

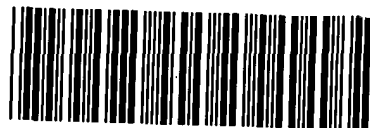
Registered Company Number: 00463908
Charity Number 527038

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

REPORTS AND FINANCIAL STATEMENTS
YEAR ENDED

31st December 2023

MONDAY



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DERBY DIOCESAN BOARD OF EDUCATION

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DERBY DIOCESAN BOARD OF EDUCATION

CHARITABLE COMPANY PARTICULARS

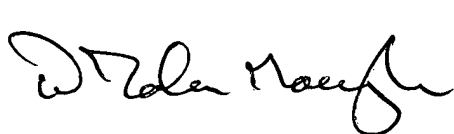
President & Chairman (& Trustee)	The Rt. Reverend Bishop Elizabeth Lane
Bishop's Nominee and Chair of the Board (& Trustees)	The Venerable C. Coslett (resigned 17.02.23) The Venerable N. Fenton (appointed 12.12.23) The Rt. Reverend Bishop M. Macnaughton (Chair)
Other Trustees (Synod Appointments)	Mrs. 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 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 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



14/5/24

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 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 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 induction. 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.

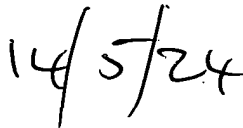
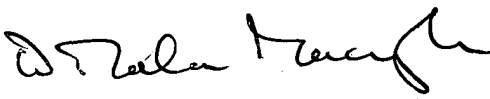
Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic and Directors' Report) Regulations 2013 has been omitted.

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)	82,381	47,363
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	1,063,050	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

The Rt Rev'd Malcolm Macnaughton, Bishop of Repton

Approved and authorised for issue by the Board on

Malcolm Macnaughton
14/5/24

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)	(108,481)	(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>314,264</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>131,296</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.	10,200	10,485
	<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	24,620
	<u>212,609</u>	<u>145,849</u>

	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	<u>74,485</u>	<u>26,189</u>	<u>64,353</u>	<u>165,027</u>
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	<u>19,363</u>	<u>25,885</u>	<u>27,434</u>	<u>72,682</u>
Net book value				
At 31st December 2023	<u>55,122</u>	<u>304</u>	<u>36,919</u>	<u>92,345</u>
At 31st December 2022	<u>55,122</u>	<u>445</u>	<u>37,515</u>	<u>93,082</u>

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>3,256,265</u>	<u>3,053,900</u>
	2023	2022
	£	£
Market value of investment securities held with:		
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	113,264	116,092
	<u>2,496,265</u>	<u>2,293,900</u>
Historic cost of investment securities	<u>1,729,786</u>	<u>1,729,786</u>
Investment properties comprise:		
Ashford School House	400,000	400,000
Ashford Former School	360,000	350,000
Starkholmes	10,000	10,000
	<u>760,000</u>	<u>760,000</u>
Historic cost of investment properties.	<u>22,364</u>	<u>22,364</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	2,255	267
	<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)	100,758	100,758
	<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	-	-	-	5,558
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	229,779	(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.

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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.

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

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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
	<u>398</u>	<u>1,194</u>

Lease payments recognised as an expense were £796 (2022 - £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 £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
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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><u>330,242</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 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><u>387,540</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 2023	100,758
Moved from other creditors	-
Total income during the year	-
Total expenditure during the year	<u>-</u>
Balance as at 31 December 2023	<u><u>100,758</u></u>

**DERBY DIOCESAN BOARD OF EDUCATION
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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	118,761	229,779	-	348,540
Expenditure on				
Raising funds	-	13,183	-	13,183
Charitable activities	87,841	264,845	-	352,486
Total expenditure	87,841	278,028	-	365,669
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	(96,256)	126,490	(170,175)	(139,941)
Gross transfers between funds	(29,538)	29,538	-	-
Net movement in funds	(125,794)	156,028	(170,175)	(139,941)
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	1,040,802	992,210	1,270,404	3,303,516