevant school or teacher's house in the area. It may also be applied in or towards the provision of advice, guidance and resources in connection with any matter related to the management of, or education provided at, any relevant school in the area; the provision of services for carrying out inspections; or to defray the cost of employing or engaging staff in connection with the above.

Transfer between funds

A transfer has been made from unrestricted funds to restricted funds to cover a deficit on restricted funds.

18 Endowment Funds - Permanent

Current year

	At 1st January 2024	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2024
	£	£	£	£	£	£
Special Projects Funds	17,765	-	-	-	-	17,765
Derbyshire Association of Church Schools	14,270	-	-	521	-	14,791
Gell Memorial Prizes Fund	22,312	-	-	493	-	22,805
Byroms Charity	865	-	-	-	-	865
s554 Capital Funds	1,351,824	168,753	-	30,956	(8,792)	1,542,741
	1,407,036	168,753		31,970	(8,792)	1,598,967

Prior Year

	At 1st January 2023	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2023
	£	£	£	£	£	£
Special Projects Funds	17,765	-	-	-	-	17,765
Derbyshire Association of Church Schools	12,440	-	-	1,830	-	14,270
Gell Memorial Prizes Fund	20,461	-	-	1,851	-	22,312
Byroms Charity	865	-	-	-	-	865
s554 Capital Funds	1,218,873	-	-	116,303	16,648	1,351,824
	1,270,404			119,984	16,648	1,407,036

The income arising from the endowment funds is accounted for in restricted funds of the charitable company and may be used as follows:

Special Projects Funds:

- 80% towards general commitments and special projects
- 5% towards religious education
- 5% towards Sunday schools
- 10% towards youth work

Derbyshire Association of Church Schools

The funding of repairs, alterations or improvements in church schools, which are not eligible for grants from DfE or the local authority.

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

18 Endowment funds (continued)

Gell Memorial Prizes Fund

The making of awards and prizes to children within the Diocese in respect of religious education projects.

Byroms Charity

The furtherance of Christian education in certain parishes in Derby.

s554 Capital Funds

These represent funds held under Trusts arising from the sale of redundant educational properties (Shirland, Mill Street and Wessington). The capital of the Trust may be applied in or towards the purchase of a site for, or the erection, improvement or enlargement of, or maintenance of, any relevant school or teacher's house in the area. The income earned on these funds is accounted for in the restricted income funds.

19 Unrestricted funds

Current year

	At 1st January 2024	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2024
	£	£	£	£	£	£
Unrestricted funds	1,063,050	133,387	(31,750)	25,706	(132,634)	1,057,759

Prior year

	At 1st January 2023	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2023
	£	£	£	£	£	£
Unrestricted funds	1,040,902	134,867	(84,046)	82,197	(110,870)	1,063,050

20 Summary of net assets by fund Current year

Current Year

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Tangible fixed assets	82,319	-	-	82,319
Investments	1,124,942	762,189	1,426,861	3,313,991
Current assets	711,354	160,489	172,105	1,043,949
Current liabilities	(860,855)	-	-	(860,855)
Total net assets	1,057,759	922,678	1,598,967	3,579,404

Prior year

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Tangible fixed assets	92,345	-	-	92,345
Investments	1,099,229	762,140	1,394,896	3,256,265
Current assets	778,642	276,756	12,140	1,067,538
Current liabilities	(907,166)	(6,730)	-	(913,896)
Total net assets	1,063,050	1,032,166	1,407,036	3,502,252

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

21 Operating lease commitments

At 31st December 2024 the charitable company had annual commitments under other non-cancellable operating leases as follows:

	2024	2023
Expiry date:	£	£
Between 1 and 2 years	-	398
Between 2 and 5 years	-	-
	-	398

Lease payments recognised as an expense were £431 (2023 - £796)

22 Contingent liabilities

By virtue of the nature of the charitable company's activities there may be potential liabilities in respect of past property transactions in relation to which the legalities have not been completed. There are no such potential liabilities known to the members of the Board at this time.

23 Capital commitments

As part of its general activities the charitable company is committed to substantial expenditure on the construction, improvement and repair of church schools. These costs will however be eligible for reimbursement by virtue of grants received or contributions from the individual school governing bodies and the Board does not deem these costs to be capital commitments entered into by the Board.

24 Pension scheme

The pension charge represents contributions paid by the charitable company to personal pension schemes of employees during the year to the value of £25,951 (2023: £28,227). At the year end, amounts payable to schemes totalled £NIL (2023: £1,281).

25 Related party transactions

The work of Derby Diocesan Board of Education is funded partly by the Derby Diocesan Board of Finance, who pay the majority of the officers' salary costs and makes a grant towards operating costs. During the year an amount of £200,000 (2023: £272,550) was received from the Derby Diocesan Board of Finance. The Rt. Reverend Libby Lane was a director of both companies during the year. The balance owing to the Derby Diocesan Board of Finance was £Nil at the year end (2023 - £Nil). £96,371 of the 2023 grants of £272,550 were ultimately to the Derby Diocesan Board of Finance in the year ended 31st December 2024.

The Derby Diocesan Board of Education (DBE) is looking to maximise income from DBE Investments and evaluate other income generation streams whilst being directly support by the DBF. The DBE therefore has made a voluntary commitment to utilise up to £100,000 of unrestricted reserves to fund any deficits arising over the next three years, and to return any unspent DBF grant monies. The refund will be calculated based upon the statutory financial statements and agreed by both parties.

26 Controlling party

The charitable company is controlled by the Board of Trustees. In the opinion of the trustees, there is no overall controlling party.

27 Funds held as custodian trustee on behalf of others

There are a number of school properties, which are not recorded as assets held on behalf of others, as the destination of sale proceeds is uncertain.

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024

28 Funds held as agent

School DFC Projects

The Board assists Voluntary Aided schools with the administration of funding for school building projects. The Board acts as agent on behalf of school governing bodies in receiving funds from the Department for Education, local authorities and other funding sources and settling contractors' costs and professional fees. This activity of the Board is not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the Board.

Movement on the funds held by the Board as agent during the year were as follows:

	£
Balance as at 1 January 2024	330,243
Total income during the year	94,061
Total expenditure during the year	<u>(123,297)</u>
Balance as at 31 December 2024	<u>301,007</u>

School building and IT projects

The Board assists Voluntary Aided schools with the administration of funding for school building projects and provision of IT equipment. The Board acts as agent on behalf of school governing bodies in receiving funds from the Department for Education, local authorities and other funding sources and settling contractors' costs and professional fees. This activity of the Board is not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the Board.

Movement on the funds held by the Board as agent during the year were as follows:

	£
Balance as at 1 January 2024	387,540
Total income during the year	294,078
Total expenditure during the year	<u>(159,499)</u>
Balance as at 31 December 2024	<u>522,119</u>

Universal Infant Free School Meal (UIFSM)

The Board assists Voluntary Aided schools with the administration of funding for school building projects. The Board acts as an agent on behalf of school governing bodies in receiving funds from the Department of Education, local authorities and other funding sources and settling contractors' costs and professional fees. In 2015 additional funding was allocated to help schools upgrade their kitchens, this was a core element of the Universal Infant School Free Meals Programme at that time. The additional allocation was not ring-fenced, and it is likely that it may have been spent on a variety of capital works projects, just as the regular annual allocations (LCVAP at that time) were used for capital projects relating to kitchens. Within DBE's recent annual accounts there has been £100k relating to the historic UIFSM allocation. The Department of Education have confirmed that there is not a gap in their reconciliation and this £100k can be allocated to capital works programmes in schools. The activity of the Board is not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the Board.

Movement on the funds held by the Board as agent during the year were as follows:

Balance as at 1 January 2024	100,758
Utilised by School building and IT projects	<u>(100,758)</u>
Balance as at 31 December 2024	<u>-</u>

**DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024**

29 Prior Year Comparative Statement of Financial Activities

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Income and endowments from				
Donations				
Charitable activities	41,704	272,550	-	314,254
Investments	93,163	38,132	-	131,295
Total Income and endowments	<u>134,867</u>	<u>310,682</u>	<u>-</u>	<u>445,549</u>
Expenditure on				
Raising funds	745	28,046	-	28,791
Charitable activities	83,301	337,086	-	420,387
Total expenditure	<u>84,046</u>	<u>365,132</u>	<u>-</u>	<u>449,178</u>
Net (expenditure) / Income before Investment gains	50,821	(54,450)	-	(3,629)
Net gains / (losses) on investments	82,197	184	119,984	202,365
Net (expenditure) / Income	<u>133,018</u>	<u>(54,266)</u>	<u>119,984</u>	<u>198,736</u>
Gross transfers between funds	(110,870)	94,222	16,648	-
Net movement in funds	<u>22,148</u>	<u>39,956</u>	<u>136,632</u>	<u>198,736</u>
Reconciliation of funds:				
Total funds at 1st January 2023	1,040,902	992,210	1,270,404	3,303,516
Total funds at 31st December 2023	<u>1,063,050</u>	<u>1,032,166</u>	<u>1,407,036</u>	<u>3,502,252</u>

DERBY DIOCESAN BOARD OF EDUCATION

England & Wales - Charity number 527038

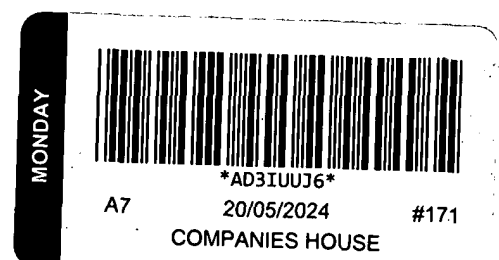
Accounts

Registered Company Number: 00463908
Charity Number 527038

DERBY DIOCESAN BOARD OF EDUCATION
(Incorporated as a company limited by guarantee)

REPORTS AND FINANCIAL STATEMENTS
YEAR ENDED

31st December 2023



DERBY DIOCESAN BOARD OF EDUCATION

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DERBY DIOCESAN BOARD OF EDUCATION

CHARITABLE COMPANY PARTICULARS

President & Chairman (& Trustee)	The Rt. Reverend Bishop Elizabeth Lane
Bishop's Nominee and Chair of the Board (& Trustees)	The Venerable C. Coslett (resigned 17.02.23) The Venerable N. Fenton (appointed 12.12.23) The Rt. Reverend Bishop M. Macnaughton (Chair)
Other Trustees (Synod Appointments)	Mrs. S. Barley-McMullen Mrs C. Fearrie Canon C. Holmes-Elener Mr S. Morris The Reverend D. Mundy Mr J. Payne The Reverend P. Selby The Reverend S. Watson The Reverend N. Fenton (appointed 12.12.23)
Co-opted	Mr. J. Clapham Mrs O Gilbertson (appointed 16.02.23) Mrs T Nicholls (appointed 16.02.23) Mrs A Tinkler (appointed 16.02.23)
Secretary and Director of Education	Canon C. Lewis
Registered Office	Derby Church House Full Street Derby, DE1 3DR
Senior Statutory Auditor	Mr D Meadows FCA
Independent Auditor	Boume and Co Statutory Auditor 6 Lichfield Street Burton upon Trent, Staffordshire DE14 3RD
Bankers	National Westminster Bank 58 St Peters Street, Derby, DE1 1XL
Solicitors	Lee Bolton Morier Williams 1 The Sanctuary, Westminster, London SW1P 3JT
Company Registered Number	00463908
Charity Registered Number	527038

DERBY DIOCESAN BOARD OF EDUCATION
CHAIR'S REPORT

Chair's report for year ending December 2023

Firstly, my thanks go to all of the team who have tirelessly supported schools, churches and households and worked professionally to continue to embrace the Church of England vision for Education, which is deeply Christian with Jesus' promise of "Life in all its fullness" at its heart. The Board continues to act as an advocate for children and young people supporting headteachers, governors, clergy and parishes in order that they may proclaim the gospel through their actions, words and the community life they build. Our church school family has continued to face challenges following the pandemic and a cost-of-living crisis which is affecting so many households. Despite these challenges, throughout 2023 the DBE's responsibility for advancing the work of Christian education and training in the parishes of the Diocese has continued to develop and strengthen, enabling and supporting the work of the 111 Church of England schools, including one joint Church of England/Methodist and one joint Church of England/Roman Catholic School within the Diocese.

As Chair, I have continued to enjoy the role, working alongside the trustees and officers and seeing the Board grow in confidence and expertise. It has been a delight over the last year, to visit many schools and to see children, young people and adults flourish in their growing, learning and development



The Rt Rev'd Malcolm Macnaughton, Bishop of Repton

Date:

DERBY DIOCESAN BOARD OF EDUCATION
,REPORT OF THE TRUSTEES

The Trustees present their report and the audited financial statements of the charity for the year ended 31st December 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

OBJECTIVES AND ACTIVITIES

The Board continues to exercise many of its functions through the work of 2 sub committees, namely the School Effectiveness committee and the Business & Operations committee (formerly known as the Finance and Property Committee); each with their own Terms of Reference which are regularly reviewed. The aim of these groups was to facilitate more in depth working of key areas of the statutory functions determined by the Diocesan Bonds of Education Measure 2021. The broad areas are as follows:

- 1 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;
- 2 to promote or assist in the promotion of religious education and religious worship in schools in the diocese;
- 3 to promote or assist in the promotion of church schools in the diocese;
- 4 to promote co-operation between itself and other persons concerned with education in the diocese

More detail about the work of each committee and the links with the DBE Measure may be found in the Terms of Reference published on the DBE's website.

The DBE's principal activity is the provision of a wide range of services aimed at serving and equipping Church of England schools and academies and community schools in formal partnerships. The ability to provide these services was impacted by the reduction in capacity of the DBE staff team prior to 2022 and as a consequence of the pandemic. This was addressed in 2021 by a short-term action plan which was concluded by July 2022.

During 2022, the DBE re-evaluated its Vision and Strategy. These have now been freshly articulated and have been shared with Diocesan stakeholders and schools. The vision is not yet fully embedded across the family of church schools and so work during 2023 has continued to raise its profile. The DBE's Vision is as follows:

TRANSFORM, GROW, BUILD

Living out the values of **generous faith, courageous hope and life-giving love**, the DBE will support our diocesan family of schools to offer:

- *life-giving, life-changing learning through excellent education, shaped by a distinctively Christ-like vision and ethos*
- inclusive and Inspirational Collective Worship, inviting all to grow in faith
- excellent Religious Education, enabling children and young people to reflect critically and explore faith, belief, and Christian responses to life's big questions
- hospitality, hope and love to children, young people and households
- a sense of belonging to those of all faiths and none, building community near and far, local and global

From the DBE's Vision, a 3-year Strategic Plan has been developed which focuses the work of the trustees and staff team. A range of aspirational success indicators have been identified which will enable trustees to evaluate the effectiveness of the Strategic Plan.

In addition to the 3-year Strategic Plan, the DBE has also formulated a Multi-Academy Trust Strategy, recognising the direction of travel in terms of national policy but also following reflection on the local context of the Diocese of Derby.

The principal beneficiaries of the DBE's work are approximately 15,000 children and young people attending the 110 Church of England primary schools and 1 Church of England secondary school within the diocese across 2 Local Authorities. These are the City of Derby and Derbyshire. Of the primary schools, 19 are Voluntary Aided (VA), 63 are Voluntary Controlled (VC) and 28 are academies. The 1 secondary school is also an academy. Of the 29 academies, 14 of the former VA primary schools, 11 of the former VC primary schools and the 1 secondary school are in Derby Diocesan Academy Trust (DDAT) currently the only diocesan majority MAT. By December 2022, 42% of the VA schools and 15% of the VC schools had joined the Trust. There are 4 community schools in the Trust and one Free School (Derby Cathedral School). In addition, 2 schools are part of the Embark MAT and 1 school is part of the John Taylor MAT .

Wider than this, the DBE also aims to promote and assist in the promotion of education consistent with the faith and practice of the Church of England across the diocese as a whole.

Public benefit

The Trustees confirm that they have given careful consideration to the Charity Commission's general guidance on public benefit.

Modern Slavery Statement

The Board is strongly opposed to slavery and human trafficking. We strive to act ethically and with integrity in all of our business dealings and relationships to ensure that slavery and human trafficking are not taking place within our organisation or our supply chain.

The Statutory Inspection of Anglican and Methodist Schools (SIAMS)

During the Spring and Summer of 2023 there were four inspections of which three were "Good" and one was "Excellent". During the Summer training was provided to school leaders - heads, deputies and governors, Religious Education and Collective Worship leads regarding the new framework that was launching in Autumn 2023.

During the Autumn Term there were seven inspections under the new framework. These resulted in six schools receiving a judgement that they were living up to their foundations as a Church school. One school was found to have strengths as a Church school but there were areas that leaders needed to address as a matter of urgency. This school is in receipt of support from the DBE in developing their Christian vision and is also undergoing forced academisation.

As a DBE we are responsible for providing training, advice and guidance for schools in relation to their Christian vision and character, Religious Education and Collective Worship, The Deputy Director has been visiting schools to discuss and identify areas for support. This support has been offered in the form of training, discussions with school leaders including governors and also networking for Religious Education and Collective Worship leads.

From the Autumn of 2023 the Deputy Director has undertaken training to become an inspector for SIAMS. The DBE has also supported four headteachers from the Diocese to undertake the training.

**DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES**

DBE Key Partnerships

a) Church of England Foundation for Education and Learning

The Director has continued to work in partnership with the Church of England Education Office. DBE Officers have supported the Diocese of Derby Academy Trust in becoming a delivery partner for National Professional Qualifications (NPQs).

b) Local Authority and other Dioceses

Small school sustainability continues to be a challenge. The DBE, in partnership with the Local Authority, continues to advise our schools around different models to achieve a more sustainable and viable future.

As the number of VA schools across Derby City and Derbyshire not in a multi-academy trust has reduced over the past few years, the 'pot' from which they would access funding for building works has decreased. This led the Derby DBE to join with Leicester, Southwell & Nottingham and Coventry Dioceses to form a group with several schools large enough to carry on receiving funding. In 2023/2024, Derby Diocese received £298,707.24 in funding towards schools building projects. This funding is school conditions allocations (SCA) and the diocese received four equal payments of £74,676.81 in May, June, July and August.

c) Department for Education (DfE)

The DBE continues to work in partnership with the DfE and in particular the Regional Director. This work is focused largely on academisation.

Children's and young people's work

The DBE has been engaged in the Growing Faith Leadership and Strategic Planning group. This group have been working to develop the long term strategy for growing younger within the Diocese. The Glossopdale Hub is established and learning from this is being shared to help support churches develop their ministries and for schools to see how they can work with churches. There is a pilot to be launched in 2024 around Schools and Churches working together to develop worshipping communities. The DBE will be working with the Diocese to apply for this pilot.

Other

Other areas of development across the DBE have included the continued publication of many new and revised policies where our Christian vision is now explicit. The DBE has a dedicated website which increasingly contains wide-ranging information to support schools, governors, clergy and parishes.

RISK MANAGEMENT

The Trustees have considered the major strategic and operational risks, which the charitable company faces and are satisfied that the necessary steps have already been taken to lessen these risks.

The risk register, which is reviewed periodically, identifies key areas where the risk of either the failure to act or the impact of the events could represent a material risk to the organisation. Each area is given a "RAG" (Red / Amber / Green) rating and mitigation strategies are put in place.

Currently there are no high (red rated) risk areas.

Previously one non-financial risk area - "Schools Partnership with DBE" was rated as high (red) risk however the ongoing work of the DBE Team, specifically the Deputy Director, is beginning to positively impact and the risk was downgraded to amber towards at the end of 2023.

FINANCIAL REVIEW

The Board invests the majority of its funds through CCLA Investment Management who are accountable for investment performance. A substantial element of the Board's funds need to be kept liquid because of its role in 'bridging' building projects in schools between payment of invoices to contractors and the receipt of grants from DfE.

The Board assists Voluntary Aided schools with the administration of funding for school building projects and provision of IT equipment. The Board acts as agent on behalf of school governing bodies in receiving funds from the Department for Education, local authorities and other funding sources and settling contractors' costs and professional fees. The DfE Grant and associated expenditure are not costs of the charity and therefore are not reflected in the statement of financial activities. The statement of financial activities for the year and the statement of financial position of the charitable company at the year-end are shown on pages 13 and 15 respectively. Unrestricted funds show net income before transfers of £133,018 (2022: net expenditure of £96,256) Restricted funds show net expenditure before transfers of £54,266 (2022: net income of £126,490). Endowment funds show net income of £119,984 (2022: net expenditure of £170,175).

As set out in Notes 17, 18 and 19 the Board holds and administers a large number of restricted and endowment funds. As at 31 December 2023 restricted funds totalled £1,032,166 (2022 - £992,210) and endowment funds totalled £1,407,036 (2022 - £1,270,404) Neither are available for the general purposes of the Board. Unrestricted general funds totalled £1,063,050 (2022: £1,040,902).

Investment policy

Under the Memorandum and Articles of Association, the Board has the power to make any investment that the trustees see fit. The Board has an agreed ethical stance on investments and will not make investments in companies that deal in or produce armaments. Most of the investments are held with CCLA Investment Management Ltd. The value of financial investments has increased in the year with net gains of £202,365 (2022: net losses of £297,812). Investment properties had an unrealised gain of £nil (2022: £175,000).

Reserves policy

The Board strives to ensure that it maintains sufficient reserves to enable it to continue to achieve the objectives of the charitable company for the foreseeable future. This involves, as of necessity, ensuring that adequate reserves are maintained to provide a level of income that will support future activity. This income is supplemented by capital arising from the sale of buildings which may become surplus to requirements. This flexibility permits the charitable company's capital to be depleted in years of high expenditure on building projects. The work of the Board is funded jointly by the Derby Diocesan Board of Finance, who make a grant towards operating costs, and income on the Board's financial investments. The Board also derives a small income from letting a number of properties. Additional income may be derived from the sale of redundant school buildings.

**DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES**

Free reserves

The trustees' reserves policy is to ensure the provision of adequate financial resources in an environment of constant change and increasing challenge, without having to make sudden increases in charges for services. The policy is therefore for General Fund reserves, not held in fixed assets, to be within a wide range of between three and twelve months' worth of the year's total expenditure.

Free reserves include listed investments held by the Board which can readily turned into cash. In order to maximise operational income, the Board holds shares, as these provide significantly better returns than reserves held in the bank. The Board can easily draw down these reserves should the need arise. The balance of unrestricted free reserves at 31 December 2023 was £970,705 (2022: £947,820).

Reserves tied up in fixed assets

Unrestricted funds comprise net assets amounting to £1,063,050 (2022: £1,040,902) of which £92,345 (2022: £93,082) is held as tangible fixed assets. Some of these reserves are designated for projects that will be carried out in the future in line with the vision of the DBE, such as an ongoing review of properties and options to maximise return on investment.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Derby Diocesan Board of Education is a charitable company limited by guarantee. The liability of the members is limited to £1.

As set out in the Articles of Association, the Chairman of the Board is either the Bishop of Derby or someone appointed by the Board in consultation with the Bishop. Members normally serve for three years. The trustees are appointed as follows:

- (1) The Bishop who is the President of the Board
- (2) Two persons nominated by the Bishop
- (3) Not less than seven or more than nine persons appointed by the Diocesan Synod
- (4) Not less than one person or more than four persons co-opted by the Board.

Directors and Trustees

The Directors of the Board, are also the trustees of the charitable company during the year, and at the date of this report, are set out on page 1. The Board appoints a Director of Education to whom its officers are accountable.

Trustee recruitment, selection & induction

The Trustees of the charitable company ("the charity") are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Board. New members are offered an The Diocesan Director of Education holds the title "Director", but this relates to their function within the organisation and has no legal meaning within the terminology associated with the Companies Act. All Trustees are required to maintain their entry in the record of declarations of interest and loyalty.

The Board has indemnity insurance for its trustees and key management personnel and £1,000,000 (2022 - £1,000,000) of cover is provided.

Remuneration of key management personnel

Emoluments of higher-paid employees are determined by the Business & Operations Committee, as and when required.

The terms of reference for this group is established by the Board and include:

- regular appraisals,
- remuneration and salary benchmarking and
- recommendation of changes where necessary.

Delegation of day to day delivery

The Trustees and the sub-committees which assist them in the fulfilment of their responsibilities, rely upon the Director of Education and colleagues for the delivery of the day-to-day activities of the company. The Director of Education is given specific and general delegated authority to deliver the business of the Board in accordance with the policies framed by the Trustees.

RELATED PARTIES

Derby Diocesan Board of Finance Ltd (DBF)

The primary object of the DBF is to act as the financial executive of the Diocesan Synod. Whilst the DBE is separately incorporated, the DBF provides resources which enable the DBE to fulfil its statutory functions and also to facilitate the shared vision for mission and ministry with children and young people.

Derby Diocesan Academy Trust Ltd (DDAT)

The primary object of the DDAT is outlined in its Articles of Association. DDAT is related to the DBE in Governance. Services that can only be delivered by the DBE, which provide essential functions fundamental to the religious character and ethos of the academy trust, are deemed as meeting the "at-cost" requirements. These transactions are declared by the Academy Trust to the Education & Skills Funding Agency.

Fundraising

The charitable company does not carry out significant fundraising activities.

**DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES**

TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Derby Diocesan Board of Education for the purposes of company law) are responsible for preparing the Report of the Trustees 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

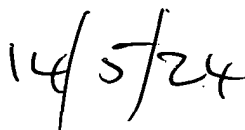
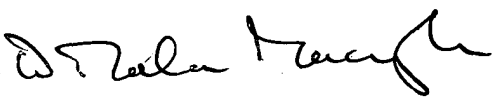
Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic and Directors' Report) Regulations 2013 has been omitted.

DISCLOSURE OF INFORMATION TO THE AUDITOR

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the Board of Trustees



The Rt Rev'd Malcolm Macnaughton, Bishop of Repton

Approved and authorised for issue by the Board on:

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

Opinion

We have audited the financial statements of Derby Diocesan Board of Education (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, statement of financial position, statement of cash flows and notes to the financial statements, including 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:

1. give a true and fair view of the state of the charitable company's affairs as at 31 December 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
2. have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
3. 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 other information comprises the information included in the report of the trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the report of the trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- 1 the information given in the report of trustees (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 2 the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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:

- 1 adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- 2 the financial statements are not in agreement with the accounting records and returns; or
- 3 certain disclosures of directors' remuneration specified by law are not made; or
- 4 we have not received all the information and explanations we require for our audit; or
- 5 the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the entity through discussions with trustees and other management, and from our knowledge and experience of this charity's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the entity, including safeguarding legislation, health and safety, data protection laws and s54 of the Education Act 1996;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the entity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

Auditor's responsibilities for the audit of the financial statements (continued)

To address the risk of fraud through management bias and override of controls, we

- performed analytical procedures to identify any unusual or unexpected relationships;
- identified and tested journal entries in particular any with unusual account combinations;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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.

David Meadows (Senior Statutory Auditor)

For and on behalf of Boume and Co, Statutory Auditors



6 Lichfield Street
Burton upon Trent
Staffordshire
DE14 3RD
Date:

**DERBY DIOCESAN BOARD OF EDUCATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2023 £	Total 2022 £
Income and endowments from						
Donations	2	-	-	-	-	-
Charitable activities	3	41,704	272,550	-	314,254	219,001
Investments	4	93,163	38,132	-	131,295	129,539
Total Income and endowments		134,867	310,682	-	445,549	348,540
Expenditure on						
Raising funds	5	745	28,046	-	28,791	13,183
Charitable activities	6	83,301	337,086	-	420,387	352,486
Total expenditure		84,046	365,132	-	449,178	365,669
Net Income before investment gains/(losses)		50,821	(54,450)	-	(3,629)	(17,129)
Net gains/(losses) on investments	13	82,197	184	119,984	202,365	(122,812)
Net income		133,018	(54,266)	119,984	198,736	(139,941)
Gross transfers between funds	17	(110,870)	94,222	16,648	-	-
Net movement in funds		22,148	39,956	136,632	198,736	(139,941)
Reconciliation of funds:						
Total funds at 1 January		1,040,902	992,210	1,270,404	3,303,516	3,443,457
Total funds at 31 December		1,063,050	1,032,166	1,407,036	3,502,252	3,303,516

All activities derive from continuing activities.

The Statement of Financial Activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

The notes on pages 14 to 26 form part of these financial statements.

**DERBY DIOCESAN BOARD OF EDUCATION
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2023**

	2023 £	2022 £
Total income (less endowment)	445,549	348,540
Total expenditure (less endowment)	<u>(449,178)</u>	<u>(365,669)</u>
Operating deficit for the year	(3,629)	(17,129)
Net gains on investments (less endowment)	<u>82,381</u>	<u>47,363</u>
Total comprehensive income (excluding endowment)	<u><u>78,752</u></u>	<u><u>30,234</u></u>

The income and expenditure account is derived from the Statement of Financial Activities with movements in endowment funds excluded to comply with company law. All income and expenditure is derived from continuing activities.

The notes on pages 14 to 26 form part of these financial statements.

DERBY DIOCESAN BOARD OF EDUCATION
STATEMENT OF FINANCIAL POSITION
(A company limited by guarantee)
REGISTERED NUMBER 00463908
AS AT 31ST DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	12		92,345		93,082
Investments	13		3,256,265		3,053,900
			<u>3,348,610</u>		<u>3,146,982</u>
Current Assets					
Debtors	14	60,410		51,535	
Cash at bank and in hand	15	1,007,128		983,401	
		<u>1,067,538</u>		<u>1,034,936</u>	
Creditors: amounts falling due within one year	16	(913,896)		(878,402)	
Net Current Assets			<u>153,642</u>		<u>156,534</u>
Net assets			<u><u>3,502,252</u></u>		<u><u>3,303,516</u></u>
The Funds of the Charity:					
Unrestricted Funds (of which £325,268 (2022 - £243,071) is held in a revaluation reserve)	19		1,053,050		1,040,902
Restricted Funds (of which £735,535 (2022 - £735,351) is held in a revaluation reserve)	17		1,032,166		992,210
Endowment Funds (of which £443,314 (2022 - £323,330) is held in a revaluation reserve)	18		1,407,036		1,270,404
			<u><u>3,502,252</u></u>		<u><u>3,303,516</u></u>

The financial statements have been prepared in accordance with the special provisions relating to small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the Board

Malcolm Macnaughton
014/5/24

The Rt Rev'd Malcolm Macnaughton, Bishop of Repton

Approved and authorised for issue by the Board on

The notes on pages 17 to 30 form part of these financial statements.

DERBY DIOCESAN BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
AS AT 31ST DECEMBER 2023

	2023 £	2022 £
Net cash (used in)/provided by operating activities (see note below)	(106,481)	(55,471)
Cash flows from Investing activities:		
Dividends, interest and rents	131,295	129,539
Fixed asset additions	(1,087)	-
Investment additions	-	-
Net cash provided by/(used in) Investing activities	130,208	129,539
Change in cash in the reporting period	23,727	74,068
Cash at the beginning of the period	983,401	909,333
Cash at the end of the period	1,007,128	983,401

Notes to the cash flow:

1 <u>Cashflows from operating activities</u>	2023 £	2022 £
Net movement in funds	198,736	(139,941)
Depreciation	1,824	1,874
(Gains) / losses on investments	(202,365)	122,812
Donated assets	-	-
Dividends, interest and rents	(131,295)	(129,539)
Decrease / (increase) in debtors	(8,876)	(9,988)
Increase / (decrease) in creditors	35,494	99,311
Net cash provided by / (used in) operating activities	(106,481)	(55,471)

2 Analysis of changes in net debt

	As at 1st January 2023 £	Cashflows £	Other non- cash changes £	As at 31st December 2023 £
Cash and cash equivalents:				
Cash	983,401	23,727	-	1,007,128
	983,401	23,727	-	1,007,128

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

1 Accounting policies Basis of preparation

The charitable company is a private company limited by guarantee registered and incorporated in England & Wales. The members of the company are the directors set out on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member. Derby Diocesan Board of Education meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the entity to continue as a going concern.

The Trustees make the assessment in respect of a period of at least one year from the date of authorisation of the financial statements and have concluded that the entity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the entity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets excluding freehold land, over their estimated useful lives, less residual value as follows:

Freehold property	2% straight line
Fixtures, fittings and equipment	33.3% straight line
Improvements to tenanted property	2% straight line

Freehold land is not depreciated.

The de minimis level used for asset capitalisation was £500 during the year.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in Investments in subsidiaries are measured at cost less impairment.

School properties

The charitable company acts solely as custodian trustee in respect of the school properties and the net acquisition costs, if any, of these properties are therefore written off in the year of acquisition. The proceeds of sale of any of these properties are therefore included in the charitable company's funds in the year of disposal. Costs incurred in respect of properties held for tenancy or ultimate sale are capitalised if material.

Debtors and creditors receivable/ payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Cash at bank and in hand

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

Fund accounting

Funds held by the charitable company are either:

Unrestricted funds - These are general funds which can be used in accordance with the charitable company's objectives at the discretion of the trustees.

Restricted funds - These are funds which are to be used in accordance with specific restrictions imposed by donors or which has been raised by the charitable company for particular purposes.

Endowment funds - These funds represent those assets which must be held permanently by the charitable company. The use of the income arising on these funds is restricted and specific. Any capital gains or losses arising on the investments form part of the fund. Further explanation of the nature and purpose of the restricted funds and endowment funds is included in note 17 and note 18.

Income recognition

All income is included in the Statement of Financial Activities (SOFA) when the Board is legally entitled to them as income or capital respectively, ultimate receipt is probable and the amount to Rental income is recognised on an accruals basis.

Schools' Devolved Formula Capital (DFC) and School Condition Allocation (SCA) Funds

The Department for Education (DfE) make grants available to Voluntary Aided Church schools which can be used for 90% of the cost of capital works. The DBE The total DFC & SFA funds are reflected in Creditors with an equivalent amount held within Cash at Bank.

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

Expenditure recognition

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

Certain expenditure is directly attributable to specific activities and has therefore been included in these cost categories. Certain other costs which are attributable to more than one activity are apportioned across cost categories based on an estimate of the proportion of time spent on these activities. Irrecoverable Value Added Tax (VAT) is expensed in the SOFA (or if incurred as part of a fixed asset addition capitalised) and classified under the heading to which the expenditure relates to.

Employment benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Contributions in respect of the personal pension scheme of employees are charged to the statement of financial activities on an accruals basis.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term.

Redundancy payments

Redundancy benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The charity recognises redundancy benefits when it is committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal.

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.

Judgements and key sources of estimation uncertainty

There are no judgements (apart from those involving estimates) that have been made in the process of applying the above accounting policies that have had a significant effect on amounts recognised in the financial statements.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

An area of key estimation uncertainty, although not a significant risk due to annual professional valuations being undertaken, is the valuation of investment properties. The valuations are subject to judgements of an expert including, but not limited to, the state of repair of the properties, local knowledge and housing market fluctuations.

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

2 Donations

	Unrestricted £	Restricted £	Endowment £	2023 £	2022 £
Donated assets	-	-	-	-	-

3 Charitable activities

	Unrestricted £	Restricted £	Endowment £	2023 £	2022 £
DfE administration fee	9,544	-	-	9,544	5,259
Other income	20,031	-	-	20,031	17,977
School service legal agreements	12,129	-	-	12,129	3,383
Restricted Income	-	272,550	-	272,550	244,882
Schools improvement return of unused grant	-	-	-	-	(52,500)
	<u>41,704</u>	<u>272,550</u>	<u>-</u>	<u>314,254</u>	<u>219,001</u>

In the previous year, £27,414 related to unrestricted funds and £191,587 related to restricted funds.

4 Investment Income

	Unrestricted £	Restricted £	Endowment £	2023 £	2022 £
Rents receivable	51,671	-	-	51,671	55,014
Bank deposit interest	7,657	-	-	7,657	1,623
Other investment income	33,835	38,132	-	71,967	72,902
	<u>93,163</u>	<u>38,132</u>	<u>-</u>	<u>131,286</u>	<u>129,539</u>

In the previous year, £91,347 related to unrestricted funds and £38,192 related to restricted funds.

5 Expenditure on raising funds

	Unrestricted £	Restricted £	Endowment £	2023 £	2022 £
Property running costs	-	26,818	-	26,818	11,954
Bad Debts	745	-	-	745	-
Depreciation of improvements to tenanted properties	-	1,228	-	1,228	1,229
	<u>745</u>	<u>28,046</u>	<u>-</u>	<u>28,791</u>	<u>13,183</u>

All costs in the previous year related to restricted funds.

6 Charitable Activities

	Note	Direct Costs £	Other Direct £	2023 £	2022 £
Grants payable		-	-	-	-
Administration costs	7	379,092	-	379,092	320,342
Establishment expenses	8	14,702	-	14,702	11,872
Training and resources	9	26,593	-	26,593	20,272
		<u>420,387</u>	<u>-</u>	<u>420,387</u>	<u>352,486</u>

All costs in the previous year were direct costs.

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

7 Administration costs

	Unrestricted £	Restricted £	Endowment £	2023 £	2022 £
Specialist conferences	-	-	-	-	103
Subscriptions	-	302	-	302	35
Officer expenses	3,196	4,804	-	8,000	3,553
Photocopier	-	-	-	-	-
Postage	-	180	-	180	144
Stationery	-	276	-	276	93
Telephone	-	170	-	170	716
Hospitality	-	843	-	843	418
Sundry expenses	-	212	-	212	784
Audit and accountancy fees	11,476	13,068	-	24,544	36,248
Legal and professional fees	53,185	-	-	53,185	50,651
Consultancy	1,875	76,425	-	78,300	91,508
Bank charges	-	471	-	471	484
Reimbursement to DBF	-	-	-	-	-
Office staff costs (note 11)	-	212,609	-	212,609	145,849
Appeals	-	-	-	-	7,256
Other expenditure	-	-	-	-	-
Derby Diocesan Academy Trust Expenditure	-	-	-	-	(17,500)
	<u>69,732</u>	<u>309,360</u>	<u>-</u>	<u>379,092</u>	<u>320,342</u>

In the previous year costs of £75,975 were unrestricted and costs of £244,367 were restricted.

8 Establishment expenses

	Unrestricted £	Restricted £	Endowment £	2023 £	2022 £
ICT costs	-	3,138	-	3,138	2,987
Lease hire of equipment	-	1,241	-	1,241	1,144
Insurance	-	9,727	-	9,727	7,096
Depreciation of fixtures, fittings and equipment	-	596	-	596	645
	<u>-</u>	<u>14,702</u>	<u>-</u>	<u>14,702</u>	<u>11,872</u>

All costs in the previous year were restricted.

9 Training and resources

	Unrestricted £	Restricted £	Endowment £	2023 £	2022 £
Events and publicity	13,569	13,024	-	26,593	20,272
Resources library	-	-	-	-	-
	<u>13,569</u>	<u>13,024</u>	<u>-</u>	<u>26,593</u>	<u>20,272</u>

In the previous year costs of £11,666 were unrestricted and costs of £8,606 were restricted.

10 Auditor's remuneration

	2023 £	2022 £
Fees payable to the auditor for the audit of the Trust's annual accounts.	<u>10,200</u>	<u>10,485</u>
	<u>10,200</u>	<u>10,485</u>

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

11 Staff Costs

	2023	2022
	£	£
Wages and salaries	170,718	113,115
Social security costs	13,664	8,114
Other pension costs	28,227	24,820
	212,609	145,849

	2023	2022
	No.	No.
Average number of employees:	4	4

Number of employees earning more than £60,000 per annum:

£70,001 to £80,000	-	-
£80,001 to £90,000	-	-

Trustees' travel expenses of £227 (2022: £237) were reimbursed during the year for 1 trustee (2022: 1 trustee). None of the trustees have been paid remuneration in either year.

Remuneration of key management personnel

As in 2022, the role of Acting Director of Education in 2023 was provided externally, the costs of which amounted to £76,525 (2022: £85,567). This is included in consultancy within note 7 to the financial statements.

12 Tangible fixed assets

	Freehold land and property	Fixtures fittings and equipment	Improvements to tenanted properties	Total
	£	£	£	£
Cost				
At 31st January 2023	74,485	25,102	64,353	163,940
Additions	-	1,087	-	1,087
Disposals	-	-	-	-
At 31st December 2023	74,485	26,189	64,353	165,027
Depreciation				
At 31st January 2023	19,363	24,657	26,838	70,858
Charge for the year	-	1,228	596	1,824
Disposals	-	-	-	-
At 31st December 2023	19,363	25,885	27,434	72,682
Net book value				
At 31st December 2023	55,122	304	36,919	92,345
At 31st December 2022	55,122	445	37,615	93,082

Included within freehold land and property is land which is not depreciated with a cost of £55,122 (2022: £55,122).

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

13 Fixed asset investments

	2023	2022
	£	£
Investment securities within the United Kingdom (market value)		
At 31st January 2023	2,293,900	2,591,712
Additions	-	-
Disposals	-	-
Realised gains / (losses)	-	-
Unrealised gains / (losses)	202,365	(297,812)
At 31st December 2023	<u>2,496,265</u>	<u>2,293,900</u>
Investment properties (market value)		
At 31st January 2023	760,000	585,000
Additions	-	-
Disposals	-	-
Realised gains / (losses)	-	-
Unrealised gains / (losses)	-	175,000
At 31st December 2023	<u>760,000</u>	<u>760,000</u>
Total fixed asset Investments	<u><u>3,256,265</u></u>	<u><u>3,053,900</u></u>
Market value of investment securities held with:	2023	2022
	£	£
CCLA Investment Management Ltd:		
COIF Charities Ethical Investment Fund income units	49,561	45,128
CBF C of E Investment Fund income units	2,333,440	2,132,680
Investment in M&G Charifund units	<u>113,264</u>	<u>116,092</u>
	<u>2,496,265</u>	<u>2,293,900</u>
Historic cost of investment securities	<u><u>1,729,786</u></u>	<u><u>1,729,786</u></u>
Investment properties comprise:		
Ashford School House	400,000	400,000
Ashford Former School	360,000	350,000
Starkholmes	<u>10,000</u>	<u>10,000</u>
	<u>760,000</u>	<u>760,000</u>
Historic cost of investment properties.	<u><u>22,364</u></u>	<u><u>22,364</u></u>

The investment property valuations have been supplied by Milner Commercial (the DBE Chartered Surveyor), and these valuations form the basis of the valuation carried out by the trustees as at 31st December 2023.

14 Debtors

	2023	2022
	£	£
Trade debtors	28,366	30,516
Other debtors and accrued income	29,789	20,752
Prepayments	<u>2,255</u>	<u>267</u>
	<u>60,410</u>	<u>51,535</u>

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

15 Cash at bank and in hand

Included within cash is £818,540 at the balance sheet date (2022: £738,056) which is Buildings Capital Grant held by the charitable company on behalf of a number of schools.

16 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	51,205	13,054
Accruals	44,161	127,292
Creditors (funds held as agent):		
School building and IT projects (note 28)	387,540	257,806
School DFC projects	330,242	379,492
Universal Infant Free School Meal (UIFSM)	<u>100,758</u>	<u>100,758</u>
	<u>818,540</u>	<u>738,056</u>
	<u>913,896</u>	<u>878,402</u>

17 Restricted funds

Current year	At 1st January 2023	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2023
	£	£	£	£	£	£
Restricted Income funds						
NCSL	5,016	-	-	-	-	5,016
Schools Improvement	-	-	-	-	-	-
System Leadership	1,872	-	-	-	-	1,872
Aspirant Heads	3,321	-	-	-	-	3,321
RE Net	2,189	-	-	-	-	2,189
Derby Diocesan Board of Finance Fund	-	272,550	(364,632)	-	92,082	-
Youth Anglo Catholic Work	-	-	-	-	-	-
Ashford School House	400,000	-	-	-	-	400,000
Ashford Former School	350,000	-	-	-	-	350,000
Starkholmes Land	10,000	-	-	-	-	10,000
Special Projects Funds	4,006	-	-	-	-	4,006
Derbyshire Association of Church Schools	5,558	516	-	-	-	6,074
Gell Memorial Prizes Fund	5,987	588	(500)	-	-	6,075
Byroms Charity	1,159	59	-	184	2,140	3,542
s554 Income Funds	203,102	36,969	-	-	-	240,071
	<u>992,210</u>	<u>310,682</u>	<u>(365,132)</u>	<u>184</u>	<u>94,222</u>	<u>1,032,166</u>

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

17 Restricted funds (continued)

Prior year	At 1st January 2022	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2022
	£	£	£	£	£	£
Restricted Income funds						
NCSL	5,016	-	-	-	-	5,016
Schools Improvement	35,000	(52,500)	17,500	-	-	-
System Leadership	1,872	-	-	-	-	1,872
Aspirant Heads	3,321	-	-	-	-	3,321
RE Net	2,189	-	-	-	-	2,189
Derby Diocesan Board of Finance Fund	21,305	244,087	(294,930)	-	29,538	-
Youth Anglo Catholic Work	-	-	-	-	-	-
Ashford School House	350,000	-	-	50,000	-	400,000
Ashford Former School	225,000	-	-	125,000	-	350,000
Starkholmes Land	10,000	-	-	-	-	10,000
Special Projects Funds	4,006	-	-	-	-	4,006
Derbyshire Association of Church Schools	4,972	586	-	-	-	6,558
Gell Memorial Prizes Fund	5,999	586	(598)	-	-	6,987
Byroms Charity	1,362	58	-	(261)	-	1,169
s554 Income Funds	166,140	36,962	-	-	-	203,102
	836,182	228,779	(278,028)	174,739	29,538	992,210

NCSL Fund

Funding provided by the National College of School Leadership (NCSL) specifically to facilitate the development of leadership of teachers in church schools.

School Improvements Fund

Funding received from the Derby Diocesan Board of Finance £NIL (2022: £Nil) to facilitate the development of school improvement services.

System Leadership Fund

Funding provided by NCSL to support, develop and attract potential head teachers.

Aspirant Heads Fund

Funding provided by the National College School Development Support Agency to provide CPD for potential church leaders.

RE Net Fund

Funding received from St Christopher's College Education Trust for the professional development of Religious Education Coordinators and for the improvement of the delivery of religious

Derby Diocesan Board of Finance Fund

During the year £272,550 (2022: £244,087) was received from the Derby Diocesan Board of Finance as a contribution towards officers' salaries and administration costs.

Youth Anglo Catholic Work

Funding for expenditure on Youth Anglo Catholic projects. Income is released as expenditure is incurred for work on developing young people from Anglo Catholic backgrounds.

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

17 Restricted Funds (continued)

Ashford School House

In 2020, legal advice received from the DBE solicitor suggested it would be prudent to reclassify Ashford School House as a restricted fund. Clarity with regards to the sale proceeds, should a sale take place, would only be ascertained after the sale of the property.

Ashford Former School

In 2019, legal advice received from the DBE solicitor suggested Ashford Former School should be capitalised as an asset belonging to the DBE. The current condition of the property does not reflect the potential future value.

Land at Starkholmes

In 2019, legal advice received from the DBE solicitor suggested land at Starkholmes, valued at £10,000 in current conditions, could potentially be sold for up to £200,000 should development opportunities arise. The Board is currently investigating the potential opportunities available for development on the land.

s554 Income Funds

The income of the Trust may be applied in or towards the purchase of a site for, or the erection, improvement or enlargement of, or maintenance of, any relevant school or teacher's house in the area. It may also be applied in or towards the provision of advice, guidance and resources in connection with any matter related to the management of, or education provided at, any relevant school in the area; the provision of services for carrying out inspections; or to defray the cost of employing or

Transfer between funds

A transfer has been made from unrestricted funds to restricted funds to cover a deficit on restricted funds.

18 Endowment Funds - Permanent

Current year

	At 1st January 2023	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2023
	£	£	£	£	£	£
Special Projects Funds	17,765	-	-	-	-	17,765
Derbyshire Association of Church Schools	12,440	-	-	1,830	-	14,270
Gell Memorial Prizes Fund	20,461	-	-	1,851	-	22,312
Byroms Charity	865	-	-	-	-	865
s554 Capital Funds	1,218,873	-	-	116,303	16,648	1,351,824
	1,270,404	-	-	118,984	16,648	1,407,036

Prior Year

	At 1st January 2022	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2022
	£	£	£	£	£	£
Special Projects Funds	17,765	-	-	-	-	17,765
Derbyshire Association of Church Schools	15,057	-	-	(2,617)	-	12,440
Gell Memorial Prizes Fund	23,085	-	-	(2,624)	-	20,461
Byroms Charity	865	-	-	-	-	865
s554 Capital Funds	1,383,807	-	-	(164,934)	-	1,218,873
	1,440,679	-	-	(170,176)	-	1,270,404

The income arising from the endowment funds is accounted for in restricted funds of the charitable company and may be used as follows:

Special Projects Funds:

- 80% towards general commitments and special projects
- 5% towards religious education
- 5% towards Sunday schools
- 10% towards youth work

Derbyshire Association of Church Schools

The funding of repairs, alterations or improvements in church schools, which are not eligible for grants from DFE or the local authority.

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

18 Endowment funds (continued)

Gell Memorial Prizes Fund

The making of awards and prizes to children within the Diocese in respect of religious education projects.

Byrns Charity

The furtherance of Christian education in certain parishes in Derby.

s654 Capital Funds

These represent funds held under Trusts arising from the sale of redundant educational properties (Shirland, Mill Street and Wessington). The capital of the Trust may be applied in or towards the purchase of a site for, or the erection, improvement or enlargement of, or maintenance of, any relevant school or teacher's house in the area. The income earned on these funds is accounted for in the restricted income funds.

19 Unrestricted funds

Current year

	At 1st January 2023	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2023
	£	£	£	£	£	£
Unrestricted funds	1,040,902	134,867	(84,046)	82,197	(110,870)	1,063,050

Prior year

	At 1st January 2022	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2022
	£	£	£	£	£	£
Unrestricted funds	1,166,696	118,761	(87,641)	(127,376)	(29,538)	1,040,902

20 Summary of net assets by fund Current year

Current Year

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Tangible fixed assets	92,345	-	-	92,345
Investments	1,099,229	762,140	1,394,896	3,266,265
Current assets	778,642	276,756	12,140	1,067,538
Current liabilities	(907,166)	(6,730)	-	(913,896)
Total net assets	1,063,050	1,032,166	1,407,036	3,502,252

Prior year

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Tangible fixed assets	93,082	-	-	93,082
Investments	1,017,032	778,604	1,258,264	3,053,900
Current assets	809,190	213,606	12,140	1,034,936
Current liabilities	(878,402)	-	-	(878,402)
Total net assets	1,040,902	992,210	1,270,404	3,303,516

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

21 Operating lease commitments

At 31st December 2023 the charitable company had minimum lease payments under other non-cancellable operating leases as follows:

	2023	2022
Expiry date:	£	£
Within 1 year	398	796
Within 1 and 5 years	-	398
	398	1,194

Lease payments recognised as an expense were £796 (2022 - £786)

22 Contingent liabilities

By virtue of the nature of the charitable company's activities there may be potential liabilities in respect of past property transactions in relation to which the legalities have not been completed. There are no such potential liabilities known to the members of the Board at this time.

23 Capital commitments

As part of its general activities the charitable company is committed to substantial expenditure on the construction, improvement and repair of church schools. These costs will however be eligible for reimbursement by virtue of grants received or contributions from the individual school governing bodies and the Board does not deem these costs to be capital commitments entered into by the Board.

24 Pension scheme

The pension charge represents contributions paid by the charitable company to personal pension schemes of employees during the year to the value of £28,227 (2022: £24,620). At the year end, amounts payable to schemes totalled £1,281 (2022: £1,971).

25 Related party transactions

The work of Derby Diocesan Board of Education is funded partly by the Derby Diocesan Board of Finance, who pay the majority of the officers' salary costs and makes a grant towards operating costs. During the year an amount of £272,550 (2022: £244,087) was received from the Derby Diocesan Board of Finance. The Rt. Reverend Bishop Elizabeth Lane was a director of both companies during the year. The balance owing to the Derby Diocesan Board of Finance was £nil at the year end (2022 - £33,333).

The Derby Diocesan Board of Education (DBE) is looking to maximise income from DBE investments and evaluate other income generation streams whilst being directly supported by the DBF. The DBE therefore has made a voluntary commitment to utilise up to £100,000 of unrestricted reserves to fund any deficit arising over the next three years, and to return any unspent DBF grant monies. The refund will be calculated based upon the statutory financial statements and agreed by both parties.

26 Controlling party

The charitable company is controlled by the Board of Trustees. In the opinion of the trustees, there is no overall controlling party.

27 Funds held as custodian trustee on behalf of others

There are a number of school properties, which are not recorded as assets held on behalf of others, as the destination of sale proceeds is uncertain.

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

28 Funds held as agent

School DFC Projects

The Board assists Voluntary Aided schools with the administration of funding for school building projects. The Board acts as agent on behalf of school governing bodies in receiving funds from the Department for Education, local authorities and other funding sources and settling contractors' costs and professional fees. This activity of the Board is not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the Board.

Movement on the funds held by the Board as agent during the year were as follows:

	£
Balance as at 1 January 2023	379,492
Total income during the year	94,502
Total expenditure during the year	<u>(143,752)</u>
Balance as at 31 December 2023	<u>330,242</u>

School building and IT projects

The Board assists Voluntary Aided schools with the administration of funding for school building projects and provision of IT equipment. The Board acts as agent on behalf of school governing bodies in receiving funds from the Department for Education, local authorities and other funding sources and settling contractors' costs and professional fees. This activity of the Board is not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the Board.

Movement on the funds held by the Board as agent during the year were as follows:

	£
Balance as at 1 January 2023	257,806
Total income during the year	298,707
Total expenditure during the year	<u>(168,973)</u>
Balance as at 31 December 2023	<u>387,540</u>

Universal Infant Free School Meal (UIFSM)

The Board assists Voluntary Aided schools with the administration of funding for school building projects. The Board acts as an agent on behalf of school governing bodies in receiving funds from the Department of Education, local authorities and other funding sources and settling contractors' costs and professional fees. In 2015 additional funding was allocated to help schools upgrade their kitchens, this was a core element of the Universal Infant School Free Meals Programme at that time. The additional allocation was not ring-fenced, and it is likely that it may have been spent on a variety of capital works projects, just as the regular annual allocations (LCVAP at that time) were used for capital projects relating to kitchens. Within DBE's recent annual accounts there has been £100k relating to the historic UIFSM allocation. The Department of Education have confirmed that there is not a gap in their reconciliation and this £100k can be allocated to capital works programmes in schools. The activity of the Board is not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the Board.

Movement on the funds held by the Board as agent during the year were as follows:

	£
Balance as at 1 January 2023	100,758
Moved from other creditors	-
Total income during the year	-
Total expenditure during the year	-
Balance as at 31 December 2023	<u>100,758</u>

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

29 Prior Year Comparative Statement of Financial Activities

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Income and endowments from				
Donations	-	-	-	-
Charitable activities	27,414	191,587	-	219,001
Investments	91,347	38,192	-	129,539
Total income and endowments	<u>118,761</u>	<u>229,779</u>	-	<u>348,540</u>
Expenditure on				
Raising funds	-	13,183	-	13,183
Charitable activities	87,841	264,845	-	352,686
Total expenditure	<u>87,841</u>	<u>278,028</u>	-	<u>365,669</u>
Net (expenditure) / Income before investment	31,120	(48,249)	-	(17,129)
Net gains / (losses) on investments	(127,376)	174,739	(170,175)	(122,812)
Net (expenditure) / Income	<u>(96,256)</u>	<u>126,490</u>	<u>(170,175)</u>	<u>(139,941)</u>
Gross transfers between funds	(29,538)	29,538	-	-
Net movement in funds	<u>(125,794)</u>	<u>156,028</u>	<u>(170,175)</u>	<u>(139,941)</u>
Reconciliation of funds:				
Total funds at 1st January 2022	1,166,696	836,182	1,440,579	3,443,457
Total funds at 31st December 2022	<u>1,040,802</u>	<u>992,210</u>	<u>1,270,404</u>	<u>3,303,516</u>

DERBY DIOCESAN BOARD OF EDUCATION

England & Wales - Charity number 527038

Accounts

Registered Company Number: 00463908
Charity Number 527038

DERBY DIOCESAN BOARD OF EDUCATION
(Incorporated as a company limited by guarantee)

REPORTS AND FINANCIAL STATEMENTS
YEAR ENDED

31st December 2022

DERBY DIOCESAN BOARD OF EDUCATION

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DERBY DIOCESAN BOARD OF EDUCATION

CHARITABLE COMPANY PARTICULARS

President and Chairman	The Rt. Reverend Bishop Elizabeth Lane
Bishop's Nominee and Chair of the Board	The Venerable C. Coslett (resigned 17.02.23) The Reverend Canon M. Macnaughton (chair)
Trustees (Synod Appointments)	Mrs. S. Barley-McMullen Mrs C. Fearria (appointed 25.7.22) Canon C. Holmes-Elener Mr S. Morris (appointed 15.10.22) The Reverend D. Mundy Mr J. Payne (appointed 25.7.22) The Reverend P. Selby The Reverend S. Watson (appointed 25.7.22) Canon J. Cooper (resigned 15.03.22) The Reverend S. White (resigned 26.4.22) The Reverend N. Fenton (resigned 25.7.22) Mr D. Martin (resigned 25.7.22) Mrs. F. Swain (resigned 25.7.22)
Co-opted	Mr. J. Clapham Mrs O Gilbertson (appointed 16.02.23) Mrs T Nicholls (appointed 16.02.23) Mrs A Tinkler (appointed 16.02.23) Mrs C. Fearria (resigned 25.7.22) Mrs. C. Bailey (resigned 25.7.22)
Secretary and Director of Education	Canon C. Lewis
Registered Office	Derby Church House Full Street Derby, DE1 3DR
Independent Auditor	BHP LLP One Waterside Place, Brimington Road, Chesterfield, Derbyshire, S41 7FH
Bankers	National Westminster Bank 58 St Peters Street, Derby, DE1 1XL
Solicitors	Lee Bolton Monier Williams 1 The Sanctuary, Westminster, London SW1P 3JT
Company Registered Number	00463908
Charity Registered Number	527038

**DERBY DIOCESAN BOARD OF EDUCATION
CHAIR'S REPORT**

Chair's report for year ending December 2022

It is my great honour and privilege to have chaired the Diocesan Board of Education (DBE) and this report is published in the midst of a significant period of change both internally and externally.

Firstly, my thanks go to all of the team who have tirelessly supported schools, churches and households and worked professionally to continue to embrace the Church of England vision for Education, which is deeply Christian with Jesus' promise of "Life in all its fullness" at its heart. The Board continues to act as an advocate for children and young people supporting headteachers, governors, clergy and parishes in order that they may proclaim the gospel through their actions, words and the community life they build.

The DBE's staff team has stabilised throughout 2022 and we were delighted to welcome Liz Seymour as Deputy Director in September 2022. Aidan Watson also joined the team as Diocesan Strategic lead for Youth Ministry. Our Church school family has continued to face challenges following the pandemic and a cost-of-living crisis which is affecting so many households. Despite these challenges, throughout 2022 the DBE's responsibility for advancing the work of Christian education and training in the parishes of the Diocese has continued to develop and strengthen, enabling and supporting the work of the 111 Church of England schools, one joint Church of England/Methodist and one joint Church of England/Roman Catholic School within the Diocese.

As Chair, I have continued to enjoy the role, working alongside the trustees and officers and seeing the Board grow in confidence and expertise. It has been a delight over the last year, to visit many schools and to see children, young people and adults flourish in their growing, learning and development



The Rt Rev'd Malcolm Macnaughton, Bishop of Repton

Date: Jun 22, 2023

DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES

The Trustees present their report and the audited financial statements of the charity for the year ended 31st December 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

OBJECTIVES AND ACTIVITIES

The Board continues to exercise many of its functions through the work of 2 sub committees, namely the School Effectiveness committee and the Finance & Property committee; each with their own Terms of Reference which were reviewed and refreshed in light of the DBE Measure 2021. The aim of these groups was to facilitate more in depth working of key areas of the statutory functions determined by the Diocesan Boards of Education Measure 2021. The broad areas are as follows:

- 1 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;
- 2 to promote or assist in the promotion of religious education and religious worship in schools in the diocese;
- 3 to promote or assist in the promotion of church schools in the diocese;
- 4 to promote co-operation between itself and other persons concerned with education in the diocese

More detail about the work of each committee and the links with the DBE Measure may be found in the Terms of Reference published on the DBE's website.

The DBE's principal activity is the provision of a wide range of services aimed at serving and equipping Church of England schools and academies and community schools in formal partnerships. The ability to provide these services was impacted by the reduction in capacity of the DBE staff team prior to 2022 and as a consequence of the pandemic. This was addressed in 2021 by a short-term action plan which was concluded by July 2022.

During the course of 2022, the DBE re-evaluated its Vision and Strategy. These have now been freshly articulated and have been shared with Diocesan stakeholders and schools. The DBE's Vision is as follows:

TRANSFORM, GROW, BUILD

Living out the values of generous faith, courageous hope and life-giving love, the DBE will support our diocesan family of schools to offer:

- life-giving, life-changing learning through excellent education, shaped by a distinctively Christ-like vision and ethos
- inclusive and inspirational Collective Worship, inviting all to grow in faith
- excellent Religious Education, enabling children and young people to reflect critically and explore faith, belief, and Christian responses to life's big questions
- hospitality, hope and love to children, young people and households
- a sense of belonging to those of all faiths and none, building community near and far, local and global

From the DBE's Vision, a 3-year Strategic Plan has been developed which focuses the work of the trustees and staff team. A range of aspirational success indicators have been identified which will enable trustees to evaluate the effectiveness of the Strategic Plan.

In addition to the 3-year Strategic Plan, the DBE has also formulated a Multi-Academy Trust Strategy, recognising the direction of travel in terms of national policy but also following reflection on the local context of the Diocese of Derby.

The principal beneficiaries of the DBE's work are approximately 15,000 children and young people attending the 110 Church of England primary schools and 1 Church of England secondary school within the diocese across 2 Local Authorities. These are the City of Derby and Derbyshire. Of the primary schools, 19 are Voluntary Aided (VA), 63 are Voluntary Controlled (VC) and 28 are academies. The 1 secondary school is an academy. Of the 29 academies, 14 of the former VA primary schools, 11 of the former VC primary schools and the 1 secondary school are in Derby Diocesan Academy Trust (DDAT) currently the only diocesan majority MAT. By December 2022, 42% of the VA schools and 15% of the VC schools had joined the Trust. There are 4 community schools in the Trust and one Free School (Derby Cathedral School). In addition, 2 schools are part of the Embark MAT and 1 school is part of the John Taylor MAT .

Wider than this, the DBE also aims to promote and assist in the promotion of education consistent with the faith and practice of the Church of England across the diocese as a whole.

Public benefit

The Trustees confirm that they have given careful consideration to the Charity Commission's general guidance on public benefit.

Modern Slavery Statement

The Board is strongly opposed to slavery and human trafficking. We strive to act ethically and with integrity in all of our business dealings and relationships to ensure that slavery and human trafficking are not taking place within our organisation or our supply chain.

The Statutory Inspection of Anglican and Methodist Schools (SIAMS)

During 2022 SIAMS inspections were undertaken although there was caution around COVID which meant none took place in the Spring Term. However, there were three undertaken during the Summer Term of 2022; all were judged to be "Good". In the Autumn Term 2022 seven were inspected with five receiving a "Good" grade, one was "Excellent" and one "Requires Improvement". We are supporting the school to develop their theologically rooted Christian Vision.

In November 2022 the national team announced that there would be a new framework (as opposed to schedule) for Autumn 2023 and that leading up to this training would be available for diocesan leads to then cascade to school leaders.

As a DBE we are responsible for providing training, advice and guidance for schools in relation to their Christian vision and character. Until the summer term 2022, the DDE offered all schools due to be inspected a 1:1 discussion. Schools have reported that these discussions have been extremely helpful. The Deputy Director now leads on all areas of support for SIAMS.

DBE Key Partnerships

a) Church of England Foundation for Education and Learning

The Director has continued to work in partnership with the Church of England Education Office. DBE Officers have supported the DDAT in becoming a delivery partner for National Professional Qualifications (NPQs).

Carolyn Lewis has worked with the CEEO to implement the DBE Measure 2021 by drawing up a scheme for implementation in the Diocese of Derby.

b) Local Authority and other Dioceses

Small school sustainability continues to be a challenge. The DBE, in partnership with the Local Authority, continue to advise our schools around different models to achieve a more sustainable and viable future.

In recent years, all of the Catholic schools within the Catholic diocese have been taken into the Catholic Multi Academy Trust. More of our CE Voluntary Aided (VA) schools have joined DDAT. This means that the School Condition Allocation (SCA) funding 'pot' that these schools generated (and from which the DBE would prioritise building projects across the Catholic and CE VA schools) has significantly decreased. There are few VA schools left in Derby City that are not in a multi academy trust and on their own they will not generate enough funding for significant building works. The number of VA schools in Derbyshire that have not converted to academy status is also reducing, therefore the 'pot' from which they would access funding for building works is also decreasing. This has led the Derby DBE to join with Leicester, Southwell & Nottingham and Coventry Dioceses to form a group with several schools large enough to carry on receiving funding. In 2022/2023, Derby Diocese received £303,839 in funding towards schools building projects. This funding is school conditions allocations (SCA) and the diocese received four equal payments of £75,959.91 in May, June, July and August.

These funds were invested in building projects in 12 of our schools as activity increased following the slow down during the pandemic.

c) The Peak Centre in Edale

Whilst now a stand-alone charity, this Christian Activity Centre remains closely linked to the diocese and supports our work with young people. Archdeacon Carol Coslett has been a member of the board of trustees and as she leaves the diocese the church involvement is maintained through Rev Dr Simon Cockledge of Edale Parish Church. The centre has recovered well since covid and is used by schools and youth groups most weeks throughout the year.

Links to the church and the village have remained strong and the warden Ben Acty has continued to develop ideas for future engagement. With the appointment of Rev Aidan Watson as Strategic Youth Lead, he is working with Ben to develop the centre as a strategic base for developing young leaders across the diocese, and developing networks of youth, children and family church-based workers.

DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES

Children's and young people's work

There hasn't been anyone in the post of Youth Advisor since 2019 and this has coincided with a relative decline in churches engaging with teenagers and secondary schools across the diocese. As part of the national aim for the church to grow younger and more diverse, doubling the number of young disciples by 2030, Rev Aidan Watson was appointed as Strategic Youth Lead in September 2022.

Alongside Children's advisor Sarah Brown, they are supporting churches in their youth and children's ministry, whilst developing a strategy around the principles of Growing Faith. Growing Faith is the national church initiative for a culture change in the Church of England so that Children, Young people and families are instinctively placed at the heart of our ministry and mission. Nationally the Growing Faith foundation support training and research, and Aidan Watson is part of their pilot cohort of their Strategic Leaders Programme. Research conducted by the foundation has led Growing Faith to focus on encouraging increased intersections between School, Church and Household, as where these three intersect in a local community there is likely to be an increase in young discipleship. The strategic work for youth and children's ministry in the Diocese of Derby coincides with work being done for a new Diocesan Strategic Plan, which will inform workstreams including clergy deployment. With Sarah and Aidan being seconded to the Discipleship, Ministry and Mission team of the DBF, they are able to feed directly into this, whilst maintaining close links with the DBE including working closely with Liz Seymour.

The emerging strategy will look to develop hubs of growing faith ministry across the diocese, that draw in children, young people and families, working across the school, household and church nexus, and we will seek national funding to support these ministries maintaining an outward focus to support neighbouring parishes and communities.

As part of this recently the Glossopdale Mission Community was approved as a national Growing Faith Learning Hub. The funding received will help us use this as a pilot for how to develop our ministries that have significant potential into growing hubs for discipleship.

Other

Other areas of development across the DBE have included the continued publication of many new and revised policies where our Christian vision is now explicit. The DBE has a dedicated website which increasingly contains wide-ranging information to support schools, governors, clergy and parishes.

Additionally in 2021 legislation required the revision of the framework for the work of the Board. This work concluded in 2022 with the implementation of a new Scheme for the DBE and in updating the Articles of Association.

RISK MANAGEMENT

The Trustees have considered the major strategic and operational risks, which the charitable company faces and are satisfied that the necessary steps have already been taken to lessen these risks.

The risk register, which is reviewed periodically, identifies key areas where the risk of either failure to act or the impact of the events could represent a material risk to the organisation. Each area is given a "RAG" (Red / Amber / Green rating and mitigation strategies are put in place.

Finance – the grant from the DBF in decline and/or inadequate to meet the responsibilities of the Board.

Currently no Financial Risk areas are considered to be high (red) risk. The grant from the DBF Board was previously rated as a high risk however following positive meetings with the DBF the probability score has been downgraded.

There is currently one non-financial risk area - "Schools Partnership with DBE" that is rated as high (red) risk. This risk area has been highlighted over recent years with a lack of continuity in the DBE adversely impacting communication and relationship building. The DBE Team is now fully staffed and stable, additionally the Deputy Director, appointed in September 2022, is working tirelessly to improve this with an objective of personally visiting all schools within the first year of tenure. The expectation is that this high risk will be downgraded in 2023.

**DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES**

Risk management (continued...)

Small school viability – risk of school closure and disproportionate impact on rural community.

- Need to support collaborative approaches, e.g. federation and academisation
- Need to develop a Multi Academy Trust strategy
- Need to facilitate models of collaboration between community and church schools

FINANCIAL REVIEW

The Board invests the majority of its funds through CCLA Investment Management who are accountable for investment performance. A substantial element of the Board's funds need to be kept liquid because of its role in 'bridging' building projects in schools between payment of invoices to contractors and the receipt of grants from DfE.

The Board assists Voluntary Aided schools with the administration of funding for school building projects and provision of IT equipment. The Board acts as agent on behalf of school governing bodies in receiving funds from the Department for Education, local authorities and other funding sources and settling contractors' costs and professional fees. The DfE Grant and associated expenditure are not costs of the charity and therefore are not reflected in the statement of financial activities. The statement of financial activities for the year and the statement of financial position of the charitable company at the year-end are shown on pages 13 and 15 respectively. Unrestricted funds show net expenditure before transfers of £96,256 (2021: net income of £122,532.) Restricted funds show net income before transfers of £126,490 (2021: £185,899). Endowment funds show net expenditure of £170,175 (2021: net income of £178,664.)

As set out in Notes 17, 18 and 19 the Board holds and administers a large number of restricted and endowment funds. As at 31 December 2022 restricted funds totalled £992,210 (2021 - £836,182) and endowment funds totalled £1,270,404 (2021 - £1,440,579.) Neither are available for the general purposes of the Board. Unrestricted general funds totalled £1,040,902 (2021: £1,166,696).

The Charitable Company's wholly owned trading subsidiary, Derby Diocesan Education Services Limited, remained dormant and was closed by Companies House in 2022.

Investment policy

Under the Memorandum and Articles of Association, the Board has the power to make any investment that the trustees see fit. The Board has an agreed ethical stance on investments and will not make investments in companies that deal in or produce armaments. Most of the investments are held with CCLA Investment Management Ltd. The value of financial investments has decreased in the year with net losses of £297,812 (2021: net gains of £268,217). Investment properties had an unrealised gain of £175,000 (2021: £92,636.)

Reserves policy

The Board strives to ensure that it maintains sufficient reserves to enable it to continue to achieve the objectives of the charitable company for the foreseeable future. This involves, as of necessity, ensuring that adequate reserves are maintained to provide a level of income that will support future activity. This income is supplemented by capital arising from the sale of buildings which may become surplus to requirements. This flexibility permits the charitable company's capital to be depleted in years of high expenditure on building projects. The work of the Board is funded jointly by the Derby Diocesan Board of Finance, who pay the majority of the officers' salary costs and make a grant towards operating costs, and income on the Board's financial investments. The Board also derives a small income from letting a number of properties. Additional income may be derived from the sale of redundant school buildings.

DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES

Free reserves

The trustees' reserves policy is to ensure the provision of adequate financial resources in an environment of constant change and increasing challenge, without having to make sudden increases in charges for services. The policy is therefore for General Fund reserves, not held in fixed assets, to be within a wide range of between three and twelve months' worth of the year's total expenditure.

Free reserves include listed investments held by the Board which can readily be turned into cash. In order to maximise operational income, the Board holds shares, as these provide significantly better returns than reserves held in the bank. The Board can easily draw down these reserves should the need arise. The balance of unrestricted free reserves at 31 December was £947,820 (2021: £1,071,740).

Reserves tied up in fixed assets

Unrestricted funds comprise net assets amounting to £1,040,902 (2021: £1,166,696) of which £93,082 (2021: £94,956) is held as tangible fixed assets. Some of these reserves are earmarked for projects that will be carried out in the future in line with the vision of the DBE, such as an ongoing review of properties and options to maximise return on investment.

PLANS FOR FUTURE PERIODS

From September 2021, the Board developed a one-year action plan to address operational matters following a sustained period without a permanent Director. A new team has been recruited and this has strengthened the Board's capacity to support schools.

Within the wider Diocese, a new vision has emerged. The DBE has considered this and re-written its own vision to reflect its contribution to the Diocese. Alongside this vision, a three-year strategic plan has been created with key aspirational success indicators identified.

The diocese has many small schools so facilitation of effective collaboration through federation or academisation is a key ongoing and future activity for the Board if schools are to maximise economies of scale and remain viable. With the publication of the government's White Paper in 2022, the Board developed a Multi-Academy Trust and Small School strategies which are published on its website.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Derby Diocesan Board of Education is a charitable company limited by guarantee. The liability of the members is limited to £1.

As set out in the Articles of Association, the Chairman of the Board is either the Bishop of Derby or someone appointed by the Board in consultation with the Bishop. Members normally serve for three years. The trustees are appointed as follows:

- (1) The Bishop who is the President of the Board
- (2) Two persons nominated by the Bishop
- (3) Not less than seven or more than nine persons appointed by the Diocesan Synod
- (4) Not less than one person or more than four persons co-opted by the Board.

**DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES**

Directors and Trustees

The Directors of the Board, are also the trustees of the charitable company during the year, and at the date of this report, are set out on page 1. The Board appoints a Director of Education to whom its officers are accountable.

Trustee recruitment, selection & induction

The Trustees of the charitable company ("the charity") are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Board. New members are offered an induction meeting with the Director (detailed below) and subsequently, training can be provided by Officers of the Board. Decisions are made democratically at Board Meetings, of which at least three are held each year.

The Diocesan Director of Education holds the title 'Director', but this relates to their function within the organisation and has no legal meaning within the terminology associated with the Companies Act. All Trustees are required to maintain their entry in the record of declarations of interest and loyalty.

The Board has indemnity insurance for its trustees and key management personnel and £1,000,000 (2020 - £1,000,000) of cover is provided.

Remuneration of key management personnel

Emoluments of higher-paid employees are determined by the Finance and Property Committee. as and when required.

The terms of reference for this group is established by the Board and include:

- regular appraisals,
- remuneration and salary benchmarking and
- recommendation of changes where necessary.

Delegation of day to day delivery

The Trustees and the sub-committees which assist them in the fulfilment of their responsibilities, rely upon the Director of Education and colleagues for the delivery of the day-to-day activities of the company. The Director of Education is given specific and general delegated authority to deliver the business of the Board in accordance with the policies framed by the Trustees.

RELATED PARTIES

Derby Diocesan Board of Finance Ltd

The primary object of the DBF is to act as the financial executive of the Diocesan Synod. Whilst the DBE is separately incorporated, the DBF provides resources which to the Boardenable the DBE to fulfill its statutory functions and also to facilitate the shared vision for mission and ministry with children and young people.

Derby Diocesan Academy Trust Ltd

The primary object of the DDAT is outlined in its Articles of Association. DDAT is related to the DBE in Governance. Services that can only be delivered by the DBE, which provide essential functions fundamental to the religious character and ethos of the academy trust, are deemed as meeting the "at-cost" requirements. These transactions are declared by the Academy Trust to the Education & Skills Funding Agency.

Fundraising

The charitable company does not carry out significant fundraising activities.

DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES

TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Derby Diocesan Board of Education for the purposes of company law) are responsible for preparing the Report of the Trustees 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic and Directors' Report) Regulations 2013 has been omitted.

DISCLOSURE OF INFORMATION TO THE AUDITOR

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the Board of Trustees



The Rt Rev'd Malcolm Macnaughton, Bishop of Repton

Approved and authorised for issue by the Board on: Jun 22, 2023

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

Opinion

We have audited the financial statements of Derby Diocesan Board of Education (the 'charitable company') for the year ended 31 December 2022 which comprise the statement of financial activities, statement of financial position, statement of cash flows and notes to the financial statements, including 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:

1. give a true and fair view of the state of the charitable company's affairs as at 31 December 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
2. have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
3. 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 other information comprises the information included in the report of the trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the report of the trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- 1 the information given in the report of trustees (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 2 the directors' report has been prepared in accordance with applicable legal requirements.

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

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 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:

- 1 adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- 2 the financial statements are not in agreement with the accounting records and returns; or
- 3 certain disclosures of directors' remuneration specified by law are not made; or
- 4 we have not received all the information and explanations we require for our audit ; or
- 5 the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the entity through discussions with trustees and other management, and from our knowledge and experience of this charity's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the entity, including safeguarding legislation, health and safety, data protection laws and the Diocesan Boards of Education measure;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the entity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

Auditor's responsibilities for the audit of the financial statements (continued)

To address the risk of fraud through management bias and override of controls, we

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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.

BHP LLP

Jane Marshall (Senior Statutory Auditor)

For and on behalf of BHP LLP, Statutory Auditor

One Waterside Place
Brimington Road
Chesterfield
S41 7FH
Date: Jun 22, 2023

DERBY DIOCESAN BOARD OF EDUCATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2022

Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£
Income and endowments from					
Donations	2	-	-	-	-
Charitable activities	3	27,414	191,587	219,001	365,283
Investments	4	91,347	38,192	129,539	114,117
Total Income and endowments		118,761	229,779	348,540	479,400
Expenditure on					
Raising funds	5	-	13,183	13,183	20,739
Charitable activities	6	87,641	264,845	352,486	332,419
Total expenditure		87,641	278,028	365,669	353,158
Net income before investment gains/(losses)		31,120	(48,249)	(17,129)	126,242
Net (losses)/gains on investments	13	(127,376)	174,739	(170,175)	360,853
Net income		(96,256)	126,490	(170,175)	487,095
Gross transfers between funds	17	(29,538)	29,538	-	-
Net movement in funds		(125,794)	156,028	(170,175)	487,095
Reconciliation of funds:					
Total funds at 1 January as restated		1,166,696	836,182	1,440,579	2,956,362
Total funds at 31 December		1,040,902	992,210	1,270,404	3,443,457

All activities derive from continuing activities.

The Statement of Financial Activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

The notes on pages 17 to 30 form part of these financial statements.

DERBY DIOCESAN BOARD OF EDUCATION
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022	As restated 2021
	£	£
Total income (less endowment)	348,540	479,400
Total expenditure (less endowment)	(365,669)	(353,158)
Operating surplus for the year	(17,129)	126,242
Net (losses)/gains on investments	47,363	182,189
Total comprehensive income	30,234	308,431

The income and expenditure account is derived from the Statement of Financial Activities with movements in endowment funds excluded to comply with company law. All income and expenditure is derived from continuing activities.

The notes on pages 17 to 30 form part of these financial statements.

DERBY DIOCESAN BOARD OF EDUCATION
STATEMENT OF FINANCIAL POSITION
(A company limited by guarantee)
REGISTERED NUMBER 00463908
AS AT 31ST DECEMBER 2022

	Notes	2022		As restated 2021	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	12		93,082		94,956
Investments	13		3,053,900		3,176,712
			<u>3,146,982</u>		<u>3,271,668</u>
Current Assets					
Debtors	14	51,535		41,547	
Cash at bank and in hand	15	983,401		909,333	
		<u>1,034,936</u>		<u>950,880</u>	
Creditors: amounts falling due within one year	16		<u>(878,402)</u>		<u>(779,091)</u>
Net Current Assets			156,534		171,789
Net assets			<u>3,303,516</u>		<u>3,443,457</u>
The Funds of the Charity:					
Unrestricted Funds (of which £243,071 (2021 - £370,447) is held in a revaluation reserve)	19		1,040,902		1,166,696
Restricted Funds (of which £735,351 (2021 - £562,502) is held in a revaluation reserve)	17		992,210		836,182
Endowment Funds (of which £323,330 (2021 - £491,614) is held in a revaluation reserve)	18		1,270,404		1,440,579
			<u>3,303,516</u>		<u>3,443,457</u>

The financial statements have been prepared in accordance with the special provisions relating to small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the Board



The Rt Rev'd Malcolm Macnaughton, Bishop of Repton

Approved and authorised for issue by the Board on **Jun 22, 2023**

The notes on pages 17 to 30 form part of these financial statements.

DERBY DIOCESAN BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
AS AT 31ST DECEMBER 2022

	2022	2021
	£	£
Net cash (used in)/provided by by operating activities (see note below)		
Cash flows from investing activities:	(55,471)	189,135
Dividends, interest and rents	129,539	114,117
Fixed asset additions	-	-
Investment additions	-	(447,857)
Net cash provided by/(used In) investing activities	129,539	(333,740)
Change in cash in the reporting period	74,068	(144,605)
Cash at the beginning of the period	909,333	1,053,938
Cash at the end of the period	983,401	909,333

Notes to the cash flow:

1 Cashflows from operating activities

	2022	2021
	£	£
Net movement in funds	(139,941)	487,094
Depreciation	1,874	1,896
(Gains) / losses on investments	122,812	(360,852)
Donated assets	-	-
Dividends, interest and rents	(129,539)	(114,117)
Decrease / (increase) in debtors	(9,988)	69,632
Increase /(decrease) in creditors	99,311	105,482
Net cash provided / (used in) by operating activities	(55,471)	189,135

2 Analysis of changes in net debt

	As at 1st January 2022	Cashflows	Other non- cash changes	As at 31st December 2022
	£	£	£	£
Cash and cash equivalents:				
Cash	909,333	74,068	-	983,401
	909,333	74,068	-	983,401

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

1 Accounting policies Basis of preparation

The charitable company is a private company limited by guarantee registered and incorporated in England & Wales. The members of the company are the directors set out on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member. Derby Diocesan Board of Education meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the entity to continue as a going concern.

The Trustees make the assessment in respect of a period of at least one year from the date of authorisation of the financial statements and have concluded that the entity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the entity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets excluding freehold land, over their estimated useful lives, less residual value as follows:

Freehold property	2% straight line
Fixtures, fittings and equipment	33.3% straight line
Improvements to tenanted property	2% straight line

Freehold land is not depreciated.

The de minimis level used for asset capitalisation was £500 during the year.

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

1 Accounting policies (continued)

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

School properties

The charitable company acts solely as custodian trustee in respect of the school properties and the net acquisition costs, if any, of these properties are therefore written off in the year of acquisition. The proceeds of sale of any of these properties are therefore included in the charitable company's funds in the year of disposal. Costs incurred in respect of properties held for tenancy or ultimate sale are capitalised if material.

Debtors and creditors receivable/ payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Cash at bank and in hand

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

Fund accounting

Funds held by the charitable company are either:

Unrestricted funds - These are general funds which can be used in accordance with the charitable company's objectives at the discretion of the trustees.

Restricted funds - These are funds which are to be used in accordance with specific restrictions imposed by donors or which has been raised by the charitable company for particular purposes.

Endowment funds - These funds represent those assets which must be held permanently by the charitable company. The use of the income arising on these funds is restricted and specific. Any capital gains or losses arising on the investments form part of the fund. Further explanation of the nature and purpose of the restricted funds and endowment funds is included in note 16 and note 17.

Income recognition

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

Rental income is recognised on an accruals basis.

Schools' Devolved Formula Capital (DFC) and School Condition Allocation (SCA) Funds

The Department for Education (DfE) make grants available to Voluntary Aided Church schools which can be used for 90% of the cost of capital works. The DBE holds these funds as agent and meets the 90% contributions from them. Each school's unspent amount of DFC is identifiable.

The total DFC & SCA funds are reflected in Creditors with an equivalent amount held within Cash at Bank.

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

Expenditure recognition

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

Certain expenditure is directly attributable to specific activities and has therefore been included in these cost categories. Certain other costs which are attributable to more than one activity are apportioned across cost categories based on an estimate of the proportion of time spent on these activities. Irrecoverable Value Added Tax (VAT) is expensed in the SOFA (or if incurred as part of a fixed asset addition capitalised) and classified under the heading to which the expenditure relates to.

Up to 50% of the charitable company's budgeted administration expenses are met by grants received from Derby Diocesan Board of Finance Ltd.

Employment benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Contributions in respect of the personal pension scheme of employees are charged to the statement of financial activities on an accruals basis.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term.

Redundancy payments

Redundancy benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The charity recognises redundancy benefits when it is committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal.

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.

Judgements and key sources of estimation uncertainty

There are no judgements (apart from those involving estimates) that have been made in the process of applying the above accounting policies that have had a significant effect on amounts recognised in the financial statements.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

An area of key estimation uncertainty, although not a significant risk due to annual professional valuations being undertaken, is the valuation of investment properties. The valuations are subject to judgements of an expert including, but not limited to, the state of repair of the properties, local knowledge and housing market fluctuations.

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

2 Donations

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Donated assets	-	-	-	-

3 Charitable activities

	Unrestricted	Restricted	2022	2021
	£	£	£	£
DfE administration fee	5,259	-	5,259	1,149
Other income	17,977	-	17,977	12,544
School service legal agreements	3,383	-	3,383	4,150
Restricted Income	795	244,087	244,882	347,440
Schools improvement return of unused grant		(52,500)	(52,500)	
	27,414	191,587	219,001	365,283

In the previous year £17,843 related to unrestricted funds and £347,440 related to restricted funds.

4 Investment Income

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Rents receivable	55,014	-	55,014	53,219
Bank deposit interest	1,623	-	1,623	142
Other investment income	34,710	38,192	72,902	60,756
	91,347	38,192	129,539	114,117

5 Expenditure on raising funds

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Property running costs	-	11,954	11,954	19,510
Depreciation of improvements to tenanted properties	-	1,229	1,229	1,229
	-	13,183	13,183	20,739

All costs in the previous year related to restricted funds.

6 Charitable Activities

	Note	Direct Costs	Other Direct	2022	2021
		£	£	£	£
Grants payable		-	-	-	-
Administration costs	7	320,342	-	320,342	305,643
Establishment expenses	8	11,872	-	11,872	13,641
Training and resources	9	20,272	-	20,272	13,135
		352,486	-	352,486	332,419

All costs in the previous year were direct costs.

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

7 Administration costs

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Specialist conferences	-	103	103	173
Subscriptions	-	35	35	475
Officer expenses	1,555	1,998	3,553	1,115
Photocopier	-	-	-	-
Postage	-	144	144	113
Stationery	-	93	93	806
Telephone	-	716	716	1,007
Hospitality	-	418	418	65
Sundry expenses	-	784	784	1,233
Audit and accountancy fees	17,828	18,420	36,248	8,520
Legal and professional fees	50,651	-	50,651	29,024
Consultancy	5,941	85,567	91,508	87,176
Bank charges	-	484	484	473
Reimbursement to DBF	-	-	-	-
Office staff costs (note 11)	-	145,849	145,849	135,963
Appeals	-	7,256	7,256	4,500
Other expenditure	-	-	-	-
Derby Diocesan Academy Trust Expenditure	-	(17,500)	(17,500)	35,000
	75,975	244,367	320,342	305,643

In the previous year costs of £61,923 were unrestricted and costs of £243,720 were restricted.

8 Establishment expenses

	Unrestricted	Restricted	2022	2021
	£	£	£	£
ICT costs	-	2,987	2,987	4,021
Lease hire of equipment	-	1,144	1,144	927
Insurance	-	7,096	7,096	8,026
Depreciation of fixtures, fittings and equipment	-	645	645	667
	-	11,872	11,872	13,641

All costs in the previous year were restricted.

9 Training and resources

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Events and publicity	11,666	8,606	20,272	13,135
Resources library	-	-	-	-
	11,666	8,606	20,272	13,135

All costs in the previous year were restricted.

10 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the auditor for the audit of the Trust's annual accounts.	10,485	8,590
	10,485	8,590

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

11 Staff Costs

	2022	2021
	£	£
Wages and salaries	113,115	119,604
Social security costs	8,114	7,060
Other pension costs	24,620	9,299
	145,849	135,963

	2022	2021
	No.	No.
Average number of employees:	4	3
Full-time equivalent (FTE) number of employees:	3.5	2.5
Number of employees earning more than £60,000 per annum:		
£70,001 to £80,000	-	-
£80,001 to £90,000	-	-

Trustees' travel expenses of £237 (2021: NIL) were reimbursed during the year for 1 trustee (2021: no trustees). None of the trustees have been paid remuneration in either year.

Remuneration of key management personnel

As in 2021, the role of Acting Director of Education in 2022 was provided externally, the costs of which amounted to £85,567 (2021: £55,973). This is included in consultancy within note 7 to the financial statements.

A settlement agreement totalling £NIL (2021 - £23,277) was made in respect of termination of duties of previous key management personnel.

12 Tangible fixed assets

	Freehold land and property	Fixtures fittings and equipment	Improvements to tenanted properties	Total
	£	£	£	£
Cost				
At 1st January 2022	74,485	25,102	64,353	163,940
Additions	-	-	-	-
Disposals	-	-	-	-
At 31st December 2022	74,485	25,102	64,353	163,940
Depreciation				
At 1st January 2022	19,363	24,012	25,609	68,984
Charge for the year	-	645	1,229	1,874
Disposals	-	-	-	-
At 31st December 2022	19,363	24,657	26,838	70,858
Net book value				
At 31st December 2022	55,122	445	37,515	93,082
At 31st December 2021	55,122	1,090	38,744	94,956

Included within freehold land and property is land which is not depreciated with a cost of £55,122 (2021: £55,122).

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

13 Fixed asset investments

	2022	2021
	£	£
Investment securities within the United Kingdom (market value)		
At 1st January 2022	2,591,712	1,883,438
Additions	-	440,057
Disposals	-	-
Realised gains / (losses)	-	-
Unrealised gains / (losses)	(297,812)	268,217
At 31st December 2022	2,293,900	2,591,712
Investment properties (market value)		
At 1st January 2022	585,000	484,564
Additions		7,800
Disposals	-	-
Realised gains / (losses)	-	-
Unrealised gains / (losses)	175,000	92,636
At 31st December 2022	760,000	585,000
Total fixed asset investments	3,053,900	3,176,712
	2022	2021
	£	£
Market value of Investment securities held with:		
CCLA Investment Management Ltd:		
COIF Charities Investment Fund income units	45,129	51,530
CBF Investment Fund income units	2,132,680	2,417,242
Investment in M&G Charifund units	116,092	122,940
	2,293,901	2,591,712
Historic cost of investment securities	1,729,786	1,729,786
Investment properties comprise:		
Ashford School House	400,000	350,000
Ashford Former School	350,000	225,000
Starkholmes	10,000	10,000
	760,000	585,000
Historic cost of investment properties.	22,364	22,364

The investment property valuations have been supplied by Milner Commercial (the DBE Chartered Surveyor), as 31st December 2022.

The charitable company owns 100% of the issued ordinary share capital of Derby Diocesan Education Services Limited, a company incorporated in the United Kingdom. The company was dormant throughout the year until it was dissolved on 12th July 2022. In previous years a provision was made against the investment. Therefore no value was attributed to this in the financial statements, in the current year both the investment and provision have been written off. Derby Diocesan Education Services Limited has the same registered address as DBE.

14 Debtors

	2022	2021
	£	£
Trade debtors	30,516	18,724
Other debtors and accrued income	20,752	20,512
Prepayments	267	2,311
	51,535	41,547

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

15 Cash at bank and in hand

Included within cash is £738,056 at the balance sheet date (2021: £609,169) which is Buildings Capital Grant held by the charitable company on behalf of a number of schools.

16 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	13,054	40,952
Accruals	127,292	28,209
Creditors (funds held as agent):		
School building and IT projects (note 28)	257,806	411,603
School DFC projects	379,492	197,565
Universal Infant Free School Meal (UIFSM)	100,758	-
	738,056	609,168
	878,402	678,331

The analysis of creditors for 2021 has been amended to more fairly reflect the nature of the creditors. The total is unaffected.

17 Restricted funds

Current year	As restated					At 31st December 2022
	At 1st January 2022	Income	Expenditure	Gains & Losses	Transfers	
	£	£	£	£	£	£
Restricted Income funds						
NCSL	5,016	-	-	-	-	5,016
Schools Improvement	35,000	(52,500)	17,500	-	-	-
System Leadership	1,872	-	-	-	-	1,872
Aspirant Heads	3,321	-	-	-	-	3,321
RE Net	2,189	-	-	-	-	2,189
Derby Diocesan Board of Finance Fund	21,305	244,087	(294,930)	-	29,538	-
Youth Anglo Catholic Work	-	-	-	-	-	-
Ashford School House	350,000	-	-	50,000	-	400,000
Ashford Former School	225,000	-	-	125,000	-	350,000
Starkholmes Land	10,000	-	-	-	-	10,000
Special Projects Funds	4,006	-	-	-	-	4,006
Derbyshire Association of Church Schools	4,972	586	-	-	-	5,558
Gell Memorial Prizes Fund	5,999	586	(598)	-	-	5,987
Byroms Charity	1,362	58	-	(261)	-	1,159
s554 Income Funds	166,140	36,962	-	-	-	203,102
	836,182	229,779	(278,028)	174,739	29,538	992,210

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

17 Restricted funds (continued)

Prior year	As restated		Expenditure	Gains & Losses	Transfers	As restated	
	At 1st January 2021	Income				At 31st December 2021	
	£	£	£	£	£	£	£
Restricted income funds							
NCSL	5,016	-	-	-	-	-	5,016
Schools Improvement	-	70,000	(35,000)	-	-	-	35,000
System Leadership	1,872	-	-	-	-	-	1,872
Aspirant Heads	3,321	-	-	-	-	-	3,321
RE Net	2,189	-	-	-	-	-	2,189
Derby Diocesan Board of Finance Fund	-	277,440	(256,135)	-	-	-	21,305
Youth Anglo Catholic Work	-	-	-	-	-	-	-
Ashford School House	300,000	-	-	50,000	-	-	350,000
Ashford Former School	160,000	-	-	59,900	5,100	-	225,000
Starkholmes Land	24,564	-	-	(17,264)	2,700	-	10,000
Special Projects Funds	4,006	-	-	-	-	-	4,006
Derbyshire Association of Church Schools	4,399	573	-	-	-	-	4,972
Gell Memorial Prizes Fund	5,523	576	(100)	-	-	-	5,999
Byroms Charity	1,364	14	-	(16)	-	-	1,362
s554 Income Funds	130,229	35,911	-	-	-	-	166,140
	642,483	384,514	(291,235)	92,620	7,800	-	836,182

NCSL Fund

Funding provided by the National College of School Leadership (NCSL) specifically to facilitate the development of leadership of teachers in church schools.

School Improvements Fund

Funding received from the Derby Diocesan Board of Finance £NIL (2021: £70,000) to facilitate the development of school improvement services.

System Leadership Fund

Funding provided by NCSL to support, develop and attract potential head teachers.

Aspirant Heads Fund

Funding provided by the National College School Development Support Agency to provide CPD for potential church leaders. Funding received by four schools, £1,000 each.

RE Net Fund

Funding received from St Christopher's College Education Trust for the professional development of Religious Education Coordinators and for the improvement of the delivery of religious education.

Derby Diocesan Board of Finance Fund

During the year £244,087 (2021: £277,440) was received from the Derby Diocesan Board of Finance as a contribution towards officers' salaries and administration costs.

Youth Anglo Catholic Work

Funding for expenditure on Youth Anglo Catholic projects. Income is released as expenditure is incurred for work on developing young people from Anglo Catholic backgrounds.

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

17 Restricted Funds (continued)

Ashford School House

In 2020, legal advice received from the DBE solicitor suggested it would be prudent to reclassify Ashford School House as a restricted fund. Clarity with regards to the sale proceeds, should a sale take place, would only be ascertained after the sale of the property.

Ashford Former School

In 2019, legal advice received from the DBE solicitor suggested Ashford Former School should be capitalised as an asset belonging to the DBE. The current condition of the property does not reflect the potential future value.

Land at Starkholmes

In 2019, legal advice received from the DBE solicitor suggested land at Starkholmes, valued at £10,000 in current conditions, could potentially be sold for up to £200,000 should development opportunities arise. The Board is currently investigating the potential opportunities available for development on the land.

s554 Income Funds

The income of the Trust may be applied in or towards the purchase of a site for, or the erection, improvement or enlargement of, or maintenance of, any relevant school or teacher's house in the area. It may also be applied in or towards the provision of advice, guidance and resources in connection with any matter related to the management of, or education provided at, any relevant school in the area; the provision of services for carrying out inspections; or to defray the cost of employing or engaging staff in connection with the above.

Transfer between funds

A transfer has been made from unrestricted funds to cover a deficit on restricted funds.

18 Endowment Funds

Current year

	At 1st January 2022	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2022
	£	£	£	£	£	£
Special Projects Funds	17,765	-	-	-	-	17,765
Derbyshire Association of Church Schools	15,057	-	-	(2,617)	-	12,440
Gell Memorial Prizes Fund	23,085	-	-	(2,624)	-	20,461
Byroms Charity	865	-	-	-	-	865
s554 Capital Funds	1,383,807	-	-	(164,934)	-	1,218,873
	1,440,579	-	-	(170,175)	-	1,270,404

	As restated At 1st January 2021	Income	Expenditure	Gains & Losses	Transfers	As restated At 31st December 2021
	£	£	£	£	£	£
Special Projects Funds	17,765	-	-	-	-	17,765
Derbyshire Association of Church Schools	12,405	-	-	2,652	-	15,057
Gell Memorial Prizes Fund	20,295	-	-	2,790	-	23,085
Byroms Charity	865	-	-	-	-	865
s554 Capital Funds	1,210,585	-	-	173,222	-	1,383,807
	1,261,915	-	-	178,664	-	1,440,579

The income arising from the endowment funds is accounted for in restricted funds of the charitable company and may be used as follows:

Special Projects Funds:

- 80% towards general commitments and special projects
- 5% towards religious education
- 5% towards Sunday schools
- 10% towards youth work

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

18 Endowment funds (continued)

Derbyshire Association of Church Schools

The funding of repairs, alterations or improvements in church schools, which are not eligible for grants from DfE or the local authority.

Gell Memorial Prizes Fund

The making of awards and prizes to children within the Diocese in respect of religious education projects.

Byroms Charity

The furtherance of Christian education in certain parishes in Derby.

s554 Capital Funds

These represent funds held under Trusts arising from the sale of redundant educational properties (Shirland, Mill Street and Wessington). The capital of the Trust may be applied in or towards the purchase of a site for, or the erection, improvement or enlargement of, or maintenance of, any relevant school or teacher's house in the area. The income earned on these funds is accounted for in restricted income funds.

19 Unrestricted funds

Current year

	At 1st January 2022	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2022
	£	£	£	£	£	£
Unrestricted funds	1,166,696	118,761	(87,641)	(127,376)	(29,538)	1,040,902

Prior year

	At 1st January 2021	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2021
	£	£	£	£	£	£
Unrestricted funds	1,051,964	94,886	(61,923)	89,569	(7,800)	1,166,696

20 Summary of net assets by fund

Current Year

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Tangible fixed assets	93,082	-	-	93,082
Investments	1,017,032	778,604	1,258,264	3,053,900
Current assets	809,190	213,606	12,140	1,034,936
Current liabilities	(878,402)	-	-	(878,402)
Total net assets	1,040,902	992,210	1,270,404	3,303,516

Prior year - as restated

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Tangible fixed assets	94,956	-	-	94,956
Investments	1,144,408	603,865	1,428,439	3,176,712
Current assets	706,423	232,317	12,140	950,880
Current liabilities	(779,091)	-	-	(779,091)
Total net assets	1,166,696	836,182	1,440,579	3,443,457

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

21 Operating lease commitments

At 31st December 2022 the charitable company had annual commitments under other non-cancellable operating leases as follows:

	2022	2021
Expiry date:	£	£
Between 1 and 2 years	797	796
Between 2 and 5 years	198	995
	<u>995</u>	<u>1,791</u>

Lease payments recognised as an expense were £968 (2021 - £492)

22 Contingent liabilities

By virtue of the nature of the charitable company's activities there may be potential liabilities in respect of past property transactions in relation to which the legalities have not been completed. There are no such potential liabilities known to the members of the Board at this time.

23 Capital commitments

As part of its general activities the charitable company is committed to substantial expenditure on the construction, improvement and repair of church schools. These costs will however be eligible for reimbursement by virtue of grants received or contributions from the individual school governing bodies and the Board does not deem these costs to be capital commitments entered into by the Board.

24 Pension scheme

The pension charge represents contributions paid by the charitable company to personal pension schemes of employees during the year to the value of £24,620 (2021: £9,299). At the year end, amounts payable to schemes totalled £1,971 (2021: £Nil).

25 Related party transactions

The work of Derby Diocesan Board of Education is funded partly by the Derby Diocesan Board of Finance, who pay the majority of the officers' salary costs and makes a grant towards operating costs. During the year an amount of £244,087 (2021: £347,440) was received from the Derby Diocesan Board of Finance. The Rt. Reverend Libby Lane was a director of both companies during the year. The balance owing to the Derby Diocesan Board of Finance was £33,333 at the year end (2021 - £Nil).

During the year an amount of £Nil (2021: £53,865) was paid to Derby Diocesan Academy Trust, a charitable company, relating to payments made for educational activities. These payments are in line with the charitable activities of Derby Diocesan Board of Education. The Venerable Carol Coslett, a trustee of DDBE during the year, was a director of the Derby Diocesan Academy Trust during the year. The balance was £Nil at the year end (2021 - £17,500).

26 Controlling party

The charitable company is controlled by the Board of Trustees. In the opinion of the trustees, there is no overall controlling party.

27 Funds held as custodian trustee on behalf of others

There are a number of school properties, which are not recorded as assets held on behalf of others, as the destination of sale proceeds is uncertain.

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

28 Funds held as agent

School DFC Projects

The Board assists Voluntary Aided schools with the administration of funding for school building projects. The Board acts as agent on behalf of school governing bodies in receiving funds from the Department for Education, local authorities and other funding sources and settling contractors' costs and professional fees. This activity of the Board is not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the Board.

Movement on the funds held by the Board as agent during the year were as follows:

	£
Balance as at 1 January 2022	197,565
Total income during the year	315,011
Total expenditure during the year	<u>(133,084)</u>
Balance as at 31 December 2022	<u><u>379,492</u></u>

School building and IT projects

The Board assists Voluntary Aided schools with the administration of funding for school building projects and provision of IT equipment. The Board acts as agent on behalf of school governing bodies in receiving funds from the Department for Education, local authorities and other funding sources and settling contractors' costs and professional fees. This activity of the Board is not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the Board.

Movement on the funds held by the Board as agent during the year were as follows:

	£
Balance as at 1 January 2022	411,603
Total income during the year	303,840
Total expenditure during the year	<u>(457,637)</u>
Balance as at 31 December 2022	<u><u>257,806</u></u>

Universal Infant Free School Meal (UIFSM)

The Board assists Voluntary Aided schools with the administration of funding for school building projects. The Board acts as an agent on behalf of school governing bodies in receiving funds from the Department of Education, local authorities and other funding sources and settling contractors' costs and professional fees. In 2015 additional funding was allocated to help schools upgrade their kitchens, this was a core element of the Universal Infant School Free Meals Programme at that time. The additional allocation was not ring-fenced, and it is likely that it may have been spent on a variety of capital works projects, just as the regular annual allocations (LCVAP at that time) were used for capital projects relating to kitchens. Within DBE's recent annual accounts there has been £100k relating to the historic UIFSM allocation. The Department of Education have confirmed that there is not a gap in their reconciliation and this £100k can be allocated to capital works programmes in schools. The activity of the Board is not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the Board.

Movement on the funds held by the Board as agent during the year were as follows:

Balance as at 1 January 2022	-
Reclassified from other creditors	100,758
Total income during the year	-
Total expenditure during the year	-
Balance as at 31 December 2022	<u><u>100,758</u></u>

DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022

29 Prior Year Comparative Statement of Financial Activities - As restated

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Income and endowments from				
Donations	-	-	-	-
Charitable activities	17,843	347,440	-	365,283
Investments	77,043	37,074	-	114,117
Total Income and endowments	<u>94,886</u>	<u>384,514</u>	<u>-</u>	<u>479,400</u>
Expenditure on				
Raising funds	-	20,739	-	20,739
Charitable activities	61,923	270,496	-	332,419
Total expenditure	<u>61,923</u>	<u>291,235</u>	<u>-</u>	<u>353,158</u>
Net (expenditure) / income before Investment gains	32,963	93,279	-	126,242
Net gains / (losses) on investments	89,569	92,620	178,664	360,853
Net (expenditure) / income	<u>122,532</u>	<u>185,899</u>	<u>178,664</u>	<u>487,095</u>
Gross transfers between funds	(7,800)	7,800	-	-
Net movement in funds	<u>114,732</u>	<u>193,699</u>	<u>178,664</u>	<u>487,095</u>
Reconciliation of funds:				-
Total funds at 1st January 2021 as restated	1,051,964	642,483	1,261,915	2,956,362
Total funds at 31st December 2021 as restated	<u>1,166,696</u>	<u>836,182</u>	<u>1,440,579</u>	<u>3,443,457</u>

30 Prior Year Adjustment

Within restricted and endowment funds those held under s554 income and capital funds have been amalgamated together in line with the rules of the s554 agreements.

A s554 capital fund for Wessington Property proceeds had previously been accounted for within a restricted income fund. This has been reclassified to endowment capital funds in accordance with the s554 agreement. This had the following impact on restricted and endowment funds. There was impact to total overall funds.

	Endowment	Restricted
Funds at 31 December 2021 as previously stated	1,242,025	1,034,736
Fund reclassification	198,554	(198,554)
Funds at 31 December 2021 as restated	<u>1,440,579</u>	<u>836,182</u>

There was no impact to the totals on the statement of financial activities.

DDBE Accounts - Final - 2nd Copy

Final Audit Report

2023-06-22

Created:	2023-06-20
By:	Nathan Holyoak (nathan.holyoak@bhp.co.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAAOMICP-Cy50B8HI7CDqfo6nowd-FILkUT

"DDBE Accounts - Final - 2nd Copy" History

-  Document created by Nathan Holyoak (nathan.holyoak@bhp.co.uk)
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-  Document emailed to malcolm.macnaughton@derby.anglican.org for signature
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-  Signer malcolm.macnaughton@derby.anglican.org entered name at signing as THE RT REVD MALCOLM MACNAUGHTON
2023-06-22 - 8:48:29 AM GMT
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-  Document e-signed by Jane Marshall (jane.marshall@bhp.co.uk)
Signature Date: 2023-06-22 - 4:49:05 PM GMT - Time Source: server
-  Agreement completed.
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DERBY DIOCESAN BOARD OF EDUCATION

England & Wales - Charity number 527038

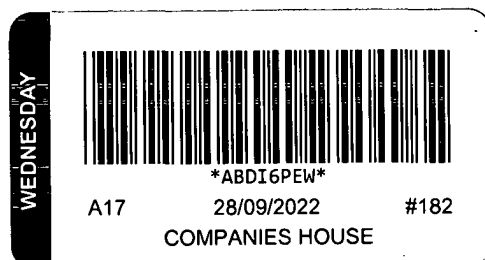
Accounts

Registered Number: 00463908

DERBY DIOCESAN BOARD OF EDUCATION
{Incorporated as a company limited by guarantee}

REPORTS AND FINANCIAL STATEMENTS
YEAR ENDED

31st December 2021



DERBY DIOCESAN BOARD OF EDUCATION

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DERBY DIOCESAN BOARD OF EDUCATION

COMPANY PARTICULARS

President & Chairman	The Rt. Reverend Bishop Elizabeth Lane
Bishop's Nominee and Chair of the Board	The Venerable C. Coslett The Reverend Canon M. Macnaughton (appointed 22.06.21)
Trustees (Synod Appointments)	Canon J. Cooper (resigned 15.03.22) The Reverend N. Fenton Mr D. Martin The Reverend S. White Mrs. F. Swain Canon C. Holmes-Elener Ms. S. Barley-McMullen The Reverend D. Mundy (appointed 08.02.21) The Reverend P. Selby (appointed 08.02.21)
Co-opted	Mrs C. Fearria The Reverend N. Roberts (resigned 22.06.21) Mr. J. Clapham (appointed 08.02.21) Mrs. C. Bailey (appointed 08.02.21)
Observer	Mrs M. Thomas-Goddard
Secretary and Director of Education	Canon L. Wainscot (resigned 31.08.21) Canon C. Lewis (appointed 01.09.21)
Registered Office	Derby Church House Full Street Derby, DE1 3DR
Independent Auditor	BHP LLP 57-59 Saltergate Derbyshire Chesterfield S40 1UL
Bankers	National Westminster Bank 58 St Peters Street, Derby, DE1 1XL
Solicitors	J.H. Powell & Co. Cathedral Chambers Amen Alley, Derby, DE1 3GT
Company Registered Number	463908
Charity Number	527038

**DERBY DIOCESAN BOARD OF EDUCATION
CHAIR'S REPORT**

Chair's report for year ending December 2021

It has been my great honour and privilege to have chaired the Diocesan Board of Education and this report is published amidst significant periods of change both internally and externally.

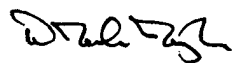
Firstly, my thanks go to all of the team who have tirelessly supported schools, churches and households and worked professionally to continue to embrace the Church of England vision for Education which is deeply Christian with Jesus' promise of "Life in all its fullness" at its heart. The Board continues to act as an advocate for children and young people supporting headteachers, governors, clergy and parishes in order that they may proclaim the gospel through their actions, words and the community life they build.

Internal challenges that affected capacity across our team at the start of 2020 continued through 2021. Linda Wainscot was interim DDE from January 2021 until Carolyn Lewis took up the role in September 2021. Netta Russell, the DBE's Senior Administrator retired in September following 36 years of faithful service. Shakher Khaliq, Deputy Director (Business) left in December 2021. Lindsey Bowe has joined the team as Executive Assistant and Jason Aldridge as Senior Business & Operations Manager. A Deputy Director has also been appointed and is due to start in September 2022. Our deepest thanks are expressed for the invaluable contributions that Linda, Shak and Netta all made to the work of the DBE.

In addition to the internal complexities highlighted above, we have experienced great upheaval nationally as education has sought to respond effectively to the significant impact of the coronavirus pandemic on our schools, churches, their children and young people, staff and the work of the DBE. At the start of 2021 all schools in the UK were asked once again to close to all children except those of key workers and children considered vulnerable. Inspections and examinations were cancelled and education officers together with many school staff transitioned to home-working and therefore this resulted in a rapidly changing landscape as we sought to find new and innovative ways of providing love and support.

Nevertheless, despite all of these challenges, throughout 2021 the DBE's responsibility for advancing the work of Christian education and training in the parishes of the Diocese has continued to some extent, enabling and supporting the work of the 111 Church of England schools, one joint Church of England/Methodist and one joint Church of England/Roman Catholic School within the Diocese. *As the team is re-built, there is much to be done.*

Despite the challenging time as chair I have immensely enjoyed the role, working alongside the trustees and officers and seeing the Board grow in confidence and expertise. One of my main delights is when we truly build relationships and see children, young people and adults flourish and throughout the many challenges we have faced, I feel this has still been evident.



The Rt Rev'd Malcolm Macnaughton, Bishop of Repton

Date: Sep 26, 2022

DERBY DIOCESAN BOARD OF EDUCATION
EDUCATION REPORT OF THE TRUSTEES

The Trustees present their report and the audited financial statements of the charity for the year ended 31st December 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

OBJECTIVES AND ACTIVITIES

The Board continues to exercise many of its functions through the work of 2 sub committees, namely the School Effectiveness committee and the Finance committee; each with their own Terms of Reference which were reviewed and refreshed in light of the DBE Measure 2021. The aim of these groups was to facilitate more in depth working of key areas of the statutory functions determined by the Diocesan Boards of Education Measure 2021. The broad areas are as follows:

- 1 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;
- 2 to promote or assist in the promotion of religious education and religious worship in schools in the diocese;
- 3 to promote or assist in the promotion of church schools in the diocese;
- 4 to promote co-operation between itself and other persons concerned with education in the diocese.

More detail about the work of each committee and the links with the DBE Measure may be found in the Terms of Reference published on the DBE's website.

The DBE's principal activity is the provision of a wide range of services aimed at serving and equipping Church of England schools and academies and community schools in formal partnerships. The ability to provide these services has been impacted by the reduction in capacity of the DBE staff team and as a consequence of the pandemic.

However, the DBE responded to challenges by drawing up a short-term action plan and the following key actions have been taken:

- Recruit and induct new staff team members
- Update all key policy and guidance documentation
- Establish a website for the DBE
- Appoint external accountants
- Appoint external Buildings Advisor
- Appoint Governance and Admissions consultants
- Establish cloud-based IT systems
- Develop a costed Partnership Agreement for schools
- Appoint RE Today to provide support and training to schools
- Implement the DBE Measure 2021
- Finalise DBE Vision
- Develop a Multi-Academy Trust Strategy
- Establish processes for the appointment of Foundation Governors
- A review of all non-school and school trusts
- Establish finance procedures

The principal beneficiaries of these services are approximately 15,000 children and young people attending the 110 Church of England primary schools and 1 Church of England secondary free school within the diocese across 2 Local Authorities. These are the City of Derby and Derbyshire. Of the primary schools, 20 are Voluntary Aided (VA), 65 are Voluntary Controlled (VC) and 26 are academies. Of the 26 academies, 15 of the former VA primary schools, 11 of the former VC primary schools and the 1 secondary school are in Derby Diocesan Academy Trust (DDAT) currently the only diocesan majority MAT. By December 2020, 45% of the VA schools and 15% of the VC schools had joined the Trust. There are 4 community schools in the Trust and one Free School (Derby Cathedral School). In addition, 2 schools are part of the Embark MAT and 1 school is part of the John Taylor MAT.

Wider than this, the DBE also aims to promote and assist in the promotion of education consistent with the faith and practice of the Church of England across the diocese as a whole.

Public benefit

The Trustees confirm that they have given careful consideration to the Charity Commission's general guidance on public benefit.

DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES

The Statutory Inspection of Anglican and Methodist Schools (SIAMS)

The national team is now responsible for all aspects of the Inspection process. All SIAMS inspections were suspended due to the pandemic with a brief re-introduction during Autumn 2021. One school was inspected during this term and was judged to be 'Good'.

As a DBE we are responsible for providing training, advice and guidance for schools in relation to their Christian vision and character. This year, the DDE has offered all schools due to be inspected a 1:1 discussion. Schools have reported that these discussions have been extremely helpful. The new Deputy Director will lead on all areas of support for SIAMS.

DBE Key Partnerships

a) Church of England Foundation for Education and Learning

The interim Directors continued to work in partnership with the Church of England Education Office. This has included the transfer of responsibilities for organising Statutory Inspection of Anglican & Methodist Schools (SIAMS) from the DBE to the CEEO. DBE Officers have also supported the Diocese of Derby Academy Trust in becoming a delivery partner for National professional Qualifications (NPQs).

Carolyn Lewis has worked with the CEEO to implement the DBE Measure 2021 by drawing up a scheme for implementation in the Diocese of Derby

b) Local Authority and other Dioceses

Small school sustainability continues to be a challenge. The DBE, in partnership with the Local Authority, continue to advise our schools around different models to achieve a more sustainable and viable future.

In recent years, all of the Catholic schools within the Catholic diocese have been taken into the Catholic Multi Academy Trust. More of our CE Voluntary Aided (VA) schools have joined DDAT. This means that the School Condition Allocation (SCA) funding 'pot' that these schools generated (and from which the DBE would prioritise building projects across the Catholic and CE VA schools) has significantly decreased. There are few VA schools left in Derby City that are not in a multi academy trust and on their own they will not generate enough funding for significant building works. The number of VA schools in Derbyshire that have not converted to academy status is also reducing, therefore the 'pot' from which they would access funding for building works is also decreasing. This has led the Derby DBE to join with Leicester, Southwell & Nottingham and Coventry Dioceses to form a group with several schools large enough to carry on receiving funding. In 2021/2022, Derby Diocese received £280,488 in funding towards schools building projects. This funding is school conditions allocations (SCA) and the diocese received four equal payments of £70,122 in May, June, July and September

These funds were invested in building projects in 6 of our schools however, primarily due to the ongoing impacts of the pandemic, expenditure was not at the levels forecast. The unspent funds are carried over into the following year and we hope for a return to more normal activity levels in 2022 when more schools should benefit from this investment.

c) The Peak Centre in Edale

In the absence of a youth officer, connections have continued with this Diocesan Christian Activity Centre, which offers schools and youth groups facilities to partake in wider curriculum, life enhancing opportunities.

Having celebrated its 50 years birthday in 2019, 2020 was set to be a year full of bookings and refurbishment. Due to the pandemic most of the bookings and activities were postponed, and staff furloughed. However, activity began to return in 2021. Links to the church and the village have remained strong and the warden Ben Acty has continued to develop ideas for future engagement.

DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES

Children's and young people's work

Sarah Brown, part time Children's Adviser, continued to work from home during the pandemic and kept in touch with clergy and youth and children's groups via mailings and online calls. There was no Youth Adviser during the year. The Children's Adviser Mailings were used for essential notices.

The Church of England "Faith at Home" resources provided additional ideas and resources. The focus was largely on Collective Worship/Assemblies, linked to attributes such as Kindness, Generosity etc. Resources were based on the lectionary with ideas and occasional video clips, available on the Diocesan website for churches to access. Feedback has been positive with some churches distributing resources to families, and others using ideas for an All-Age section of their online worship. However, overall training and development events online had a mixed take up. Subjects including, "Seriously Messy" (bereavement in Messy congregations) and "Unexpected Child in the Church Area" were two organised for church leaders.

Over the second half of the year, a survey of the relationships of churches with all their local schools (not just Church of England schools) was completed, working with a Deanery at a time.

In other areas, informal meetings with the Disability Inclusion Group have commenced planning for improving Church accessibility for those with a disability.

There is ongoing dialogue with organisations and charities such as Scripture Union, Renew Wellbeing, Operation Noah and Prayer Spaces to share resources with churches and children's leaders across the Diocese.

Although developments with respect to the Youth Council have been delayed due to staffing and the pandemic, the ambition to have schools and pupils involved in new clergy appointments has been implemented via zoom, thereby beginning to strengthen the link between schools and churches.

Curate Placements

Previously, it had been planned that stipendiary curates would have to complete a placement in one of our Church schools as part of their Initial Ministerial Education. Sadly, this was put on hold due to Covid. It is intended that by spending time in a school and with children and staff it will lead to a deep theological reflection and ministerial formation.

Other

Other areas of development across the DBE have included the publication of many new and revised policies where our Christian vision is now explicit. The DBE has a new website.

We also recognise our role in becoming Carbon Neutral and anticipate that as our staffing capacity increases, we will be in a position to apply for bids which we missed out on, in the first round of funding offered for such projects.

Finally, in 2021 legislation required the revision of the framework for the work of the Board. This was initiated in 2021 and will be concluded during the course of 2022.

RISK MANAGEMENT

The trustees have considered the major strategic and operational risks, which the charitable company faces and are satisfied that the necessary steps have already been taken to lessen these risks.

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

Finance – the grant from the DBF in decline and/or inadequate to meet the responsibilities of the Board

- Regular discussion and good communication with wider diocesan family to share vision and approach to strengthen relationships (BLT, Business Committee, Bishops council, Deanery and Diocesan Synods).
- DDE to attend Business Committee for early indication of changes so that change can be effectively managed
- Balance of reserves maintained to give sufficient time to plan.
- Review of resource requested from DBF

Recruitment & Retention – inability of DBE to recruit appropriately qualified and experienced staff

- DBE Board to be engaged to enable cover arrangements to be sourced (eg: shared staff with other diocese, consultants etc)
- Ensuring good pastoral care systems are in place.
- Knowledge sharing, succession planning, capacity building within the Team.
- Review of salaries offered to recruit and retain the right people.
- Exploration of backfill some aspects of roles with additional capacity provided by appropriately qualified and experienced consultants.

**DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES**

Risk management (continued...)

Small school viability – risk of school closure and disproportionate impact on rural community.

- Need to support collaborative approaches, e.g. federation and academisation
- Need to develop a Multi Academy Trust strategy
- Need to facilitate models of collaboration between community and church schools

FINANCIAL REVIEW

The Board invests the majority of its funds through CCLA Investment Management who are accountable for investment performance. A substantial element of the Board's funds need to be kept liquid because of its role in 'bridging' building projects in schools between payment of invoices to contractors and the receipt of grants from DfE. In October 2009 the Board took possession of a former school house at Wessington upon the termination of a 99 year lease to the County Council, for which an annual rent of 50p had been payable. The house was sold at public auction in 2010 and the net proceeds £184,392 formed a new Restricted Fund which is being used to help subsidise school building projects where the governing body is experiencing difficulty in raising its 10% share.

The Board assists Voluntary Aided schools with the administration of funding for school building projects and provision of IT equipment. The Board acts as agent on behalf of school governing bodies in receiving funds from the Department for Education, local authorities and other funding sources and settling contractors' costs and professional fees. The DfE Grant and associated expenditure are not costs of the charity and therefore are not reflected in the statement of financial activities. The statement of financial activities for the year and the statement of financial position of the charitable company at the year-end are shown on pages 13 and 15 respectively. Unrestricted funds show net incoming resources before transfers of £122,532 (2020: net outgoing resources of £14,371). Restricted funds show net incoming resources of £210,704 (2020: £28,595). Endowment funds show net incoming resources of £153,859 (2020: £69,189).

As set out in Notes 16, 17 and 18 the Board holds and administers a large number of restricted and endowment funds. As at 31 December 2021 restricted funds totalled £1,034,736 (2020 - £816,232) and endowment funds totalled £1,242,025 (2020 - £1,088,166). Neither are available for the general purposes of the Board. Unrestricted general funds totalled £1,166,696 (2020: £1,051,964).

The Charitable Company's wholly-owned trading subsidiary, Derby Diocesan Education Services Limited, remains dormant and has not traded during the year ended 31 December 2021.

Investment policy

Under the Memorandum and Articles of Association, the Board has the power to make any investment that the trustees see fit. The Board has an agreed ethical stance on investments and will not make investments in companies that deal in or produce armaments. Most of the investments are held with CCLA Investment Management Ltd. The value of financial investments has increased in the year with net gains of £268,217 (2020: £51,218). Investment properties had an unrealised gain of £96,236 (2020: unrealised loss of £40,000).

Reserves policy

The Board strives to ensure that it maintains sufficient reserves to enable it to continue to achieve the objectives of the charitable company for the foreseeable future. This involves, as of necessity, ensuring that adequate reserves are maintained to provide a level of income that will support future activity. This income is supplemented by capital arising from the sale of buildings which may become surplus to requirements. This flexibility permits the charitable company's capital to be depleted in years of high expenditure on building projects. The work of the Board is funded jointly by the Derby Diocesan Board of Finance, who pay the majority of the officers' salary costs and make a grant towards operating costs, and income on the Board's financial investments. The Board also derives a small income from letting a number of properties. Additional income may be derived from the sale of redundant school buildings.

DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES

Free reserves

The trustees' reserves policy is to ensure the provision of adequate financial resources in an environment of constant change and increasing challenge, without having to make sudden increases in charges for services. The policy is therefore for General Fund reserves, not held in fixed assets, to be within a wide range of between three and twelve months' worth of the year's total resources expended.

Free reserves include investments held by the Board. In order to maximise operational income, the Board purchased additional shares in 2021, as these provide significantly better returns than reserves held in the bank. The Board can easily draw down these reserves should the need arise. It should be noted that this represents a change in how free reserves are reported, as previously such investments were excluded from the definition. The inclusion of such investment means the balance of unrestricted free reserves at 31 December was £1,071,740 (2020: £955,112 - using the revised definition).

Reserves tied up in fixed assets

Unrestricted funds comprise net assets amounting to £1,166,696 (2020: £1,051,964) of which £94,956 (2020: £96,852) is held as tangible fixed assets. Some of these reserves are designated for projects that will be carried out in the future in line with the vision of the DBE, such as an ongoing review of properties and options to maximise return on investment.

PLANS FOR FUTURE PERIODS

From September 2021, the Board developed a one-year action plan to address operational matters following a sustained period without a permanent Director. A new team has been recruited and this has strengthened the Board's capacity to support schools.

Within the wider Diocese, a new vision has emerged. The DBE has considered this and re-written its own vision to reflect its contribution to the Diocese. Alongside this vision, a three-year strategic plan has been created with key aspirational success indicators identified.

Small school sustainability continues to be a priority for the Board of Education. With the withdrawal of the Education Services Grant (ESG) the ability of the Local Authorities (LA) to support schools has been drastically reduced. The National Funding Formula (NFF) is currently introduced in a soft "manner" as a result of LA involvement which is time limited. Soon the full effect of the NFF will be felt in all schools. Financial modelling suggests that small schools will be particularly vulnerable to this.

The diocese has many small schools so facilitation of effective collaboration through federation or academisation is a key ongoing and future activity for the Board if schools are to maximise economies of scale and remain viable. With the publication of the government's White Paper in 2022, the Board has developed a Multi-Academy Trust strategy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Derby Diocesan Board of Education is a charitable company limited by guarantee. The liability of the members is limited to £1.

As set out in the Articles of Association, the Chairman of the Board is either the Bishop of Derby or someone appointed by the Board in consultation with the Bishop. Members normally serve for three years. The trustees are appointed as follows:

- (1) The Bishop who is the President of the Board
- (2) Two persons nominated by the Bishop
- (3) Not less than seven or more than nine persons appointed by the Diocesan Synod
- (4) Not less than one person or more than four persons co-opted by the Board.

**DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES**

Directors and Trustees

The directors of the Board, are also the trustees of the charitable company during the year, and at the date of this report, are set out on page 1. The Board appoints a Director of Education to whom its officers are accountable.

Trustee recruitment, selection & induction

The trustees of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the Board. New members are offered an induction meeting with the Director (detailed below) and subsequently, training can be provided by Officers of the Board. Decisions are made democratically at Board Meetings, of which at least three are held each year.

The Diocesan Director of Education holds the title 'Director', but this relates to their function within the organisation and has no legal meaning within the terminology associated with the Companies Act. All Trustees are required to maintain their entry in the record of declarations of interest and loyalty.

The Board has indemnity insurance for its trustees and key management personnel and £1,000,000 (2020 - £1,000,000) of cover is provided.

Remuneration of key management personnel

Emoluments of higher-paid employees are determined by the Finance and Business Committee. as and when required.

The terms of reference for this group is established by the Board and include:

- regular appraisals,
- remuneration and salary benchmarking and
- recommendation of changes where necessary

Delegation of day to day delivery

The Trustees and the sub-committees which assist them in the fulfilment of their responsibilities, rely upon the Director of Education and colleagues for the delivery of the day-to-day activities of the company. The Director of Education is given specific and general delegated authority to deliver the business of the Board in accordance with the policies framed by the Trustees.

RELATED PARTIES

Derby Diocesan Board of Finance Ltd

The primary object of the DBF is to act as the financial executive of the Diocesan Synod. Whilst the Board is separately incorporated, the DBF provides significant resources to the Board to facilitate the shared vision for mission and ministry with children and young people.

Derby Diocesan Academy Trust Ltd

The primary object of the DDAT is to provide resources to the Board to facilitate the shared vision for mission and ministry with children and young people.

Fundraising

The charitable company does not carry out significant fundraising activities.

**DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES**

TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Derby Diocesan Board of Education for the purposes of company law) are responsible for preparing the Report of the Trustees 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

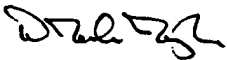
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DISCLOSURE OF INFORMATION TO THE AUDITOR

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the Board of Trustees



The Rt Rev'd Malcolm Macnaughton, Bishop of Repton

Approved and authorised for issue by the Board on: Sep 26, 2022

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

Opinion

We have audited the financial statements of Derby Diocesan Board of Education (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, statement of financial position, statement of cash flows and notes to the financial statements, including 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:

1. give a true and fair view of the state of the charitable company's affairs as at 31 December 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
2. have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
3. 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 other information comprises the information included in the report of the trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the report of the trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- 1 the information given in the report of trustees (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 2 the directors' report has been prepared in accordance with applicable legal requirements.

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

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 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:

- 1 adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- 2 the financial statements are not in agreement with the accounting records and returns; or
- 3 certain disclosures of directors' remuneration specified by law are not made; or
- 4 we have not received all the information and explanations we require for our audit; or
- 5 the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the entity through discussions with trustees and other management, and from our knowledge and experience of this charity's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the entity, including safeguarding legislation, health and safety and data protection laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the entity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

Auditor's responsibilities for the audit of the financial statements (continued)

To address the risk of fraud through management bias and override of controls, we

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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.



Jane Marshall (Sep 27, 2022 08:18 GMT+1)

Jane Marshall (Senior Statutory Auditor)

For and on behalf of BHP LLP

57-59 Saltergate
Chesterfield
Derbyshire
S40 1UL

Date: **Sep 27, 2022**

DERBY DIOCESAN BOARD OF EDUCATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2021	Total 2020
		£	£	£	£	£
Income and endowments from						
Donations	2	-	-	-	-	-
Charitable activities	3	17,843	347,440	-	365,283	371,853
Investments	4	77,043	37,074	-	114,117	110,778
Total Income and endowments		94,886	384,514	-	479,400	482,631
Expenditure on						
Raising funds	5	-	20,739	-	20,739	21,547
Charitable activities	6	61,923	270,496	-	332,419	486,079
Total expenditure		61,923	291,235	-	353,158	507,626
Net income/(expenditure) before investment gains		32,963	93,279	-	126,242	(24,995)
Net gains/(losses) on investments	13	89,569	117,425	153,859	360,852	51,218
Net income		122,532	210,704	153,859	487,095	26,223
Gross transfers between funds	17	(7,800)	7,800	-	-	-
Net movement in funds		114,732	218,504	153,859	487,095	26,223
Reconciliation of funds:						
Total funds at 1 January		1,051,964	816,232	1,088,166	2,956,362	2,930,139
Total funds at 31 December		1,166,696	1,034,736	1,242,025	3,443,457	2,956,362

All activities derive from continuing activities.

The notes on pages 17 to 29 form part of these financial statements.

**DERBY DIOCESAN BOARD OF EDUCATION
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2021**

	2021 £	2020 £
Total income (less endowment)	479,400	482,631
Resources expended (less endowment)	<u>(353,158)</u>	<u>(507,626)</u>
Operating surplus/(deficit) for the year	126,242	(24,995)
Net gains/(losses) on investments	206,994	(17,971)
Total comprehensive income/ (expenditure)	<u><u>333,236</u></u>	<u><u>(42,966)</u></u>

The income and expenditure account is derived from the Statement of Financial Activities with movements in endowment funds excluded to comply with company law. All income and expenditure is derived from continuing activities.

The notes on pages 17 to 29 form part of these financial statements.

DERBY DIOCESAN BOARD OF EDUCATION
STATEMENT OF FINANCIAL POSITION
(A company limited by guarantee)
REGISTERED NUMBER 00463908
AS AT 31ST DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	12		94,956		96,852
Investments	13		3,176,712		2,368,002
			<u>3,271,668</u>		<u>2,464,854</u>
Current Assets					
Debtors	14	41,547		111,179	
Cash at bank and in hand	15	<u>909,333</u>		<u>1,053,938</u>	
		950,880		1,165,117	
Creditors: amounts falling due within one year	16		<u>(779,091)</u>		<u>(673,609)</u>
Net Current Assets			171,789		491,508
Net assets			<u><u>3,443,457</u></u>		<u><u>2,956,362</u></u>
The Funds of the Charity:					
Unrestricted Funds (of which £370,447 (2020 - £280,879) is held in a revaluation reserve)	19		1,166,696		1,051,964
Restricted Funds (of which £634,635 (2020 - £81,210) is held in a revaluation reserve)	17		1,034,736		816,232
Endowment Funds (of which £419,480 (2020 - £265,622) is held in a revaluation reserve)	18		<u>1,242,025</u>		<u>1,088,166</u>
			<u><u>3,443,457</u></u>		<u><u>2,956,362</u></u>

The financial statements have been prepared in accordance with the special provisions relating to small companies under Part 15 of the Companies Act 2006.



Signed on behalf of the Board

The Rt Rev'd Malcolm Macnaughton, Bishop of Repton

Approved and authorised for issue by the Board on **Sep 26, 2022**

The notes on pages 17 to 29 form part of these financial statements.

DERBY DIOCESAN BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
AS AT 31ST DECEMBER 2021

	2021 £	2020 £
Net cash provided/(used in) by operating activities (see note below)		
Cash flows from investing activities:	189,135	(136,542)
Dividends, interest and rents	114,117	110,778
Fixed asset additions	-	(1,932)
Investment additions	(447,857)	(14,564)
Net cash provided by/(used In) investing activities	(333,740)	94,282
Change in cash in the reporting period	(144,605)	(42,260)
Cash at the beginning of the period	1,053,938	1,096,198
Cash at the end of the period	909,333	1,053,938

Notes to the cash flow:

1 Cashflows from operating activities

	2021 £	2020 £
Net movement in funds	487,094	26,223
Depreciation	1,896	3,266
(Gains) / losses on investments	(360,852)	(51,218)
Donated assets	-	-
Dividends, interest and rents	(114,117)	(110,778)
Decrease / (increase) in debtors	69,632	(66,648)
Increase /(decrease) in creditors	105,482	62,613
Net cash provided / (used in) by operating activities	189,135	(136,542)

2 Analysis of changes in net debt

	As at 1st January 2021 £	Cashflows	Other non- cash changes £	£	As at 31st December 2021 £
Cash and cash equivalents:					
Cash	1,053,938	(144,605)	-	-	909,333
	1,053,938	(144,605)	-	-	909,333

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

1 Accounting policies Basis of preparation

The charitable company is a private company limited by guarantee registered and incorporated in England & Wales. The members of the company are the directors set out on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member. Derby Diocesan Board of Education meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the entity to continue as a going concern.

The Trustees make the assessment in respect of a period of at least one year from the date of authorisation of the financial statements and have concluded that the entity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the entity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets excluding freehold land, over their estimated useful lives, less residual value as follows:

Freehold property	2% straight line
Fixtures, fittings and equipment	33.3% straight line
Improvements to tenanted property	2% straight line

Freehold land is not depreciated.

The de minimis level used for asset capitalisation was £500 during the year.

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

1 Accounting policies (continued)

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

School properties

The charitable company acts solely as custodian trustee in respect of the school properties and the net acquisition costs, if any, of these properties are therefore written off in the year of acquisition. The proceeds of sale of any of these properties are therefore included in the charitable company's funds in the year of disposal. Costs incurred in respect of properties held for tenancy or ultimate sale are capitalised if material.

Debtors and creditors receivable/ payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Cash at bank and in hand

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

Fund accounting

Funds held by the charitable company are either:

Unrestricted funds - These are general funds which can be used in accordance with the charitable company's objectives at the discretion of the trustees.

Restricted funds - These are funds which are to be used in accordance with specific restrictions imposed by donors or which has been raised by the charitable company for particular purposes.

Endowment funds - These funds represent those assets which must be held permanently by the charitable company. The use of the income arising on these funds is restricted and specific. Any capital gains or losses arising on the investments form part of the fund. Further explanation of the nature and purpose of the restricted funds and endowment funds is included in note 16 and note 17.

Income recognition

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

The charitable company operates a scheme for holding Devolved Formula Capital Grants (DFC) paid to schools in advance of the expenditure on projects. This income is deferred in the balance sheet and reflected in cash at bank on receipt (see note 14).

Rental income is recognised on an accruals basis.

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

Expenditure recognition

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

Certain expenditure is directly attributable to specific activities and has therefore been included in these cost categories. Certain other costs which are attributable to more than one activity are apportioned across cost categories based on an estimate of the proportion of time spent on these activities. Irrecoverable Value Added Tax (VAT) is expensed in the SOFA (or if incurred as part of a fixed asset addition capitalised) and classified under the heading to which the expenditure relates to.

Up to 50% of the charitable company's budgeted administration expenses are met by Derby Diocesan Board of Finance Ltd.

Employment benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Contributions in respect of the personal pension scheme of employees are charged to the statement of financial activities on an accruals basis.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term.

Redundancy payments

Redundancy benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The charity recognises redundancy benefits when it is committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal.

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.

Judgements and key sources of estimation uncertainty

There are no judgements (apart from those involving estimates) that have been made in the process of applying the above accounting policies that have had a significant effect on amounts recognised in the financial statements.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

An area of key estimation uncertainty, although not a significant risk due to annual professional valuations being undertaken, is the valuation of investment properties. The valuations are subject to judgements of an expert including, but not limited to, the state of repair of the properties, local knowledge and housing market fluctuations.

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

2 Donations

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Donated assets	-	-	-	-

3 Charitable activities

	Unrestricted	Restricted	2021	2020
	£	£	£	£
DfE administration fee	1,149	-	1,149	1,023
Other income	12,544	-	12,544	4,000
School service legal agreements	4,150	-	4,150	19,400
Restricted Income	-	347,440	347,440	347,430
	17,843	347,440	365,283	371,853

4 Investment Income

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Rents receivable	53,219	-	53,219	53,443
Bank deposit interest	142	-	142	1,326
Other investment income	23,682	37,074	60,756	56,009
	77,043	37,074	114,117	110,778

5 Expenditure on raising funds

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Property running costs	-	19,510	19,510	20,317
Depreciation of improvements to tenanted properties	-	1,229	1,229	1,230
	-	20,739	20,739	21,547

6 Charitable Activities

	Note	Direct Costs	Other Direct	2021	2020
		£	£	£	£
Grants payable		-	-	-	275
Administration costs	7	305,643	-	305,643	456,395
Establishment expenses	8	13,641	-	13,641	12,984
Training and resources	9	13,135	-	13,135	16,425
		332,419	-	332,419	486,079

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

7 Administration costs

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Specialist conferences	-	173	173	158
Subscriptions	-	475	475	858
Officer expenses	-	1,115	1,115	3,427
Photocopier	-	-	-	13
Postage	-	113	113	(32)
Stationery	-	806	806	614
Telephone	-	1,007	1,007	1,028
Hospitality	-	65	65	432
Sundry expenses	-	1,233	1,233	2,993
Audit fees	-	8,520	8,520	9,792
Legal and professional fees	29,024	-	29,024	22,769
Consultancy	31,203	55,973	87,176	2,250
Bank charges	-	473	473	525
Reimbursement to DBF	-	-	-	40,000
Office staff costs (note 11)	-	135,963	135,963	280,506
Appeals	1,696	2,804	4,500	1,990
Other expenditure	-	-	-	16,162
Derby Diocesan Academy Trust Expenditure	-	35,000	35,000	72,910
	61,923	243,720	305,643	456,395

8 Establishment expenses

	Unrestricted	Restricted	2021	2020
	£	£	£	£
ICT costs	-	4,021	4,021	1,590
Lease hire of equipment	-	927	927	1,252
Insurance	-	8,026	8,026	8,106
Depreciation of fixtures, fittings and equipment	-	667	667	2,036
	-	13,641	13,641	12,984

9 Training and resources

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Events and publicity	-	13,135	13,135	16,408
Resources library	-	-	-	17
	-	13,135	13,135	16,425

10 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the auditor for the audit of the Trust's annual accounts.	8,590	7,100
	8,590	7,100

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

11 Staff Costs

	2021	2020
	£	£
Wages and salaries	119,604	240,044
Social security costs	7,060	23,958
Other pension costs	9,299	16,504
	135,963	280,506

	2021	2020
	No.	No.
Average number of employees:	3	4
Full-time equivalent (FTE) number of employees:	2.5	3.5
Number of employees earning more than £60,000 per annum:		
£70,001 to £80,000	-	1
£80,001 to £90,000	-	1

Trustees' travel expenses of £Nil (2020: £14) were reimbursed during the year for no trustees (2020: 1 trustee). None of the trustees have been paid remuneration in either year.

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 Board of Education. During 2020 the role of Acting Director of Education was comprised by 1 employee. Remuneration, pension contributions and national insurance for this employee amounted to £77,957. During 2021, the role of Acting Director of Education was provided externally, the costs of which amounted to £55,973.

During 2021, a settlement agreement totalling £23,277 (2020 - £81,109) was made in respect of termination of duties of previous key management personnel.

12 Tangible fixed assets

	Freehold land and property	Fixtures fittings and equipment	Improvements to tenanted properties	Total
	£	£	£	£
Cost				
At 1st January 2021	74,485	25,102	64,353	163,940
Additions	-	-	-	-
Disposals	-	-	-	-
At 31st December 2021	74,485	25,102	64,353	163,940
Depreciation				
At 1st January 2021	19,363	23,345	24,380	67,088
Charge for the year	-	667	1,229	1,896
Disposals	-	-	-	-
At 31st December 2021	19,363	24,012	25,609	68,984
Net book value				
At 31st December 2021	55,122	1,090	38,744	94,956
At 31st December 2020	55,122	1,757	39,973	96,852

Included within freehold land and property is land which is not depreciated with a cost of £55,122 (2020: £55,122).

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

13 Fixed asset investments

	2021	2020
	£	£
Investment securities within the United Kingdom (market value)		
At 1st January 2021	1,883,438	1,792,220
Additions	440,057	-
Disposals	-	-
Realised gains / (losses)	-	-
Unrealised gains / (losses)	268,217	91,218
At 31st December 2021	<u>2,591,712</u>	<u>1,883,438</u>
Investment properties (market value)		
At 1st January 2021	484,564	510,000
Additions	7,800	14,564
Disposals	-	-
Realised gains / (losses)	-	-
Unrealised gains / (losses)	92,636	(40,000)
At 31st December 2021	<u>585,000</u>	<u>484,564</u>
Total fixed asset investments	<u>3,176,712</u>	<u>2,368,002</u>
	2021	2020
	£	£
Market value of investment securities held with:		
CCLA Investment Management Ltd:		
COIF Charities Investment Fund income units	51,530	45,415
CBF Investment Fund income units	2,417,242	1,729,590
Investment in M&G Charifund units	122,940	108,433
	<u>2,591,712</u>	<u>1,883,438</u>
Historic cost of investment securities	<u>1,729,786</u>	<u>1,289,727</u>
Investment properties comprise:		
Ashford School House	350,000	300,000
Ashford Former School	225,000	160,000
Starkholmes	10,000	24,564
	<u>585,000</u>	<u>484,564</u>
Historic cost of investment properties.	<u>22,364</u>	<u>14,564</u>

The investment property valuations have been supplied by Milner Commercial (the DBE Chartered Surveyor), as 31st December 2021.

The charitable company owns 100% of the issued ordinary share capital of Derby Diocesan Education Services Limited, a company incorporated in the United Kingdom. The company was dormant throughout the year ended 31st December 2021 and reserves amounted to £100. As the company is not trading, a provision has been made against the investment. Derby Diocesan Education Services Limited has the same registered address as DBE.

14 Debtors

	2021	2020
	£	£
Trade debtors	18,724	75,922
Other debtors	20,512	20,453
Prepayments	2,311	14,804
	<u>41,547</u>	<u>111,179</u>

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

15 Cash at bank and in hand

Included within cash is £609,169 at the balance sheet date (2020: £450,699) which is Buildings Capital Grant held by the charitable company on behalf of a number of schools.

16 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	40,952	54,822
Other creditors	100,758	100,758
Accruals	28,212	67,330
Creditors (funds held as agent):		
School building and IT projects (note 28)	411,603	275,859
School DFC projects	197,565	174,840
	779,091	673,609

The analysis of creditors for 2020 has been amended to more fairly reflect the nature of the creditors. The total is unaffected.

16 Restricted funds

Current year	At 1st January 2021	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2021
	£	£	£	£	£	£
Restricted Income funds						
Wessington Property Sale	217,410	5,253	-	24,805	-	247,468
NCSL	5,016	-	-	-	-	5,016
Schools Improvement	-	70,000	(35,000)	-	-	35,000
System Leadership	1,872	-	-	-	-	1,872
Aspirant Heads	3,321	-	-	-	-	3,321
RE Net	2,189	-	-	-	-	2,189
Derby Diocesan Board of Finance Fund	-	277,440	(256,135)	-	-	21,305
Youth Anglo Catholic Work	-	-	-	-	-	-
Ashford School House	300,000	-	-	50,000	-	350,000
Ashford Former School	160,000	-	-	59,900	5,100	225,000
Starkholmes Land	24,564	-	-	(17,264)	2,700	10,000
Special Projects Funds	4,006	-	-	-	-	4,006
Derbyshire Association of Church Schools	4,399	573	-	-	-	4,972
Gell Memorial Prizes Fund	5,523	576	(100)	-	-	5,999
Byroms Charity	1,364	14	-	(16)	-	1,362
Mill Street (St John's Activity Centre)	14,405	8,688	-	-	-	23,093
Shirland Property sale proceeds	72,163	21,970	-	-	-	94,133
	816,232	384,514	(291,235)	117,425	7,800	1,034,736

Endowment funds

Investment income on endowment funds is spent on the six restricted funds shown above. Expenditure of £100 was incurred during the year (2020: £19,127).

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

17 Restricted funds (continued)

Prior year	At 1st January 2020	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2020
	£	£	£	£	£	£
Restricted income funds						
Wessington Property Sale	217,341	5,021	(16,162)	11,210	-	217,410
NCSL	5,016	-	-	-	-	5,016
Schools Improvement	-	70,000	(70,000)	-	-	-
System Leadership	1,872	-	-	-	-	1,872
Aspirant Heads	3,321	-	-	-	-	3,321
RE Net	2,189	-	-	-	-	2,189
Derby Diocesan Board of Finance Fund	-	277,430	(277,430)	-	-	-
Youth Anglo Catholic Work	148	-	(148)	-	-	-
Ashford School House	340,000	-	-	(40,000)	-	300,000
Ashford Former School	160,000	-	-	-	-	160,000
Starkholmes Land	10,000	-	-	-	14,564	24,564
Special Projects Funds	3,750	256	-	-	-	4,006
Derbyshire Association of Church Schools	4,101	298	-	-	-	4,399
Gell Memorial Prizes Fund	5,095	555	(127)	-	-	5,523
Byroms Charity	1,355	9	-	-	-	1,364
Mill Street (St John's Activity Centre)	6,047	8,358	-	-	-	14,405
Shirland Property sale proceeds	70,028	21,135	(19,000)	-	-	72,163
	830,263	383,062	(382,867)	(28,790)	14,564	816,232

Wessington Property Sale Fund

Income of £188,180 gross of sales expenses was received by the Board in the year ending 31 December 2010. The proceeds can only be used 'in or towards the purchase of a site for, or the erection, improvement or enlargement of the premises of any Church of England Voluntary School in the Diocese of Derby or a teacher's house for use in connection with such a school'. Income of £5,021 (2019: £4,929) has been generated through the investment of the fund and realised and unrealised gains and losses have also been recognised.

NCSL Fund

Funding provided by the National College of School Leadership (NCSL) specifically to facilitate the development of leadership of teachers in church schools.

School Improvements Fund

Funding received from the Derby Diocesan Board of Finance £70,000 (2020: £70,000) to facilitate the development of school improvement services.

System Leadership Fund

Funding provided by NCSL to support, develop and attract potential head teachers.

Aspirant Heads Fund

Funding provided by the National College School Development Support Agency to provide CPD for potential church leaders. Funding received by four schools, £1,000 each.

RE Net Fund

Funding received from St Christopher's College Education Trust for the professional development of Religious Education Coordinators and for the improvement of the delivery of religious education.

Derby Diocesan Board of Finance Fund

During the year £277,440 (2020: £277,430) was received from the Derby Diocesan Board of Finance as a contribution towards officers' salaries and administration costs.

Youth Anglo Catholic Work

Funding for expenditure on Youth Anglo Catholic projects. Income is released as expenditure is incurred for work on developing young people from Anglo Catholic backgrounds.

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

17 Restricted Funds (continued)

Ashford School House

In 2020, legal advice received from the DBE solicitor suggested it would be prudent to reclassify Ashford School House as a restricted fund. Clarity with regards to the sale proceeds, should a sale take place, would only be ascertained after the sale of the property.

Ashford Former School

In 2019, legal advice received from the DBE solicitor suggested Ashford Former School should be capitalised as an asset belonging to the DBE. The current condition of the property does not reflect the potential future value.

Land at Starkholmes

In 2019, legal advice received from the DBE solicitor suggested land at Starkholmes, valued at £10,000 in current conditions, could potentially be sold for up to £200,000 should development opportunities arise. The Board is currently investigating the potential opportunities available for development on the land.

Transfer between funds

A transfer has been made from unrestricted funds to restricted funds relating to Starkholmes land and Ashford Former School development additions in the year.

18 Endowment Funds - Permanent

Current year

	At 1st January 2021	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2021
	£	£	£	£	£	£
Special Projects Funds	17,765	-	-	-	-	17,765
Derbyshire Association of Church Schools	12,405	-	-	2,652	-	15,057
Gell Memorial Prizes Fund	20,295	-	-	2,790	-	23,085
Byroms Charity	865	-	-	-	-	865
Shirland Property Sale	742,818	-	-	106,356	-	849,174
Mill Street	294,018	-	-	42,061	-	336,079
	1,088,166	-	-	153,859	-	1,242,025

	At 1st January 2020	Income	Expenditure	Gains & Losses	Transfers	At 31st December 2020
	£	£	£	£	£	£
Special Projects Funds	17,260	-	-	505	-	17,765
Derbyshire Association of Church Schools	11,730	-	-	675	-	12,405
Gell Memorial Prizes Fund	19,040	-	-	1,255	-	20,295
Byroms Charity	865	-	-	-	-	865
Shirland Property Sale	694,982	-	-	47,836	-	742,818
Mill Street	275,100	-	-	18,918	-	294,018
	1,018,977	-	-	69,189	-	1,088,166

The income arising from the endowment funds is accounted for in restricted funds of the charitable company and may be used as follows:

Special Projects Funds:

80% towards general commitments and special projects
5% towards religious education
5% towards Sunday schools
10% towards youth work

Derbyshire Association of Church Schools

The funding of repairs, alterations or improvements in church schools, which are not eligible for grants from DfE or the local authority.

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

18 Endowment funds (continued)

Gell Memorial Prizes Fund

The making of awards and prizes to children within the Diocese in respect of religious education projects.

Byroms Charity

The furtherance of Christian education in certain parishes in Derby.

Shirland Property Sale

The capital and the income of the Trust may be applied to the funding of purchase of a site for, alterations or improvements to, or maintenance of, any relevant school or teacher's house in the area. The income of the trust assets may be applied in or towards the provision of advice, guidance and resources in connection with any matter related to the management of, or education provided at, any relevant school in the area; the provision of services for carrying out inspections; or to defray the cost of employing or engaging staff in connection with the above.

Mill Street Property Sale

The capital and the income of the Trust may be applied to the funding of purchase of a site for, alterations or improvements to, or maintenance of, any relevant school or teacher's house in the area. The income of the trust assets may be applied in or towards the provision of advice, guidance and resources in connection with any matter related to the management of, or education provided at, any relevant school in the area; the provision of services for carrying out inspections; or to defray the cost of employing or engaging staff in connection with the above.

19 Unrestricted funds

Current year

	At 1st January 2021	Incoming Resources	Resources Expended	Gains & Losses	Transfers	At 31st December 2021
	£	£	£	£	£	£
Unrestricted funds	1,051,964	94,886	(61,923)	89,569	(7,800)	1,166,696

Prior year

	At 1st January 2020	Incoming Resources	Resources Expended	Gains & Losses	Transfers	At 31st December 2020
	£	£	£	£	£	£
Unrestricted funds	1,080,899	99,569	(124,759)	10,819	(14,564)	1,051,964

20 Summary of net assets by fund Current year

Current Year

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Tangible fixed assets	94,956	-	-	94,956
Investments	1,170,616	601,989	1,404,107	3,176,712
Current assets	680,215	432,747	(162,082)	950,880
Current liabilities	(779,091)	-	-	(779,091)
Total net assets	1,166,696	1,034,736	1,242,025	3,443,457

Prior year

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Tangible fixed assets	96,852	-	-	96,852
Investments	633,190	484,564	1,250,248	2,368,002
Current assets	995,531	331,668	(162,082)	1,165,117
Current liabilities	(673,609)	-	-	(673,609)
Total net assets	1,051,964	816,232	1,088,166	2,956,362

**DERBY DIOCESAN BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

21 Operating lease commitments

At 31st December 2021 the charitable company had annual commitments under other non-cancellable operating leases as follows:

Expiry date:	2021	2020
	£	£
Between 1 and 2 years	796	266
Between 2 and 5 years	995	-
	995	-

Lease payments recognised as an expense were £492 (2020 - £492)

22 Contingent liabilities

By virtue of the nature of the charitable company's activities there may be potential liabilities in respect of past property transactions in relation to which the legalities have not been completed. There are no such potential liabilities known to the members of the Board at this time.

23 Capital commitments

As part of its general activities the charitable company is committed to substantial expenditure on the construction, improvement and repair of church schools. These costs will however be eligible for reimbursement by virtue of grants received or contributions from the individual school governing bodies and the Board does not deem these costs to be capital commitments entered into by the Board.

24 Pension scheme

The pension charge represents contributions paid by the charitable company to personal pension schemes of employees during the year to the value of £9,299 (2020: £16,504). At the year end, amounts payable to schemes totalled £nil (2020: £Nil).

25 Related party transactions

The work of Derby Diocesan Board of Education is funded partly by the Derby Diocesan Board of Finance, who pay the majority of the officers' salary costs and makes a grant towards operating costs. During the year an amount of £347,440 (2020: £347,430) was received from the Derby Diocesan Board of Finance. The Rt. Reverend Libby Lane was a director of both companies during the year. The balance owing to the Derby Diocesan Board of Finance was £Nil at the year end (2020 - £23,861).

During the year an amount of £53,865 (2020: £72,960) was paid to Derby Diocesan Academy Trust, a charitable company, relating to payments made for educational activities. These payments are in line with the charitable activities of Derby Diocesan Board of Education. The Venerable Carol Coslett, a trustee of DDBE during the year, was a director of the Derby Diocesan Academy Trust during the year. The balance was £17,500 at the year end (2020 - £44,600).

26 Controlling party

The charitable company is controlled by the Board of Trustees. In the opinion of the trustees, there is no overall controlling party.

27 Funds held as custodian trustee on behalf of others

There are a number of school properties, which are not recorded as assets held on behalf of others, as the destination of sale proceeds is uncertain.

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

28 Funds held as agent

School DFC Projects

The Board assists Voluntary Aided schools with the administration of funding for school building projects. The Board acts as agent on behalf of school governing bodies in receiving funds from the Department for Education, local authorities and other funding sources and settling contractors' costs and professional fees. This activity of the Board is not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the Board.

Movement on the funds held by the Board as agent during the year were as follows:

	£
Balance as at 1 January 2021	174,840
Total income during the year	119,307
Total expenditure during the year	<u>(96,582)</u>
Balance as at 31 December 2021	<u>197,565</u>

School building and IT projects

The Board assists Voluntary Aided schools with the administration of funding for school building projects and provision of IT equipment. The Board acts as agent on behalf of school governing bodies in receiving funds from the Department for Education, local authorities and other funding sources and settling contractors' costs and professional fees. This activity of the Board is not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the Board.

Movement on the funds held by the Board as agent during the year were as follows:

	£
Balance as at 1 January 2021	275,859
Total income during the year	280,489
Total expenditure during the year	<u>(144,745)</u>
Balance as at 31 December 2021	<u>411,603</u>

29 Prior Year Comparative Statement of Financial Activities

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Income and endowments from				
Donations	-	-	-	-
Charitable activities	24,423	347,430	-	371,853
Investments	75,146	35,632	-	110,778
Total Income and endowments	<u>99,569</u>	<u>383,062</u>	-	<u>482,631</u>
Expenditure on				
Raising funds	11,022	10,525	-	21,547
Charitable activities	113,737	372,342	-	486,079
Total expenditure	<u>124,759</u>	<u>382,867</u>	-	<u>507,626</u>
Net (expenditure) / income before Investment gains	(25,190)	195	-	(24,995)
Net gains / (losses) on investments	10,819	(28,790)	69,189	51,218
Net (expenditure) / income	<u>(14,371)</u>	<u>(28,595)</u>	69,189	26,223
Gross transfers between funds	(14,564)	14,564	-	-
Net movement in funds	<u>(28,935)</u>	<u>(14,031)</u>	69,189	26,223
Reconciliation of funds:				
Total funds at 1st January 2020	1,080,899	830,263	1,018,977	2,930,139
Total funds at 31st December 2020	<u>1,051,964</u>	<u>816,232</u>	<u>1,088,166</u>	<u>2,956,362</u>

DERBY DIOCESAN BOARD OF EDUCATION

England & Wales - Charity number 527038

Accounts

DERBY DIOCESAN BOARD OF EDUCATION
(Incorporated as a company limited by guarantee)
REPORTS AND FINANCIAL STATEMENTS
YEAR ENDED
31 DECEMBER 2020

DERBY DIOCESAN BOARD OF EDUCATION

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DERBY DIOCESAN BOARD OF EDUCATION

COMPANY PARTICULARS

President & Chairman	The Rt. Reverend Bishop Elizabeth Lane
Bishop's Nominee and Chair of the Board	The Venerable C. Coslett
Trustees (Synod Appointments)	Mrs. J. Burrows (resigned 19.11.20) Canon J. Cooper Mrs. C. Fearria The Reverend N. Fenton Mr D. Martin The Reverend S. White Mrs. F. Swain (appointed 04.02.20) Canon C. Holmes-Elener (appointed 04.02.20) The Reverend D. Mundy (appointed 08.02.21) The Reverend P. Selby (appointed 08.02.21)
Co-opted	Mr. A. Chambers (resigned 30.06.20) Ms. S. Barley-McMullen The Reverend N. Roberts Mr. J. Clapham (appointed 08.02.21) Mrs. C. Bailey (appointed 08.02.21)
Observer	Mrs M. Thomas-Goddard The Reverend Canon M. Macnaughton
Secretary and Director of Education	Dr Alison Brown (Acting DDE until 01.01.21) Canon L. Wainscot (appointed 01.01.21)
Registered Office	Derby Church House Full Street Derby, DE1 3DR
Independent Auditor	BHP LLP 57-59 Saltergate Derbyshire Chesterfield S40 1UL
Bankers	National Westminster Bank Plc 58 St Peters Street Derby, DE1 1XL
Solicitors	J.H. Powell & Co. Cathedral Chambers Amen Alley Derby, DE1 3GT
Company Registered Number	00463908
Charity Number	527038

DERBY DIOCESAN BOARD OF EDUCATION

CHAIR'S REPORT

Chair's report for year ending December 2020

It has been my great honour and privilege to have chaired the Board of Trustees during 2020 and this report is published amidst significant periods of change both internally and externally.

Firstly, my thanks go to all of the team who have tirelessly supported schools, churches and households and worked professionally to continue to embrace the Church of England vision for Education which is deeply Christian with Jesus' promise of "Life in all its fullness" at its heart. The board continues to act as an advocate for children and young people supporting headteachers, governors, clergy and parishes in order that they may proclaim the gospel through their actions, words and the community life they build.

Internal challenges that affected capacity across our team at the start of 2020, included our substantive Director of Education (DDE) remaining on long term sick leave, with processes being followed with HR and occupational health. The delegation of roles from October 2019 continued with Alison Brown as Acting DDE supported by Mark Mallender, CEO of Derby Diocesan Academy Trust (DDAT). Also in January, Alastair Langton retired from his post as Youth Adviser having given devoted service of over 20 years with Derby Diocese. At the beginning of the autumn term David Channon resigned from his post as DDE and Alison Brown, after much discernment, accepted a new post with Christian Aid. After 17 years of service as Deputy Director and Schools' Adviser we said farewell. Our deepest thanks are expressed for the invaluable contributions that all who have left, have made.

In the light of the above resignations a working party was established to set in motion the appointment process for the new DDE. A group of trustees met on several occasions to discern the job role and person specification whilst also considering a range of documents from dioceses nationally. The process also coincided with a review of the Derby Diocesan Board of Education (DBE) commissioned by the Bishop. During October/November Carolyn Lewis DDE for Leicester and Rowan Ferguson from the CofE Education Office led the review which focussed on the way the DBE worked and its relationship with the Derby Diocesan Board of Finance (DBF). Although the outcomes of this helped to define the job description and person specification it has not as yet been formally shared with the DBE.

There is no doubt that whilst our priority as a Board going forward is to appoint new leadership we are also mindful of the need to increase capacity so that the emerging Diocesan vision is implemented successfully. Meanwhile, we are delighted that Linda Wainscot, former DDE of Coventry has agreed to take on the Interim DDE from January 2021 on a part time basis and Alison Brown is supporting as a consultant for 1-2 days a week with schools Christian Distinctiveness related work.

In addition to the internal complexities highlighted above, we have experienced great upheaval nationally as education has sought to respond effectively to the significant impact of the coronavirus pandemic on our schools, churches, their children and young people, staff and the work of the DBE. By 20 March 2020 all schools in the UK had closed to all children except those of key workers and children considered vulnerable. Inspections and examinations were cancelled and education officers together with many school staff transitioned to home-working and therefore this resulted in a rapidly changing landscape as we sought to find new and innovative ways of providing love and support.

DERBY DIOCESAN BOARD OF EDUCATION

CHAIR'S REPORT

Nevertheless, despite all of these challenges, throughout 2020 the DBE's responsibility for advancing the work of Christian education and training in the parishes of the Diocese has continued, enabling and supporting the work of the 111 Church of England schools, one joint Church of England/Methodist and one joint Church of England/Roman Catholic School within the Diocese. Working in partnership with the DDAT the Board has developed and nurtured leaders and staff within schools to seek to offer life in all its fullness, through learning, growing, building connections and being healthy. This has been accomplished in line with the Diocesan Boards of Education Measure.

Finally, my thanks are extended to the invaluable and unstinting work of the Board of Trustees, Alison Brown (Acting DDE), Shakher Khaliq (Deputy Director of Business), Netta Russell (Senior Administrator), Sarah Brown (Children's advisor) and Mark Mallender (CEO DDAT). Despite the challenging time as chair I have immensely enjoyed the role, working alongside the trustees and officers and seeing the Board grow in confidence and expertise. One of my main delights is when we truly build relationships and see children, young people and adults flourish and throughout the pandemic of 2020 that, I feel has still been evident.

Carol Coslett

Carol Coslett (Jun 29, 2021 09:29 GMT+1)

The Venerable Carol Coslett
Chair
22nd June 2021

DERBY DIOCESAN BOARD OF EDUCATION

REPORT OF THE TRUSTEES

The Trustees present their report and the audited financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

OBJECTIVES AND ACTIVITIES

At the beginning of the year the board agreed the setting up of 2 sub committees namely the School Effectiveness committee and the Finance committee; each with their own Terms of Reference, and also an additional working party to take forward the outcomes of the Vision day held at the end of 2019. These met in person at the beginning of the year and then online via Zoom since the lockdown. The aim of these groups was to facilitate more in depth working of key areas of the statutory functions determined by the Diocesan Boards of Education Measure 1991. They are as follows:

1. to promote or assist in the promotion of education in the diocese, being education which is consistent with the faith and practice of the Church of England;
2. to promote or assist in the promotion of religious education and religious worship in schools in the diocese;
3. to promote or assist in the promotion of church schools in the diocese and to advise the governors of such schools and trustees of church educational endowments and any other body or person concerned on any matter affecting church schools in the diocese;
4. to promote cooperation between the DBE and bodies or persons concerned in any respect with education in the diocese;
5. the functions assigned to the Board by the measure; and
6. such other functions not contrary to the measure as are assigned to the Board by the diocesan synod, other than functions relating to church schools or church educational endowments.

The DBE's principal activity is the provision of a wide range of services aimed at serving and equipping Church of England schools and academies and community schools in formal partnerships. The DBE appoints officers to lead on the above work. Additional services are mostly provided under a Diocesan Service Agreement which was drawn up between DDAT and DBE in 2020.

The principal beneficiaries of these services are approximately 15,000 children and young people attending the 110 Church of England primary schools and 1 Church of England secondary free school within the diocese across 2 Local Authorities. These are the City of Derby and Derbyshire. Of the primary schools, 20 are Voluntary Aided (VA), 65 are Voluntary Controlled (VC) and 26 are academies. Of the 26 academies, 13 of the former VA schools, 10 of the former VC schools and the 1 secondary Derby Cathedral School are in DDAT (currently the only diocesan majority MAT). By December 2020 40% of the VA schools and 13% of the VC schools had joined the Trust. There are 4 community schools in the Trust and one Free School (Derby Cathedral School). In addition, 1 school is part of the Embark MAT and 1 school is part of the John Taylor MAT.

Wider than this, the DBE also aims to promote and assist in the promotion of education consistent with the faith and practice of the Church of England across the diocese as a whole.

DERBY DIOCESAN BOARD OF EDUCATION

REPORT OF THE TRUSTEES

Schools Effectiveness committee

Outcomes of the work have included agreement over the presentation of data to monitor the educational performance of schools & academies, provision for RE, collective worship & Christian distinctiveness. The following outcomes have been noted:

- In response to the ongoing demands being placed on Head Teachers, the Acting DDE organised fortnightly Zoom meetings which have been focussed on supporting the pastoral and spiritual needs to scholastic's leaders and have facilitated peer to peer support.
- The Board of Education continued its working partnership with the Church of England Foundation for Educational Leadership (CEFEL). There has been a third cohort of school leaders engaging with the Peer Support Network working with other schools across the Diocese exploring various ways that their Christian vision impacts on different aspects of school life. This started with a live launch with Emily Norman from CEFEL leading a day's input for the 25 participants in February. Since then, virtual meetings have been held with good engagement from the participants. 7 aspiring head teachers have participated in the Church of England Professional Qualification of Headship (CEPQH). This enables them to think about what it means to lead a church school, drawing particularly on the *Church of England Vision for Education – Deeply Christian, Serving the Common Good*.
- The acting DDE adapted the normal provision for the professional development for RE subject leaders and Collective Worship coordinators through regular online training. These sessions have been well attended and may be considered as an effective way of providing support following the pandemic.
- DBE schools have had the opportunity to attend a programme of 120 training events organised by DDAT, who have also provided a programme of formal support for St James Junior VA school.
- The acting DBE has continued to be involved in Head Teacher recruitment and organised induction training in the Autumn term for those new to headship of a Church school.
- Governor support has continued with the Acting DDE leading three workshops at the on line Governor conference in September, as well as remote Church school governor induction training. The focus included school effectiveness, distinctiveness and inclusiveness. Finding keen and suitably skilled folks to be foundation governors remains an ongoing challenge. There are a number of our schools' governing bodies who have long standing vacancies of these posts, and therefore a priority is to consider new ways to resource this very important role and ministry.
- The Bishop's Badge has been awarded for the third year and projects were based on this year's shared Christian value of Dignity. Rev'd Nicky Fenton organised the presentation of awards in the pupils' school with Bishop Libby attending virtually.

DERBY DIOCESAN BOARD OF EDUCATION

REPORT OF THE TRUSTEES

The Statutory Inspection of Anglican and Methodist Schools (SIAMS)

We were 2 years into a new schedule, but all SIAMS inspections were suspended due to the pandemic. To date of the 22 schools inspected under this new schedule 15 have been judged to be 'good' and 7 to be 'excellent' Church Schools.

Following a national Church of England led consultation all Dioceses are now part of an integrated national system for managing future inspections to ensure greater consistency in experience and processes. As a DBE we will be responsible for:

- Advice on developing Christian character and ethos
- Training for schools
- School reviews and support for schools

As a consequence, roles and responsibilities will be realigned across the Diocesan team as the new DDE and deputy are appointed.

The national team will be responsible for all other aspects of the Inspection process.

The Finance and Remuneration Committee

The Church Schools Finance and Remuneration Committee has been established to enable the delivery of the Diocesan Board of Education's vision and strategy through its oversight and management of the DBE's resources and church school buildings.

The Committee acts on behalf of the Board of Education in respect of the function outlined in the Diocesan Boards of Education Measure 1991 (section 2)

(c): to promote or assist in the promotion of church schools in the Diocese and to advise the Governors of such schools, and trustees of church educational endowments and any other body or person concerned on any matter affecting church schools in the Diocese.

A summary of outcomes can be seen in the financial sections of the Annual Report

The Vision Working Party

Trustees were involved in a Visioning day led by Andy Wolfe Deputy Chief Education Officer at the Church of England in the Autumn of 2019 and this resulted in a working party meeting during 2020 under the direction of Alison Brown, Acting DDE. Drafts of the emerging vision were shared back with the board with members working in small groups to answer key questions. This has resulted in the following DBE Vision and Mission:

To seek to offer life in all its fullness through learning, growing, building connections and being healthy.

Our Mission:

To lead the development of:

- confident and effective Church schools and academies that are deeply Christian, belonging at the heart of the church and community, serving the common good.
- relevant, supportive and caring involvement of our churches in the life of community schools.
- church communities that serve children and young people and their families.

The five-year strategic plan has been shared with the DBE but we recognise this is an emerging plan that newly appointed officers will reflect upon in the light of local and national priorities.

DERBY DIOCESAN BOARD OF EDUCATION

REPORT OF THE TRUSTEES

DBE Key Partnerships

a) Overseas Links

The partnership with schools in Kolkata goes from strength to strength. With 25 teachers, heads, teaching assistants and two school governors visiting in January 2020 to work in their link schools and provide training for their teachers. Once again, this group were also accompanied by a group of Health and Social Care Students and their lecturer from Derby University. The link also brings a rich and much needed global education perspective to our schools which enables our pupils and wider school communities to learn about and experience our interconnectedness.

b) Church of England Foundation for Education and Learning

The acting DDE contributed to a national response to the pandemic by contributing to the document "Never the Same". This resource forms part of a wider suite of 'Faith at Home' resources, including parallel approaches for Church Leaders and Households. It is designed to help School Leaders approach the bereavements we will face using the Church of England's Vision for Education as a framework.

<https://www.churchofengland.org/our-faith/faith-home/i-am-school-leader/never-same-resources-school-leaders>

c) Local Authority and other Dioceses

Small school sustainability continues to be a challenge. The DBE, in partnership with the Local Authority, continue to advise our schools around different models to achieve a more sustainable and viable future.

In recent years, all of the Catholic schools within the Catholic diocese have been taken into the Catholic Multi Academy Trust. More of our CE VA schools have joined DDAT. This means that the School Condition Allocation (SCA) funding 'pot' that these schools generated (and from which the DBE would prioritise building projects across the Catholic and CE VA schools) has significantly decreased. There are few VA schools left in Derby City that are not in a multi academy trust and on their own they will not generate enough funding for significant building works. The number of VA schools in Derbyshire that have **not** converted to academy status is also reducing, therefore the 'pot' from which they would access funding for building works is also decreasing. This has led the Derby DBE to join with Leicester, Southwell & Nottingham and Coventry Diocese to form a group with a number of schools large enough to carry on receiving funding. In 2020/21, Derby Diocese received £469,605 in funding towards schools building projects. This funding replaces the Locally Co-ordinated Voluntary-Aided Programme (LCVAP).

In 2020, 11 of our 18 Aided schools had building work carried out and a total of £531,680 Department for Education (DfE) grant was spent on our school buildings during the year. The number of schools and size of grant is likely to reduce over time as VA schools gain academy status and receive income for buildings via a different route.

DERBY DIOCESAN BOARD OF EDUCATION

REPORT OF THE TRUSTEES

d) **The Peak Centre in Edale**

In the absence of a youth officer, connections have continued with this Diocesan Christian Activity Centre, which offers schools and youth groups facilities to partake in wider curriculum, life enhancing opportunities.

Having celebrated its 50 year birthday in 2019, 2020 was set to be a year full of bookings and refurbishment. Due to the pandemic most of the bookings and activities were postponed, and staff furloughed. However, progress has been made on structural works to bathrooms and bookings for 2021 are beginning to be made. Links to the church and the village have remained strong and the warden Ben Acty has continued to develop ideas for future engagement.

Children's and young people's work

Sarah Brown, part time Children's Adviser, continued to work from home during the pandemic and kept in touch with clergy and youth and children's groups via mailings and online calls.

The Church of England "Faith at Home" resources provided additional ideas and resources. The focus was largely on Collective Worship/Assemblies, linked to attributes such as kindness, generosity etc. Resources were based on the lectionary with ideas and occasional video clips, available on the Diocesan website for churches to access. Feedback has been positive with some churches distributing resources to families, and others using ideas for an All Age section of their online worship. However, overall training and development events online had a mixed take up. Subjects including, "Seriously Messy" (bereavement in Messy congregations) and "Unexpected Child in the Church Area" were two organised for church leaders. Work alongside Archdeacon Carol will continue to build upon the Growing Faith presentation by Mary Hawes, National Children's Adviser from the Church of England, at the February Diocesan synod.

In other areas, informal meetings with the Disability Inclusion Group have commenced planning for improving Church accessibility for those with a disability.

There is ongoing dialogue with organisations and charities such as Scripture Union, Renew Wellbeing, Operation Noah and Prayer Spaces to share resources with churches and children's leaders across the Diocese.

Intergenerational Proposal - a working group was set up to consider this initiative of children and young people's spiritual growth reporting to Bishop Libby.

Although developments with respect to the Youth Council have been delayed due to staffing and the pandemic, the ambition to have schools and pupils involved in new clergy appointments has been implemented via Zoom, thereby beginning to strengthen the link between schools and churches.

DERBY DIOCESAN BOARD OF EDUCATION
REPORT OF THE TRUSTEES

Curate Placements

For the first time in this diocese, it was planned that stipendiary curates would have to complete a placement in one of our Church schools as part of their IME. Sadly, this was put on hold due to Covid. It is intended that by spending time in a school and with children and staff it will lead to a deep theological reflection and ministerial formation.

Other

Other areas of development across the DBE have included the publication of a number of both new and revised policies where our Christian vision is now explicit. The Diocesan website now incorporates a specific section for education although this is still work in progress.

We also recognise our role in becoming carbon neutral and anticipate that as our staffing capacity increases, we will be in a position to apply for bids which we missed out on, in the first round of funding offered for such projects.

Finally, we recognise that in 2021 legislation will require the revision of the framework for the work of the board and we look forward to the appointment of the DDE who with the Chair of the Board will lead us through this process.

RISK MANAGEMENT

The trustees have considered the major strategic and operational risks, which the charitable company faces and are satisfied that the necessary steps have already been taken to lessen these risks.

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

Finance – under-utilisation of diocesan assets and loss of potential revenue.

- Frequent reviews by Finance and Business Committee
- Board of Education owned property professionally managed by external consultant

Small school viability – risk of school closure and disproportionate impact on rural community.

- Need to support collaborative approaches
- Need to have a viable Multi Academy Trust offer
- Need to facilitate models of collaboration between community and church schools

Children & young people numbers in Church continue to decline

- External review of the diocesan offer for children and young people
- Consider alternative forms of "Church" and discipleship for children and young people
- Ensure that this priority is appropriately resourced within the Diocese

DERBY DIOCESAN BOARD OF EDUCATION

REPORT OF THE TRUSTEES

FINANCIAL REVIEW

The Board invests the majority of its funds through CCLA Investment Management who are accountable for investment performance. A substantial element of the Board's funds need to be kept liquid because of its role in 'bridging' building projects in schools between payment of invoices to contractors and the receipt of grants from DfE. In October 2009 the Board took possession of a former school house at Wessington upon the termination of a 99 year lease to the County Council, for which an annual rent of 50p had been payable. The house was sold at public auction in 2010 and the net proceeds £184,392 formed a new Restricted Fund which is being used to help subsidise school building projects where the governing body is experiencing difficulty in raising its 10% share.

The Board assists Voluntary Aided schools with the administration of funding for school building projects and provision of IT equipment. The Board acts as agent on behalf of school governing bodies in receiving funds from the Department for Education, local authorities and other funding sources and settling contractors' costs and professional fees. The DfE Grant and associated expenditure are not costs of the charity and therefore are not reflected in the statement of financial activities. The statement of financial activities for the year and the statement of financial position of the charitable company at the year-end are shown on pages 18 and 20 respectively. Unrestricted funds show net outgoing resources before transfers of £14,371 (2019: net incoming resources of £261,142). Restricted funds show net outgoing resources of £28,595 (2019: net incoming resources before transfers of £223,807). Endowment funds show net incoming resources of £69,189 (2019: 132,485).

As set out in Notes 16 and 17 the Board holds and administers a large number of restricted and endowment funds. As at 31 December 2020 restricted funds totalled £816,232 (2019 - £830,263) and endowment funds totalled £1,088,166 (2019 - £1,018,977). Neither are available for the general purposes of the Board. Unrestricted general funds totalled £1,051,964 (2019: £1,080,899).

The Charitable Company's wholly-owned trading subsidiary, Derby Diocesan Education Services Limited, remains dormant and has not traded during the year ended 31 December 2020.

Investment policy

Under the Memorandum and Articles of Association, the Board has the power to make any investment that the trustees see fit. The Board has an agreed ethical stance on investments and will not make investments in companies that deal in or produce armaments. Most of the investments are held with CCLA Investment Management Ltd. The value of financial investments has increased in the year with net gains of £91,218 (2019: £254,179). Investment properties had an unrealised loss of £40,000 (2019: unrealised gain of £170,000 due to Ashford Former School and land at Starkholmes being added to the DBE portfolio).

Reserves policy

The Board strives to ensure that it maintains sufficient reserves to enable it to continue to achieve the objectives of the charitable company for the foreseeable future. This involves, as of necessity, ensuring that adequate reserves are maintained to provide a level of income that will support future activity. This income is supplemented by capital arising from the sale of buildings which may become surplus to requirements. This flexibility permits the charitable company's capital to be depleted in years of high expenditure on building projects. The work of the Board is funded jointly by the Derby Diocesan Board of Finance, who pay the majority of the officers' salary costs and make a grant towards operating costs, and income on the Board's financial investments. The Board also derives a small income from letting a number of properties. Additional income may be derived from the sale of redundant school buildings.

DERBY DIOCESAN BOARD OF EDUCATION

REPORT OF THE TRUSTEES

Free reserves

The trustees' reserves policy is to ensure the provision of adequate financial resources in an environment of constant change and increasing challenge, without having to make sudden increases in charges for services. The policy is therefore for General Fund reserves, not held in fixed assets, to be within a wide range of between three and twelve months' worth of the year's total resources expended. This target level of reserves and policy will be reviewed annually at the same time that the annual budget is considered. At 31 December 2020, the balance of unrestricted fund free reserves was £321,922 (2019: £360,341), amounting to 7.6 months (2019: 6.6 month) of total resources expended in the year, which was therefore within the policy range. Investments are not included in the free reserves figure as the Board are required to hold these in order to generate operational income.

Reserves tied up in fixed assets

Unrestricted funds comprise net assets amounting to £1,051,964 (2019: £1,080,899) of which £96,852 (2019: £98,186) is held as tangible fixed assets. Some of these reserves are designated for projects that will be carried out in the future in line with the vision of the DBE. This would include an asset management plan with regards to the property of the DBE. In order to maximise return on investment, a periodic review will be taken as part of a property maintenance program. It is envisaged that, over a period of time, this will highlight redundant properties that could potentially be sold to realise cash or in other cases improvements to tenanted buildings in order to maximise rental income. Funds have also been ringfenced for the 'Five Year Strategic plan' which will be implemented in the coming years.

PLANS FOR FUTURE PERIODS

A £70,000 grant from the DBF continues to allow support to the DBE from the expertise in DDAT. In 2020, this provided DBE with HR support at Board level as well as HR support for the DBE schools. The funding allowed DDAT to work with a DBE school in special measures months before compulsory academisation. Further support for schools was exhibited through the 120 training events put on by DDAT which were open to all DBE schools. To date, DDAT have added 3 new church schools (including the first secondary) to the diocesan family with the help of continued funding.

The DBE remains accredited and recognised as a strong sponsor by the Department for Education. In 2019 a 3-year bid was successfully put forward to the DDBF. This was subsequently postponed to 2021 due to the impact of Covid and the DBE being without a permanent Director. It has since been withdrawn with a view to looking at the future plans of the DBE once a permanent Director is appointed.

A Service Level Agreement has been drawn up and agreed between the Derby Diocesan Academy Trust / Derby Diocesan Academy Trust 2 and Derby Diocesan Board of Education so that staff are fully held to account when working across the different legal entities. The continued benefit of this approach is that there is one vision for education within the diocese practically expressed through all legal entities representing education within the diocese.

Small school sustainability continues to be a priority for the Board of Education. With the withdrawal of the Education Services Grant (ESG) the ability of the Local Authorities (LA) to support schools has been drastically reduced. The National Funding Formula (NFF) is currently introduced in a soft "manner" as a result of LA involvement which is time limited. Soon the full effect of the NFF will be felt in all schools. Financial modelling suggests that small schools will be particularly vulnerable to this.

The diocese has many small schools so facilitation of effective collaboration through federation or academisation is a key ongoing and future activity for the board if schools are to maximise economies of scale and remain viable.

DERBY DIOCESAN BOARD OF EDUCATION

REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT

Derby Diocesan Board of Education is a charitable company limited by guarantee. The liability of the members is limited to £1.

As set out in the Articles of Association, the Chairman of the Board is either the Bishop of Derby or someone appointed by the Board in consultation with the Bishop. Members normally serve for three years. The trustees are appointed as follows:

- (1) The Bishop who is the President of the Board
- (2) Two persons nominated by the Bishop
- (3) Not less than seven or more than nine persons appointed by the Diocesan Synod
- (4) Not less than one person or more than four persons co-opted by the Board.

Directors and Trustees

The directors of the Board, are also the trustees of the charitable company during the year, and at the date of this report, are set out on page 1. The Board appoints a Director of Education to whom its officers are accountable.

Trustee recruitment, selection & induction

The trustees of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the Board. New members are offered an induction meeting with the Director (detailed below) and subsequently, training can be provided by Officers of the Board. Decisions are made democratically at Board Meetings, of which at least three are held each year.

Some staff hold the title of 'Director', but this relates to their function within the organisation and has no legal meaning within the terminology associated with the Companies Act. All Trustees are required to maintain their entry in the record of declarations of interest and loyalty.

The Board has indemnity insurance for its trustees and key management personnel and £1,000,000 (2019 - £100,000) of cover is provided.

Remuneration of key management personnel

Emoluments of higher-paid employees are determined by the Finance and Business Committee as and when required.

The terms of reference for this group is established by the Board and include:

- regular appraisals,
- remuneration and salary benchmarking and
- recommendation of changes where necessary

Delegation of day to day delivery

The Trustees and the sub-committees which assist them in the fulfilment of their responsibilities, rely upon the Director of Education and colleagues for the delivery of the day to day activities of the company. The Director of Education is given specific and general delegated authority to deliver the business of the Board in accordance with the policies framed by the Trustees.

DERBY DIOCESAN BOARD OF EDUCATION

REPORT OF THE TRUSTEES

RELATED PARTIES

Derby Diocesan Board of Finance Ltd

The primary object of the DBF is to act as the financial executive of the Diocesan Synod. Whilst the Board is separately incorporated, the DBF provides significant resources to the Board to facilitate the shared vision for mission and ministry with children and young people.

Derby Diocesan Academy Trust Ltd

The primary object of the DDAT is to provide resources to the Board to facilitate the shared vision for mission and ministry with children and young people.

TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Derby Diocesan Board of Education for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

DERBY DIOCESAN BOARD OF EDUCATION

REPORT OF THE TRUSTEES

DISCLOSURE OF INFORMATION TO THE AUDITOR

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the Board of Trustees

L. Wainscot

L. Wainscot (Jun 29, 2021 08:53 GMT+1)

Linda Wainscot

Acting Director of Derby Diocese Board of Education

Approved and authorised for issue by the Board on 22nd June 2021

Independent Auditor's Report to the Members of Derby Diocesan Board of Education

Opinion

We have audited the financial statements of Derby Diocesan Board of Education (the 'charitable company') for the year ended 31 December 2020 which comprise the statement of financial activities, statement of financial position, statement of cash flows and notes to the financial statements, including 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:

1. give a true and fair view of the state of the charitable company's affairs as at 31 December 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
2. have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
3. have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 other information comprises the information included in the report of the trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the report of the trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

1. the information given in the report of trustees (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
2. the directors' report has been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Members of Derby Diocesan Board of Education

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 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:

1. adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
2. the financial statements are not in agreement with the accounting records and returns; or
3. certain disclosures of directors' remuneration specified by law are not made; or
4. we have not received all the information and explanations we require for our audit ; or
5. the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

1. We gained an understanding of the legal and regulatory framework applicable to the charitable company and the sector in which it operates, and considered the risk of such regulations, including fraud. We designed audit procedures to respond to the risk.
2. We focused on laws and regulations relevant to the charitable company which could give rise to a material misstatement in the financial statements. Our testing included discussions with management, trustees, and those staff with direct responsibility for the compliance of laws and regulations. We also reviewed legal expenses.
3. We addressed the risk of management override of internal controls, including the testing of journals and review of the nominal ledger. We evaluated whether there was evidence of bias by management or the trustees that represented a risk of material misstatement due to fraud.

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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Independent Auditor's Report to the Members of Derby Diocesan Board of Education

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.



Jane Marshall (Jun 29, 2021 20:48 GMT+1)

Jane Marshall (Senior Statutory Auditor)

For and on behalf of BHP LLP

57-59 Saltergate

Chesterfield

Derbyshire

S40 1UL

Date: Jun 29, 2021

DERBY DIOCESAN BOARD OF EDUCATION

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2020

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	2020 Total Funds	2019 Total Funds
		£	£	£	£	£
Income and endowments from						
Donations	2	-	-	-	-	170,000
Charitable activities	3	24,423	347,430	-	371,853	700,366
Investments	4	75,146	35,632	-	110,778	106,856
Total income and endowments		99,569	383,062	-	482,631	977,222
Expenditure on						
Raising funds	5	11,022	10,525	-	21,547	30,926
Charitable activities	6	113,737	372,342	-	486,079	583,041
Total expenditure		124,759	382,867	-	507,626	613,967
Net (expenditure) / income before investment gains		(25,190)	195	-	(24,995)	363,255
Net gains /(losses) on investments	12	10,819	(28,790)	69,189	51,218	254,179
Net (expenditure) / income		(14,371)	(28,595)	69,189	26,223	617,434
Gross transfers between funds		(14,564)	14,564	-	-	-
Net movement in funds		(28,935)	(14,031)	69,189	26,223	617,434
Reconciliation of funds						
Total funds at 1 January 2020		1,080,899	830,263	1,018,977	2,930,139	2,312,705
Total funds at 31 December 2020		1,051,964	816,232	1,088,166	2,956,362	2,930,139

All activities derive from continuing activities.

The notes on pages 22 to 35 form part of these financial statements.

DERBY DIOCESAN BOARD OF EDUCATION

INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 December 2020

	2020	2019
	£	£
Total income (less endowment)	482,631	977,222
Resources expended (less endowment)	(507,626)	(613,967)
Operating (deficit) for the year	<u>(24,995)</u>	<u>363,255</u>
Net gains (losses) on investments	(17,971)	291,694
Total comprehensive (expenditure) / income	<u>(42,966)</u>	<u>654,949</u>

The income and expenditure account is derived from the Statement of Financial Activities with movements in endowment funds excluded to comply with company law. All income and expenditure is derived from continuing activities.

The notes on pages 22 to 35 form part of these financial statements.

DERBY DIOCESAN BOARD OF EDUCATION

STATEMENT OF FINANCIAL POSITION

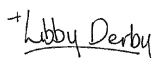
At 31 December 2020

COMPANY NUMBER 00463908

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible fixed assets	11	96,852		98,186	
Investments	12	2,368,002		2,302,220	
		<u>2,464,854</u>		<u>2,400,406</u>	
Current assets					
Debtors	13	111,179		44,531	
Cash at bank and in hand	14	1,053,938		1,096,198	
		<u>1,165,117</u>		<u>1,140,729</u>	
Creditors: amounts falling due within one year	15	(673,609)		(610,996)	
Net current assets		<u>491,508</u>		<u>529,733</u>	
Net assets		<u><u>2,956,362</u></u>		<u><u>2,930,139</u></u>	
The Funds of the Charity:					
Unrestricted funds	18	1,051,964		1,080,899	
Restricted funds	16	816,232		830,263	
Endowment funds	17	1,088,166		1,018,977	
		<u>2,956,362</u>		<u>2,930,139</u>	

The financial statements have been prepared in accordance with the special provisions relating to small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the Board



The Rt Reverend Elizabeth Lane, Bishop of Derby

Approved and authorised for issue by the Board on 22nd June 2021

The notes on pages 22 to 35 form part of these financial statements.

DERBY DIOCESAN BOARD OF EDUCATION

STATEMENT OF CASH FLOWS

At 31 December 2020

	2020 £	2019 £
Net cash (used in)/provided by operating activities (see note below)	(136,542)	146,905
Cash flows from investing activities:		
Dividends, interest and rents	110,778	106,856
Fixed asset additions	(1,932)	-
Investment additions	(14,564)	(257,900)
Net cash provided by/(used in) investing activities	94,282	(151,044)
Change in cash in the reporting period	(42,260)	(4,139)
Cash at the beginning of the period	1,096,198	1,100,337
Cash at the end of the period	<u>1,053,938</u>	<u>1,096,198</u>

Notes to the cash flow:

1 Cashflows from operating activities	2020 £	2019 £
Net movement in funds	26,223	617,434
Depreciation	3,266	7,910
(Gains) / losses on investments	(51,218)	(254,179)
Donated assets	-	(170,000)
Dividends, interest and rents	(110,778)	(106,856)
(Increase)/Decrease in debtors	(66,648)	59,254
Increase/(Decrease) in creditors	62,613	(6,658)
Net cash (used in)/provided by operating activities	(136,542)	146,905

2 Analysis of changes in net debt

	As at 1 January 2020 £	Cashflows £	Other non- cash changes £	As at 31 December 2020 £
Cash and cash equivalents:				
Cash	1,096,198	(42,260)	-	1,053,938
	<u>1,096,198</u>	<u>(42,260)</u>	<u>-</u>	<u>1,053,938</u>

DERBY DIOCESAN BOARD OF EDUCATION

NOTES RELATING TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

1 Accounting policies

Basis of preparation

The charitable company is a private company limited by guarantee registered and incorporated in England & Wales. The members of the company are the directors set out on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member. Derby Diocesan Board of Education meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

The Board have considered the impact of COVID-19 on the charitable company's income and operating cost base. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the Board are confident that they have in place plans to deal with any financial losses that may arise.

The Board have prepared forecasts of income and expenditure for the period to 31 December 2022 and subjected these forecasts to sensitivity analysis which shows that they have sufficient reserves to be able to continue for the foreseeable future. They will continue to monitor the impact on income and take appropriate action as necessary.

The Board therefore continue to adopt the going concern basis of preparation for these financial statements.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, excluding freehold land, over their estimated useful lives, less residual value, as follows:

Freehold property	-	2% straight line
Fixtures, fittings and equipment	-	33.3% straight line
Improvements to tenanted property	-	2% straight line

Freehold land is not depreciated.

The de minimis level used for asset capitalisation was £500 during the year.

DERBY DIOCESAN BOARD OF EDUCATION

NOTES RELATING TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

1 Accounting policies (continued)

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

School properties

The charitable company acts solely as custodian trustee in respect of the school properties and the net acquisition costs, if any, of these properties are therefore written off in the year of acquisition. The proceeds of sale of any of these properties are therefore included in the charitable company's funds in the year of disposal. Costs incurred in respect of properties held for tenancy or ultimate sale are capitalised if material.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Cash at bank and in hand

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

Fund accounting

Funds held by the charitable company are either:

Unrestricted funds – These are general funds which can be used in accordance with the charitable company's objectives at the discretion of the trustees.

Restricted funds – These are funds which are to be used in accordance with specific restrictions imposed by donors or which has been raised by the charitable company for particular purposes.

Endowment funds – These funds represent those assets which must be held permanently by the charitable company. The use of the income arising on these funds is restricted and specific. Any capital gains or losses arising on the investments form part of the fund. Further explanation of the nature and purpose of the restricted funds and endowment funds is included in note 16 and note 17.

Income recognition

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

The charitable company operates a scheme for holding Devolved Formula Capital Grants (DFC) paid to schools in advance of the expenditure on projects. This income is deferred in the balance sheet and reflected in cash at bank on receipt (see note 14). Rental income is recognised on an accruals basis.

DERBY DIOCESAN BOARD OF EDUCATION

NOTES RELATING TO THE FINANCIAL STATEMENTS

Year ended 31st December 2020

Expenditure recognition

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

Certain expenditure is directly attributable to specific activities and has therefore been included in these cost categories. Certain other costs which are attributable to more than one activity are apportioned across cost categories based on an estimate of the proportion of time spent on these activities. Irrecoverable Value Added Tax (VAT) is expensed in the SOFA (or if incurred as part of a fixed asset addition capitalised) and classified under the heading to which the expenditure relates to.

Up to 50% of the charitable company's budgeted administration expenses are met by Derby Diocesan Board of Finance Ltd.

Employment benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Contributions in respect of the personal pension scheme of employees are charged to the statement of financial activities on an accruals basis.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term.

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.

Judgements and key sources of estimation uncertainty

There are no judgements (apart from those involving estimates) that have been made in the process of applying the above accounting policies that have had a significant effect on amounts recognised in the financial statements.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

An area of key estimation uncertainty, although not a significant risk due to annual professional valuations being undertaken, is the valuation of investment properties. The valuations are subject to judgements of an expert including, but not limited to, the state of repair of the properties, local knowledge and housing market fluctuations.

DERBY DIOCESAN BOARD OF EDUCATION

NOTES RELATING TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

2 Donations

	Unrestricted £	Restricted £	2020 £	2019 £
Donated assets	-	-	-	170,000

3 Charitable activities

	Unrestricted £	Restricted £	2020 £	2019 £
DfE administration fee	1,023	-	1,023	2,857
Consultancy	-	-	-	450
Understanding Christianity	-	-	-	595
Other income	4,000	-	4,000	3,000
School service level agreements	19,400	-	19,400	-
Recovery of Mill Street dilapidations	-	-	-	144,848
Restricted income	-	347,430	347,430	548,616
	<u>24,423</u>	<u>347,430</u>	<u>371,853</u>	<u>700,366</u>

4 Investment income

	Unrestricted £	Restricted £	2020 £	2019 £
Rents receivable	53,443	-	53,443	50,754
Bank deposit interest	1,249	77	1,326	2,535
Other investment income	20,454	35,555	56,009	53,567
	<u>75,146</u>	<u>35,632</u>	<u>110,778</u>	<u>106,856</u>

5 Expenditure on raising funds

	Unrestricted £	Restricted £	2020 £	2019 £
Property running costs	9,792	10,525	20,317	27,101
Depreciation of improvements to tenanted properties	1,230	-	1,230	3,825
	<u>11,022</u>	<u>10,525</u>	<u>21,547</u>	<u>30,926</u>

6 Charitable activities

	Note	Direct costs £	Other direct £	Total 2020 £	Total 2019 £
Grants payable		-	275	275	807
Administration costs	7	456,395	-	456,395	571,858
Establishment expenses	8	12,984	-	12,984	15,900
Training and resources	9	16,425	-	16,425	(5,524)
		<u>485,804</u>	<u>275</u>	<u>486,079</u>	<u>583,041</u>

DERBY DIOCESAN BOARD OF EDUCATION

NOTES RELATING TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

7 Administration costs

	Unrestricted £	Restricted £	2020 £	2019 £
Specialist conferences	-	158	158	1,443
Subscriptions	858	-	858	2,278
Officer expenses	3,427	-	3,427	11,890
Photocopier	-	13	13	1,702
Postage	-	(32)	(32)	408
Stationery	-	614	614	894
Telephone	-	1,028	1,028	1,936
Hospitality	432	-	432	757
Sundry expenses	1,207	1,786	2,993	1,869
Audit fees	-	9,792	9,792	8,280
Legal and professional fees	14,461	8,308	22,769	6,723
Consultancy	-	2,250	2,250	-
Bank charges	-	525	525	743
Reimbursement to DBF	20,000	20,000	40,000	
Office staff costs (note 10)	68,406	212,100	280,506	413,338
Appeals	-	1,990	1,990	474
Other expenditure	-	16,162	16,162	3,667
Derby Diocesan Academy Trust Expenditure	2,910	70,000	72,910	115,456
	<u>111,701</u>	<u>344,694</u>	<u>456,395</u>	<u>571,858</u>

8 Establishment expenses

	Unrestricted £	Restricted £	2020 £	2019 £
ICT costs	-	1,590	1,590	1,827
Lease hire of equipment	-	1,252	1,252	1,352
Insurance	-	8,106	8,106	8,636
Depreciation of fixtures, fittings and equipment	2,036	-	2,036	4,085
	<u>2,036</u>	<u>10,948</u>	<u>12,984</u>	<u>15,900</u>

9 Training and resources

	Unrestricted £	Restricted £	2020 £	2019 £
Events and publicity	-	16,408	16,408	(5,938)
Resources library	-	17	17	414
	<u>-</u>	<u>16,425</u>	<u>16,425</u>	<u>(5,524)</u>

DERBY DIOCESAN BOARD OF EDUCATION

NOTES RELATING TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

10 Staff costs	2020	2019
	£	£
Wages and salaries	240,044	340,007
Social security costs	23,958	39,330
Other pension costs	16,504	34,001
	280,506	413,338
Grants received towards salary, wages and pension cost (note 1)		
Derby Diocesan Board of Finance	(193,100)	(213,110)
Derby Diocesan Board of Finance - for Director of Schools Improvement. None this year but year but £70k in funds	-	(70,000)
Derby Diocesan Board of Finance - Additional Grant	-	(84,544)
Net salary cost	87,406	45,684
Average number of employees:	2020	2019
	4	6
Full-time equivalent (FTE) number of employees:	2020	2019
	3.5	5.5
Number of employees earning more than £60,000 per annum:	2020	2019
	£60,001 to £70,000	-
	£70,001 to £80,000	1
	£80,001 to £90,000	-
	£90,001 to £100,000	1

Trustees' travel expenses of £14 (2019: £611) were reimbursed during the year. The payment related to travel expenses for 1 trustee (2019: 4 trustees). None of the trustees have been paid remuneration in either year.

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 Board of Education. During 2020 the role of Acting Director of Education was comprised by 1 employee (2019: 3 employees). Remuneration, pension contributions and national insurance for this employee amounted to £77,957 (2019 - £97,764). During the year, a settlement agreement totalling £81,109 was made in respect of termination of duties of previous key management personnel.

11 Tangible fixed assets	Freehold land and property	Fixtures fittings and equipment	Improvements to tenanted properties	Total
Cost	£	£	£	£
At 1 January 2020	74,485	23,170	64,353	162,008
Additions	-	1,932	-	1,932
Disposals	-	-	-	-
At 31 December 2020	74,485	25,102	64,353	163,940
Depreciation				
At 1 January 2020	19,363	21,309	23,150	63,822
Charge for the year	-	2,036	1,230	3,266
Disposals	-	-	-	-
At 31 December 2020	19,363	23,345	24,380	67,088
Net book value				
At 31 December 2020	55,122	1,757	39,973	96,852
At 31 December 2019	55,122	1,861	41,203	98,186

Included within freehold land and property is land which is not depreciated with a cost of £55,122 (2019: £55,122).

DERBY DIOCESAN BOARD OF EDUCATION

NOTES RELATING TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

12 Fixed asset investments

	2020	2019
	£	£
Investment securities within the United Kingdom (market value)		
At 1 January 2020	1,792,220	1,280,141
Additions	-	257,900
Disposals	-	-
Realised gains/(losses)	-	-
Unrealised gains/(losses)	91,218	254,179
At 31 December 2020	<u>1,883,438</u>	<u>1,792,220</u>
Investment properties (market value)		
At 1 January 2020	510,000	340,000
Additions	14,564	-
Disposals	-	-
Realised gains/(losses)	-	-
Unrealised (losses)/gains	(40,000)	170,000
At 31 December 2020	<u>484,564</u>	<u>510,000</u>
Total fixed asset investments	<u>2,368,002</u>	<u>2,302,220</u>

	2020	2019
	£	£
Market value of investment securities held with:		
CCLA Investment Management Ltd		
COIF Charities Investment Fund income units	45,415	42,728
CBF Investment Fund income units	1,729,590	1,618,298
Investment in M&G Charifund units	108,433	131,194
	<u>1,883,438</u>	<u>1,792,220</u>
Historic cost of investment securities	<u>1,289,727</u>	<u>1,289,727</u>
Investment properties comprise:		
Ashford School House	300,000	340,000
Ashford Former School	160,000	160,000
Starkholmes	24,564	10,000
	<u>484,564</u>	<u>510,000</u>
Historic cost of investment properties. The additions to Starkholmes are a cost.	<u>£nil</u>	<u>£nil</u>

The investment property valuations have been supplied by Milner Commercial (the DBE Chartered Surveyor), on the 18th January 2021, upon inspection of the buildings.

The charitable company owns 100% of the issued ordinary share capital of Derby Diocesan Education Services Limited, a company incorporated in the United Kingdom. The company was dormant throughout the year ended 31st December 2020 and reserves amounted to £100. As the company is not trading, a provision has been made against the investment. Derby Diocesan Education Services Limited has the same registered address as DBE.

13 Debtors

	2020	2019
	£	£
Trade debtors	75,922	21,757
Other debtors	20,453	13,757
Prepayments	14,804	9,017
	<u>111,179</u>	<u>44,531</u>

14 Cash at bank and in hand

Included within cash is £537,338 at the balance sheet date (2019: £440,660) which is Buildings Capital Grant held by the charitable company on behalf of a number of schools. This amount is included in the balance of cash held at the year end with a consequent increase in debtors £14,119 (2019: £16,109) and other creditors £4,523 (2019: £9,329).

DERBY DIOCESAN BOARD OF EDUCATION

NOTES RELATING TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	54,822	97,557
Other creditors	-	0
Accruals	67,330	56,669
Creditors (funds held as agent):		
School building and IT projects (note 27)	376,617	176,704
School DFC projects	174,840	280,066
	<u>673,609</u>	<u>610,996</u>

16 Restricted funds

Current year	As at 1 January 2020 £	Income £	Expenditure £	Gains & Losses £	Transfers £	As at 31 December 2020 £
Restricted income funds						
Wessington Property Sale	217,341	5,021	(16,162)	11,210	-	217,410
NCSL	5,016	-	-	-	-	5,016
Schools Improvement	-	70,000	(70,000)	-	-	-
System Leadership	1,872	-	-	-	-	1,872
Aspirant Heads	3,321	-	-	-	-	3,321
RE Net	2,189	-	-	-	-	2,189
Derby Diocesan Board of Finance Fund	-	277,430	(277,430)	-	-	-
Youth Anglo Catholic Work	148	-	(148)	-	-	-
Ashford School House	340,000	-	-	(40,000)	-	300,000
Ashford Former School	160,000	-	-	-	-	160,000
Starkholmes Land	10,000	-	-	-	14,564	24,564
Income on endowments (note 19)						
Special Projects Funds	3,750	256	-	-	-	4,006
Derbyshire Association of Church Schools	4,101	298	-	-	-	4,399
Gell Memorial Prizes Fund	5,095	555	(127)	-	-	5,523
Byroms Charity	1,355	9	-	-	-	1,364
Mill Street (St John's Activity Centre)	6,047	8,358	-	-	-	14,405
Shirland Property sale proceeds	70,028	21,135	(19,000)	-	-	72,163
	<u>830,263</u>	<u>383,062</u>	<u>(382,867)</u>	<u>(28,790)</u>	<u>14,564</u>	<u>816,232</u>

Endowment funds

Investment income on endowment funds is spent on the six restricted funds shown above. Expenditure of £19,127 was incurred during the year (2019: £807).

DERBY DIOCESAN BOARD OF EDUCATION

NOTES RELATING TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

16 Restricted funds (continued)

Prior year

	As at 1 January 2019 £	Income £	Expenditure £	Gains & Losses £	Transfers £	As at 31 December 2019 £
Restricted income funds						
Wessington Property Sale	190,392	4,929	(3,667)	25,687	-	217,341
NCSL	5,016	-	-	-	-	5,016
Schools Improvement	-	70,000	(70,000)	-	-	-
System Leadership	1,872	-	-	-	-	1,872
Aspirant Heads	3,321	-	-	-	-	3,321
RE Net	2,189	-	-	-	-	2,189
Derby Diocesan Board of Finance Fund	-	278,616	(278,616)	-	-	-
Youth Anglo Catholic Work	148	-	-	-	-	148
DDAT Grant	-	200,000	(200,000)	-	-	-
Ashford School House	340,000	-	-	-	-	340,000
Ashford Former School	-	160,000	-	-	-	160,000
Starkholmes Land	-	10,000	-	-	-	10,000
Income on endowments (note 19)						
Special Projects Funds	3,498	252	-	-	-	3,750
Derbyshire Association of Church Schools	3,812	289	-	-	-	4,101
Gell Memorial Prizes Fund	5,364	538	(807)	-	-	5,095
Byroms Charity	1,338	17	-	-	-	1,355
Mill Street (St John's Activity Centre)	-	6,047	-	-	-	6,047
Shirland Property sale proceeds	49,506	20,522	-	-	-	70,028
	606,456	751,210	(553,090)	25,687	-	830,263

Wessington Property Sale Fund

Income of £188,180 gross of sales expenses was received by the Board in the year ending 31 December 2010. The proceeds can only be used 'in or towards the purchase of a site for, or the erection, improvement or enlargement of the premises of any Church of England Voluntary School in the Diocese of Derby or a teacher's house for use in connection with such a school'. Income of £5,021 (2019: £4,929) has been generated through the investment of the fund and realised and unrealised gains and losses have also been recognised.

NCSL Fund

Funding provided by the National College of School Leadership (NCSL) specifically to facilitate the development of leadership of teachers in church schools.

School Improvements Fund

Funding received from the Derby Diocesan Board of Finance £70,000 (2019: £70,000) to facilitate the development of school improvement services.

System Leadership Fund

Funding provided by NCSL to support, develop and attract potential head teachers.

Aspirant Heads Fund

Funding provided by the National College School Development Support Agency to provide CPD for potential church leaders. Funding received by four schools, £1,000 each.

RE Net Fund

Funding received from St Christopher's College Education Trust for the professional development of Religious Education Coordinators and for the improvement of the delivery of religious education.

Derby Diocesan Board of Finance Fund

During the year £277,430 (2019: £278,616) was received from the Derby Diocesan Board of Finance as a contribution towards officers' salaries and administration costs.

DERBY DIOCESAN BOARD OF EDUCATION

NOTES RELATING TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

16 Restricted Funds (continued)

Youth Anglo Catholic Work

Funding for expenditure on Youth Anglo Catholic projects. Income is released as expenditure is incurred for work on developing young people from Anglo Catholic backgrounds.

Ashford School House

In 2020, legal advice received from the DBE solicitor suggested it would be prudent to reclassify Ashford School House as a restricted fund. Clarity with regards to the sale proceeds, should a sale take place, would only be ascertained after the sale of the property.

Ashford Former School

In 2019, legal advice received from the DBE solicitor suggested Ashford Former School should be capitalised as an asset belonging to the DBE. The current condition of the property does not reflect the potential future value.

Land at Starkholmes

In 2019, legal advice received from the DBE solicitor suggested land at Starkholmes, valued at £10,000 in current conditions, could potentially be sold for up to £200,000 should development opportunities arise. The Board is currently investigating the potential opportunities available for development on the land.

DDAT Grant

Funding received from the Derby Diocesan Board of Finance £nil (2019: £200,000) to facilitate the development of Derby Diocesan Academy Trusts

Transfer between funds

A transfer has been made from unrestricted funds to restricted funds relating to Starkholmes land development additions in the year.

17 Endowment funds - permanent

Current year	As at 1 January 2020 £	Income £	Expenditure £	Gains & Losses £	Transfers £	As at 31 December 2020 £
Special Projects Funds	17,260	-	-	505	-	17,765
Derbyshire Association of Church Schools	11,730	-	-	675	-	12,405
Gell Memorial Prizes Fund	19,040	-	-	1,255	-	20,295
Byroms Charity	865	-	-	-	-	865
Shirland Property Sale	694,982	-	-	47,836	-	742,818
Mill Street	275,100	-	-	18,918	-	294,018
	1,018,977	-	-	69,189	-	1,088,166
Prior year	As at 1 January 2019 £	Income £	Expenditure £	Gains & Losses £	Transfers £	As at 31 December 2019 £
Special Projects Funds	16,015	-	-	1,245	-	17,260
Derbyshire Association of Church Schools	10,183	-	-	1,547	-	11,730
Gell Memorial Prizes Fund	16,164	-	-	2,876	-	19,040
Byroms Charity	865	-	-	-	-	865
Shirland Property Sale	585,368	-	-	109,614	-	694,982
Mill Street	257,897	-	-	17,203	-	275,100
	886,492	-	-	132,485	-	1,018,977

The income arising from the endowment funds is accounted for in restricted funds of the charitable company and may be used as follows:

Special Projects Funds:

- 80% towards general commitments and special projects
- 5% towards religious education
- 5% towards Sunday schools
- 10% towards youth work

Derbyshire Association of Church Schools

The funding of repairs, alterations or improvements in church schools, which are not eligible for grants from DfE or the local authority.

DERBY DIOCESAN BOARD OF EDUCATION

NOTES RELATING TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

17 Endowment funds - permanent (continued)

Gell Memorial Prizes Fund

The making of awards and prizes to children within the Diocese in respect of religious education projects.

Byrns Charity

The furtherance of Christian education in certain parishes in Derby.

Shirland Property Sale

The capital and the income of the Trust may be applied to the funding of purchase of a site for, alterations or improvements to, or maintenance of, any relevant school or teacher's house in the area. The income of the trust assets may be applied in or towards the provision of advice, guidance and resources in connection with any matter related to the management of, or education provided at, any relevant school in the area; the provision of services for carrying out inspections; or to defray the cost of employing or engaging staff in connection with the above.

Mill Street Property Sale

The capital and the income of the Trust may be applied to the funding of purchase of a site for, alterations or improvements to, or maintenance of, any relevant school or teacher's house in the area. The income of the trust assets may be applied in or towards the provision of advice, guidance and resources in connection with any matter related to the management of, or education provided at, any relevant school in the area; the provision of services for carrying out inspections; or to defray the cost of employing or engaging staff in connection with the above.

18 Unrestricted funds

Current year

	As at 1 January 2020 £	Incoming Resources £	Resources Expended £	Gains & Losses £	Transfers £	As at 31 December 2020 £
Unrestricted funds	<u>1,080,899</u>	<u>99,569</u>	<u>(124,759)</u>	<u>10,819</u>	<u>(14,564)</u>	<u>1,051,964</u>

Prior year

	As at 1 January 2019 £	Incoming Resources £	Resources Expended £	Gains & Losses £	Transfers £	As at 31 December 2019 £
Unrestricted funds	<u>819,757</u>	<u>226,012</u>	<u>(60,877)</u>	<u>96,007</u>	<u>-</u>	<u>1,080,899</u>

19 Summary of net assets by fund

Current year

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total £
Tangible fixed assets	96,852	-	-	96,852
Investments	633,190	484,564	1,250,248	2,368,002
Current assets	995,531	331,668	(162,082)	1,165,117
Current liabilities	(673,609)	-	-	(673,609)
Total net assets	<u>1,051,964</u>	<u>816,232</u>	<u>1,088,166</u>	<u>2,956,362</u>

Prior year

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total £
Tangible fixed assets	98,186	-	-	98,186
Investments	622,372	673,011	1,006,837	2,302,220
Current assets	971,337	157,252	12,140	1,140,729
Current liabilities	(610,996)	-	-	(610,996)
Total net assets	<u>1,080,899</u>	<u>830,263</u>	<u>1,018,977</u>	<u>2,930,139</u>

DERBY DIOCESAN BOARD OF EDUCATION

NOTES RELATING TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

20 Operating lease commitments

At 31st December 2020 the charitable company had annual commitments under other non-cancellable operating leases as follows:

	2020	2019
	£	£
Expiry date:		
Between 1 and 2 years	266	1,061
Between 2 and 5 years	<u>-</u>	<u>266</u>

21 Contingent liabilities

By virtue of the nature of the charitable company's activities there may be potential liabilities in respect of past property transactions in relation to which the legalities have not been completed. There are no such potential liabilities known to the members of the Board at this time.

22 Capital commitments

As part of its general activities the charitable company is committed to substantial expenditure on the construction, improvement and repair of church schools. These costs will however be eligible for reimbursement by virtue of grants received or contributions from the individual school governing bodies and the Board does not deem these costs to be capital commitments entered into by the Board.

23 Pension scheme

The pension charge represents contributions paid by the charitable company to personal pension schemes of employees during the year to the value of £16,504 (2019: £34,001). At the year end, amounts payable to schemes totalled £nil (2019: £775).

24 Related party transactions

The work of Derby Diocesan Board of Education is funded partly by the Derby Diocesan Board of Finance, who pay the majority of the officers' salary costs and makes a grant towards operating costs. During the year an amount of £347,430 (2019: £548,616) was received from the Derby Diocesan Board of Finance. The Rt. Reverend Libby Lane was a director of both companies during the year. The balance owing to the Derby Diocesan Board of Finance was £23,861 at the year end (2019 - £10,167).

During the year an amount of £72,960 (2019: £36,508) was paid to Derby Diocesan Academy Trust, a charitable company, relating to payments made for educational activities. These payments are in line with the charitable activities of Derby Diocesan Board of Education. Mr. D. Channon, a trustee of DDBE during the year, was a director of the Derby Diocesan Academy Trust during the year. The balance was £44,600 at the year end (2019 - £84,170).

25 Controlling party

The charitable company is controlled by the Board of Trustees. In the opinion of the trustees, there is no overall controlling party.

26 Funds held as custodian trustee on behalf of others

There are a number of school properties, which are not recorded as assets held on behalf of others, as the destination of sale proceeds is uncertain.

27 School building and IT projects

The Board assists Voluntary Aided schools with the administration of funding for school building projects and provision of IT equipment. The Board acts as agent on behalf of school governing bodies in receiving funds from the Department for Education, local authorities and other funding sources and settling contractors' costs and professional fees. This activity of the Board is not reflected in the Statement of Financial Activities as the transactions are those of the school governing bodies rather than the Board. Total expenditure on school building projects and IT equipment during the year was £534,341 (2019: £548,203).

DERBY DIOCESAN BOARD OF EDUCATION

NOTES RELATING TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

27 School building and IT projects (continued)

Movement on the funds held by the Board as agent during the year were as follows:

	£
Balance as at 1 January 2020	176,704
Total income during the year	734,252
Total expenditure during the year	(534,341)
Balance as at 31 December 2020	<u>376,616</u>

28 Prior Year Comparative Statement of Financial Activities

	Unrestricted Funds	Restricted Funds	Endowment Funds	2019 Total Funds
	£	£	£	£
Income and endowments from				
Donations	-	170,000	-	170,000
Charitable activities	151,750	548,616	-	700,366
Investments	74,262	32,594	-	106,856
Total income and endowments	<u>226,012</u>	<u>751,210</u>	<u>-</u>	<u>977,222</u>
Expenditure on				
Raising funds	30,926	-	-	30,926
Charitable activities	29,951	553,090	-	583,041
Total expenditure	<u>60,877</u>	<u>553,090</u>	<u>-</u>	<u>613,967</u>
Net income before investment gains	<u>165,135</u>	<u>198,120</u>	<u>-</u>	<u>363,255</u>
Net gains on investments	96,007	25,687	132,485	254,179
Net income	<u>261,142</u>	<u>223,807</u>	<u>132,485</u>	<u>617,434</u>
Gross transfers between funds	-	-	-	-
Net movement in funds	<u>261,142</u>	<u>223,807</u>	<u>132,485</u>	<u>617,434</u>
Reconciliation of funds				
Total funds at 1st January 2019	<u>819,757</u>	<u>606,456</u>	<u>886,492</u>	<u>2,312,705</u>
Total funds at 31st December 2019	<u>1,080,899</u>	<u>830,263</u>	<u>1,018,977</u>	<u>2,930,139</u>

DERBY DIOCESAN BOARD OF EDUCATION

SCHEDULE OF ADMINISTRATION EXPENSES AND SUPPORT COSTS

For the year ended 31 December 2020

	2020 Budget £	2020 Actual £	2019 Actual £
Training events and publicity	620	(6,441)	2,732
Officers' training & resources			
Specialist conferences	1,500	158	1,443
Resources library	500	17	414
Subscriptions	2,400	858	2,278
	4,400	1,033	4,135
Officers' travel and other expenses			
Director of Education	500	-	-
Director of Schools Improvement	-	-	1,626
Schools Work	1,000	496	1,784
Children's Work	300	101	709
Youth	25	152	1,698
Deputy Director of Business	250	30	108
Car parking & miscellaneous	6,700	2,338	5,965
	8,775	3,117	11,890
Office administration			
Photocopier	2,000	1,252	1,702
Stationery	1,500	627	894
Telephone	2,000	1,028	1,936
Hospitality	800	432	757
Postage	800	(32)	408
ICT costs	4,500	1,590	1,827
Maintenance of equipment	-	-	-
Lease hire of equipment	2,400	-	1,352
Publicity	-	4,760	-
Appeals	-	1,990	474
Sundries	2,000	2,993	1,869
Depreciation of fixtures, fittings and equipment	5,785	2,036	4,085
	21,785	16,676	15,304
Remuneration			
Wages and salaries	196,878	240,044	340,008
Employer's national insurance	21,258	23,958	39,330
Pension contributions	19,688	16,504	34,001
	237,824	280,506	413,339
Contribution to schools' building administration	-	-	-
	237,824	280,506	413,339
Grants received and amounts charged to restricted funds	(193,100)	(193,100)	(367,654)
	44,724	87,406	45,685
Other expenses			
Legal and professional fees	18,000	22,769	6,723
Accountancy and independent examination	8,280	9,792	8,280
Insurance	9,755	8,106	8,636
Bank charges	850	525	743
Consultancy	-	2,250	-
Property Expenses	19,000	21,546	30,926
DDAT Expenditure	70,000	91,310	115,456
Contingencies	30,000	40,000	-
	155,885	196,298	170,764
Total administrative expense & support costs	236,189	298,089	250,510

This page **does not** form part of the statutory financial statements