



## Newcastle Diocesan Education Board

Annual Report & Financial Statements  
Year ended 31 December 2021

Company number - 00480293  
Registered charity number - 528076

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## NEWCASTLE DIOCESAN EDUCATION BOARD

TABLE OF CONTENTS	PAGE NUMBER
Vision Statement	3
Directors Annual Report	4
Administrative details	12
Independent Auditors Report	14
Statement of Financial Activities incorporating Income and Expenditure Account	18
Balance Sheet	19
Notes to the Financial Statements	20

## **Vision Statement**

The Diocese of Newcastle works together in education with the Durham Diocese and is committed to the flourishing of all children and young people and the part that education plays in achieving this.

We wish to offer the highest quality of education across the North East to ensure each and every child achieves their full potential across all areas of the curriculum whilst having a lively engagement with the Christian faith within the setting of a Christian community.

We wish to ensure clergy are fully equipped to serve their local schools, that the church appoints skilled governors who are able to ensure the school does the very best it can and that all staff flourish and develop to their fullest potential.

## NEWCASTLE DIOCESAN EDUCATION BOARD

### DIRECTORS ANNUAL REPORT

The directors, who are also trustees under charity law, present their annual report, together with the audited financial statements, for the year ended 31<sup>st</sup> December 2021.

This combined report satisfies the legal requirements for:

- a Directors Report of a charitable company,
- a Trustees Annual Report under the Charities Act 2011

### LEGAL OBJECTS

Newcastle Diocesan Education Board Ltd (NDEB) aims to promote, facilitate and assist the work and purposes of the Church of England in education across the Diocese of Newcastle and elsewhere. NDEB's principal objects, set out in the Diocesan Boards of Education Measure, are:

- The promotion of education in the Diocese, consistent with the faith and practice of the Church of England.
- The promotion of religious education and religious worship in (all) schools.
- The promotion of Church schools in the Diocese and provision of advice to their Governors.
- The promotion of co-operation between the Board and bodies concerned in any respect with education in the Diocese.

Whilst this falls outside of the reporting year, the NDEB Articles were updated by special resolution of the Members in December 2021 (effective from 4<sup>th</sup> March 2022 following Charity Commission consent) to reflect the Diocesan Boards of Education Measure 2021 and additional objects to those above set out in the new Articles are:-

- To promote or assist in the promotion of children and youth work in the Diocese that is consistent with the faith and practice of the Church,
- To promote co-operation between itself and other persons concerned with children and youth work in the Diocese, and
- To carry out the functions assigned to the Charity by the Measure.

As far as schools are concerned NDEB is mainly concerned with matters to do with Church of England schools, but as part of the established Church, and its duty to promote education and co-operation between bodies involved in education it also seeks to contribute where it can to the development of all schools especially, but not only, in matters of religious education and collective worship.

The company was formed to provide support for the 49 Church of England schools across the Diocese.

The strategic priorities of the company are established by NDEB in communication with Diocesan Synod, Deanery Synod, and the Bishop of Newcastle. To this end, significant time and effort is committed to communication between and with these bodies, as well as the National Church of England Education Office.

NDEB's strategy for achieving its objectives is to develop financial structures to enable it to provide enough staff and resources to support the Church of England schools in the Diocese. To assist with this NDEB offers a Partnering Agreement (PA) to Church of England schools in the Diocese.



## NEWCASTLE DIOCESAN EDUCATION BOARD

The directors are aware of the Charity Commission's guidance on public benefit in *The Advancement of Religion for the Public Benefit* and have had regard to it in their administration of NDEB. The directors believe that, by promoting the work of the Church of England in the Diocese of Newcastle, NDEB helps to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the Diocese as a whole and in its individual parishes and schools, and that in doing so it provides a benefit to the public by:

- Providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- Promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole; and
- Providing a service to the whole community, not just the Christian constituency. All children are welcome in the Church of England schools in the diocese, including children of all faiths and none; and
- Providing schools that are places of education, not proselytism, offering opportunities for young people to make the most of their inherent potential, and so make a contribution to the society of which they are a part. Comparisons with national Ofsted ratings show that in aggregate the C of E schools in Newcastle Diocese are performing well above national averages.

## ACTIVITIES AND ACHIEVEMENTS IN THE YEAR

### National education landscape and implications

As we move from what some commentators would suggest has been pandemic to endemic we are starting to see the green shoots of starting a 'new normality'. As an education function we have seen a shift back to school visits and on site support to our schools and school leaders. Nationally the government is encouraging us to consider the Education White Paper "Opportunity for All" and as a result we used some of the time leading up to the publication of this paper during the pandemic to plan the possible landscape as more schools move towards Academy Status. However, from a staffing, recruitment and retention perspective in schools we are still seeing an immense challenge to which we are providing ongoing support.

The Diocesan Director of Education has worked with the Team to ensure Schools have had continuous access to support during the last two years and the overwhelming feedback from leaders has been positive. From weekly contact to all of our schools to ensuring the many iterations of the guidance from DFE were appropriately interpreted and shared in a useful executive summary to school Leaders. Our approach to embracing the digital age has led to an increase in contact with governors – our termly online meetings for Chairs and Ex-Officio governors have been incredibly well attended averaging over 70 participants.

The Director has now published a Diocesan Academy Strategy Paper as we believe, from the White Paper, that we are working towards full academisation although there is no timescale and no ultimate back-stop as yet. The numbers of Academies continue to rise albeit slowly in the Diocese of Newcastle. The Board has also taken seriously its responsibility to support 'tiny and rural schools' as they consider their next steps. To that end we continue to work with Ofsted to create an Annex to the CIF (Common Inspection Framework) which will support the inspection of 'tiny and rural' schools.

Towards the end of this year Ofsted have started to undertake more Trust Reviews which we believe will morph into MAT Ofsted Inspections. The Board will need to note this activity and start to prepare a model that supports Trusts to ensure the value they add to the schools in those Trusts is value for money and appropriate support and challenge.

The position of the Board this year has remained that changes to school structures must be looked at on a case by case basis in line with government policy where relevant but most importantly in the interests of the children and families that we serve. We continue to work in partnership with our Mixed and Church MATs to support our church schools looking at Trust options.

## **NEWCASTLE DIOCESAN EDUCATION BOARD**

As we were concerned last year so our concerns increase this year at the levels of funding maintaining our schools. With the rising costs of utilities and uncertainty over future funding every school is now facing significant funding issues and this is leading to further exploration of shared services across our schools and Trusts.

### **Operations and Staffing**

The team has continued to evolve in the last twelve months with more consultants joining as we aim to meet the growing demand for School Improvement. Recruitment has proven to be a challenge at lower grades however, we are working creatively to find solutions with other teams at Church House.

We now employ only one RE Advisor as one has now retired – we continue to work with the Hild Bede Fund to support this post. We have secured again a further grant for the next twelve months.

99% of schools across both Newcastle and Durham Dioceses have bought back into the PA which is a tremendous boost having had to raise the cost by 10%. The Diocesan Trust work continues to bring a more substantial income to the JET which has allowed a lesser dependency on reserves throughout the financial year.

### **Challenges and Achievements**

All administrative staff have now returned back to the office although we have introduced some flexibility of home working for one day per member of staff. Assistant Directors and the Director are now regularly visiting schools and supporting 'on site' as pre-pandemic.

Challenge and Support work now forms a significant part of our work stream for our standards and effectiveness teams – there has been a significant increase in demand for school improvement work – the challenge is now recruiting staff to service that demand should we wish to increase capacity.

Despite COVID our levels of communication with school leaders including Governors has continued to be more effective than ever. Governor updates and training have been incredibly well attended and by virtue of them being online we have been able to hold them more regularly.

Other achievements are the improved picture of our Secondary School, Dukes NCEAT Secondary with monitoring visits demonstrating the much improved picture and our continued positive position at Primary and First schools across the Diocese.

Some of our schools are now actively interested in learning more about MAT's and the joint Academy strategy vision paper from the Durham and Newcastle Diocesan Education Boards has set out the means by which this will be achieved. The challenge facing the Board is that there is still no 'power' to enforce system change until the Government leads more clearly on this agenda. The expected White Paper now gives a timeline of 2030 which the Board can work towards with its schools.

The team continues to manage the planning, training, delivery and staffing of Statutory Inspection of Anglican and Methodist Schools (SIAMS). A new approach to SIAMS is now in place which means inspectors are allocated by the National Church and QA takes place across Dioceses.

### **Working with communities**

We continue to focus on working with communities and look to develop links and partnerships to assist our schools. Examples of this work include the following:-

- We continue to work with schools who are now within our MATs, or wish to join MATs – including community schools.
- We work with school cluster groups to support networking and discussion between Church Head Teachers.
- We have now delivered Understanding Christianity to all church schools and several community schools.
- Our team have worked in several community schools to support standards and achievements.
- We are regularly asked by schools to broker services for them which are fit for purpose and cost effective.
- We are working in several locations with regards to 'shared leadership' which involves bring communities closer together.

## NEWCASTLE DIOCESAN EDUCATION BOARD

### Other related parties include

- The Newcastle Diocesan Board of Finance (NDBF) works closely with NDEB and the two charities are companies within the Newcastle Diocesan framework. They share the same registered office and some directors serve on both boards.
- The Durham Diocesan Board of Finance (DDBF) is a neighbour to the south of Newcastle. NDEB and the DDBF have continued to work closely together and they now jointly employ 9 members of staff. A common pool of SIAMS inspectors has been established and joint training for them continues as does in-service training (Inset) on religious education and school worship for staff and training for clergy on ways to work with schools.
- The Church of England Pensions Board, to which NDEB pays retirement benefit contributions for employees.

Transactions with the main categories of related parties are identified in appropriate places throughout the financial statements. Where materiality of the transactions merits more detailed disclosure this is given in note 19 to the financial statements.

## FUTURE PLANS

The future of the three tier system in Northumberland will be a focus in 2022 as Berwick and the Coquet Partnership will be debated by NCC Cabinet. The NDEB will need a clear stance on how it would manage a change to two Tier bearing in mind the lessons learned from Alnwick. The Director will be heavily involved in all of these consultations and will keep the Board appraised.

The work with structures will be ongoing – in particular the impact of a falling birth rate in Northumberland. This will require further consideration with small and rural schools and how they continue to serve the local community.

Governance will now require further work with regards to joining Trusts – we will also need to consider Ex Officio appointments as the numbers of parishes in vacancy rises throughout the Diocese.

A continued piece of work will be the school improvement work undertaken by the Team and how we continue to grow the offer and expand the work of the team into community schools and trusts. This will link to the growth of the Durham and Newcastle Diocesan Learning Trust that is now an option for schools in the Newcastle Diocese.

## FINANCIAL REVIEW

### Financial Performance

Overall income decreased by £103k to £240,109 compared to 2020.

Unrestricted income decreased by £60k mainly due to less earned income received from Durham and Newcastle Diocesan Learning Trust and, withdrawal of grant funding from Newcastle Diocesan Board of Finance offset against increased School Improvement income of £11k

The current level of unrestricted funds, free and readily realisable, amounts to £232,377 (2020: £340,447) and represent investments of £200,000 (2020: £220,000) plus cash and current assets of £32,377 (2020: £120,447) as detailed in note 16 to the financial statements.

There was a unrestricted deficit for the year of £108k against a budgeted deficit of £137k. The budget covers only the Unrestricted Fund, the Section Fund and the comparison to budget is made without the inclusion of year-end gains on investments. Overall NDEB has met all of its financial obligations to continue resourcing educational needs across the Diocesan schools.

## NEWCASTLE DIOCESAN EDUCATION BOARD

### Investment performance

Investments are held in general, section and special purposes funds. The total value of investments, excluding short-term cash deposits, at 31 December 2021 was £2,376,144 (2020: £2,212,697). The total gains on investments were £303k. This represented an unrealised gain of £272k, a realised gain of £6k and a property revaluation of -£25k.

### Balance sheet position

The balance sheet has strengthened during the year owing mainly to the gain on listed investments of £303k offset by expenditure in excess of income of £125k.

### Reserves Policy

#### *Free reserves*

The Board needs to keep a certain level of reserves as protection against unexpected fluctuations in income, to assist at certain times of the year with cash flow, and to allow the Board to operate to fulfil its charitable objects. NDEB also aims to hold sufficient funds to cover six months operating costs. It is therefore the Board's policy to hold a total of at least £100,000 in reserves to satisfy this requirement. At December 2020 the unrestricted reserves were considerably higher than the minimum level required by this policy (£232,377); however, trustees anticipate this level of reserves will be required to cover rising costs and diminishing income over the next 12 months. Any excess will be held for income generation.

#### *Restricted reserves*

As set out in note 16 NDEB holds and administers a large number of restricted funds. As at 31 December 2021 restricted funds totalled £2,337,170 (2020: £2,050,642). These funds are not available for the general purposes of the NDEB.

### Investment policy

The Memorandum and Articles of Association of the charity permit wide powers of investment. The investment policy of NDEB is based on the overall investment objective of achieving a balanced return with moderate risk, preserving the capital and income of NDEB in real terms over the medium term. A review of NDEB's investments was completed in 2018 and a decision was taken to move investment funds to CCLA in line with Church of England ethical investment principles in 2019.

## PRINCIPAL RISKS AND UNCERTAINTIES

The directors confirm that the major risks to which NDEB is exposed, as identified by the directors and staff, have been reviewed and that systems and procedures have been established to manage those risks. In summary major risks include:-

- the need to respond to changing government policy on education and ensure there is appropriate staff capacity and resource within the team to do this effectively.
- the risk of reputational damage arising from working across a geographical area including many small rural schools, partnership wide structural changes and possible school closures.
- ensuring appropriate communications and PR support when urgent issues arise.
- financial risks arising from financial constraints to fund the team's work and school funding.

The directors' delegate to the Finance and Property Committee the task of ensuring that risks are reviewed and managed as part of the risk management strategy, and that procedures and controls are designed to minimise any potential impact on NDEB should any of the risks materialise. A risk register has been compiled and contains further detail on possible levels of risk and systems in place for managing the risk.

## NEWCASTLE DIOCESAN EDUCATION BOARD

The Finance and Property Committee reviews the risk register periodically and reports to directors whether it is satisfied with its findings and makes recommendations for further work in subsequent years. The directors review the risk register at least annually as part of the corporate risk management strategy. This may move to a more regular event due to the impact of COVID 19, although the reserves position provides a buffer from immediate concern.

## STRUCTURE AND GOVERNANCE

### Summary information about the structure of the Newcastle Diocesan Education Board

NDEB has to comply with Measures passed by the General Synod of the Church of England and is required to give heed to recommendations and/or advice from the Archbishops' Council Board of Education and the National Society. NDEB must also help Church of England schools in the Diocese to comply with education law and guidance from the DfE. NDEB seeks to influence and support, but has no direct control, over the 49 Church of England schools in the Diocese. Schools are led and managed by their governing bodies, head teachers and senior staff. The accounts of Church of England schools do not form part of these financial statements. Within the Board, several directors are Head Teachers or former Head Teachers and several are governors (or academy trust directors) in Church of England schools in the Diocese. Head teachers and governors are encouraged to make their views known to NDEB and its staff in a variety of ways including evaluation of conferences and courses, during staff and directors' school visits, telephone and email contact.

### Organisational structure

The company was incorporated on 30 March 1950 and re-constituted in its present structure on 20 October 2003 as a charitable company limited by membership guarantees (No. 00480293), registered in England and its governing documents are the Memorandum and Articles of Association. NDEB is registered with the Charity Commission (No. 528076). Whilst this falls outside of the reporting year, the NDEB Articles were updated by special resolution of the Members in December 2021 (effective from 4 March 2022 following Charity Commission consent) to reflect the Diocesan Boards of Education Measure 2021 and the board was re-constituted under the new Measure on 1 January 2022.

The Board is a statutory body under the Diocesan Boards of Education Measure 2021 and is the sole trustee of the Uniform Statutory Trusts (also known as Section Funds), which are now governed by section 554 of the Education Act 1996. The funds held in trust are derived from ancient educational endowments and the proceeds of property sales authorised by the Department for Education (DfE) under section 86 of the Education Act 1944 and section 2 of the Education Act 1973.

### Decision making structure

The Diocesan Director of Education is the Company Secretary of the NDEB. The NDEB under the new Articles has a quorum of a third of directors (subject to a minimum of four) and meets at least three times each year, with an additional meeting held if required. The previous quorum which applied during the reporting year was eight.

The Board may establish committees to assist in the discharging of its functions, with membership of any such committee extended to include persons who are not members of the Board. There is currently a Finance and Property Committee in place which has written terms of reference:

Finance and Property Committee, deals with matters of finance and legal compliance, policies and property related matters.



## **NEWCASTLE DIOCESAN EDUCATION BOARD**

### **Trustee recruitment, selection and induction**

Each director is inducted into the structure and work of NDEB, the Boards of Education Measure, the Memorandum and Articles of Association, the committees and their terms of reference, and members' legal obligations under charity and company law. Directors are encouraged to undertake personal development that will facilitate the execution of their role.

### **Remuneration of key management personnel**

Emoluments of higher paid employees are determined by Operational and Co-ordination Group (made up of members of both the NDEB and Durham Diocesan Board of Education) with reference to appraisals, remuneration and salary benchmarking.

### **Delegation of day to day delivery**

Since the advent of Joint Working between the Education Boards of the Dioceses of Newcastle (NDEB) and Durham (DDBF) in September 2010, the Diocesan Director of Education is appointed jointly by the two Dioceses to manage the day to day operations of their Education Boards. The Director and his staff are employed jointly by NDEB and DDBF. The Director has delegated authority for operational matters including finance, employment and other activities pursuant to the objectives of DDBF and NDEB.

Work is underway to establish a JET LLP which will manage the day to day operations of the team working for both the NDEB and the Durham Diocesan board of Finance and have its own accounts dealing with the income and expenditure of the joint team.

### **Funds held as custodian trustee**

The Board acts as custodian trustee responsible for trust funds held for specific purposes and monies held on behalf of others. The funds held by NDEB as custodian trustees comprise investments amounting to £238,145 as at 31 December 2021 (2020: £206,492) and these are held on behalf of a number of small organisations whose objects are to promote religious educational activity among Sunday schools and other similar establishments, all of which falls within the objects of the Board. The funds are held in separate bank deposit accounts and identifiable investment funds. In accordance with the requirements of the Statement of Recommended Practice these funds are not shown in the charity's balance sheet.

### **Funds held on behalf of schools**

NDEB receives contributions from governors of church schools within the Diocese in connection with major repairs and capital projects to church schools and also government grants in connection with the same. School funds held by NDEB total £1,091,935 as at 31<sup>st</sup> December 2021 (2020: £1,263,519)

NDEB administers these monies as managing agents and makes appropriate payments to contractors for work carried out. Monies do not belong to the Board of Education and as such the receipts and payments are not treated as income and expenditure in the Statement of Financial Activities.

## **NEWCASTLE DIOCESAN EDUCATION BOARD**

### **TRUSTEES' RESPONSIBILITIES**

The trustees (who are also directors for the purposes of company law) are responsible for preparing the Directors' and Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors 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 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 directors are responsible for keeping proper 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 directors are responsible for the maintenance and integrity of the charitable company 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.

### **STATEMENT OF DISCLOSURE TO THE AUDITORS**

So far as the directors are aware:

- a) there is no relevant audit information of which the charitable company's auditor is unaware, and
- b) the directors 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.

### **APPOINTMENT OF AUDITORS**

The auditor is deemed to be reappointed under section 487 (2) of the Companies Act 2006 until otherwise resolved at a General Meeting of the company.

## NEWCASTLE DIOCESAN EDUCATION BOARD

### ADMINISTRATIVE DETAILS

#### Ex Officio

The Bishop of Newcastle – The Right Reverend C E Hardman (resigned November 2021)

The Acting Bishop of Newcastle - The Right Reverend Mark Wroe *appointed 1<sup>st</sup> December 2021*

#### Directors

Rev'd Dr Gill Alexander (Chair) (appointed 1<sup>st</sup> January 2021)

Reverend G R Curry\*

Reverend P H Pearson

Reverend Dennis Handley (Vice Chair)

Reverend Martin Lee (resigned 16<sup>th</sup> July 2021)

Reverend J McGowan

Reverend Rachel Scheffer

Reverend D R Cleugh (appointed 1<sup>st</sup> January 2022)

Mr R Restall

Mr R D Ratcliff\*

Professor Gary Holmes

Professor Lesley Twomey

Mrs D Groves

\*Elected by Diocesan Synod

#### Secretary

Mr P Rickeard

#### Senior Officers

Director of Education – Mr P Rickeard

Assistant Director of Education – Mrs L Atkin

Assistant Director of Education – Ms A Vernon

Assistant Director of Education – Mrs J Warner

Bursar – Mrs E Bell

**Registered office:** Church House, St John's Terrace, Percy Main, North Shields NE29 6HS

**Bankers:** Barclays Bank PLC Wingrove, 446 Westgate Road, Newcastle upon Tyne NE4 9BN

**Auditors:** UNW LLP. Citygate, St James' Boulevard, Newcastle upon Tyne NE1 4JE

**Solicitors:** Muckle LLP. Time Central, Gallowgate, Newcastle upon Tyne NE1 4BF

**Investment Advisors:** CCLA. Senator House, 85 Queen Victoria Street, London EC4V 4ET

#### Company registration number

00480293

#### Registered charity number

528076

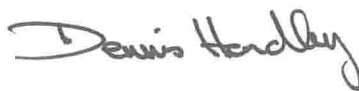


## NEWCASTLE DIOCESAN EDUCATION BOARD

By Order of the Board



Mr P Rickeard  
Company Secretary  
Director  
22<sup>nd</sup> June 2022



Revd Dennis Handley  
Director and Vice Chair of Finance and Property Committee

22<sup>nd</sup> June 2022

## **NEWCASTLE DIOCESAN EDUCATION BOARD**

### **Independent Auditor's Report to the members of Newcastle Diocesan Education Board**

We have audited the financial statements of Newcastle Diocesan Education Board (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet and the related notes, 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:

- 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;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

### **Basis of 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 entity'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 trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **NEWCASTLE DIOCESAN EDUCATION BOARD**

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

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

### **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's or to cease operations, or have no realistic alternative but to do so.

## NEWCASTLE DIOCESAN EDUCATION BOARD

### 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:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the trustees and other management (as required by Auditing Standards) and from inspection of the charitable company's legal correspondence, and we discussed with the trustees and other management the policies and procedures in place regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our audit team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation) and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; data protection, safeguarding and certain aspects of company legislation, recognising the nature of the charitable company's activities. Auditing Standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Through these procedures, we did not become aware of actual or suspected non-compliance material to the financial statements.

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.

## NEWCASTLE DIOCESAN EDUCATION BOARD LIMITED

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



**Anne Hallowell BSc FCA DChA (Senior Statutory Auditor)**  
**For and on behalf of UNW LLP, Statutory Auditor**  
Chartered Accountants  
Newcastle upon Tyne

Date: 22<sup>nd</sup> June 2022

# NEWCASTLE DIOCESAN EDUCATION BOARD

## STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account)

For the year ended 31 December 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	2020 £
<b>Income from</b>					
Donations	2	52,229	15,842	68,071	166,713
Other trading activities	3	87,493	23,193	110,686	117,540
Investments	4	54,330	7,022	61,352	58,714
		<u>194,052</u>	<u>46,057</u>	<u>240,109</u>	<u>342,967</u>
<b>Expenditure on</b>					
Charitable activities	5/6	(302,122)	(62,978)	(365,100)	(384,182)
<b>Total</b>		<u>(302,122)</u>	<u>(62,978)</u>	<u>(365,100)</u>	<u>(384,182)</u>
Net income/(expenditure) before investment gains/losses		(108,070)	(16,921)	(124,991)	(41,215)
Net gains on investments		-	303,449	303,449	113,368
<b>Net income / (expenditure)</b>		<u>(108,070)</u>	<u>286,528</u>	<u>178,458</u>	<u>72,153</u>
Transfers between funds		-	-	-	-
Net movement in funds		(108,070)	286,528	178,458	72,153
Total funds brought forward		340,447	2,050,642	2,391,089	2,318,937
<b>Total funds carried forward</b>		<u>232,377</u>	<u>2,337,170</u>	<u>2,569,547</u>	<u>2,391,089</u>

All operations relate to continuing activities

# NEWCASTLE DIOCESAN EDUCATION BOARD

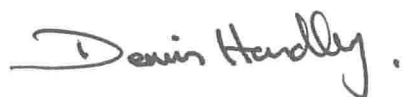
## BALANCE SHEET

At 31 December 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible fixed assets	11	-	-
Investments	12	2,376,144	2,212,697
		<u>2,376,144</u>	<u>2,212,697</u>
<b>Current assets</b>			
Debtors	13	91,689	6,857
Deposits		61,134	56,911
Cash at bank		80,214	159,187
		<u>233,037</u>	<u>222,955</u>
<b>Creditors: amounts falling due within one year</b>	14	(39,634)	(44,563)
<b>Net current assets</b>		<u>193,403</u>	<u>178,392</u>
<b>Net assets</b>		<u>2,569,547</u>	<u>2,391,089</u>
<b>The funds of the charity:</b>			
Restricted income funds		2,337,170	2,050,642
Unrestricted income funds - general		232,377	340,447
<b>Total funds</b>	16	<u>2,569,547</u>	<u>2,391,089</u>
<b>FUNDS</b>			
<b>Restricted income funds</b>		2,337,170	2,050,642
<i>Including investment revaluation reserve of £1,091,807 (2020: £849,141)</i>			
<b>Unrestricted income funds</b>		232,377	340,447
<i>Including investment revaluation reserve of £92,788 (2020: £80,113)</i>			
<b>Total funds</b>		<u>2,569,547</u>	<u>2,391,089</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 20 to 32 form part of these financial statements. The accounts were approved by the members of the Board on 22<sup>nd</sup> June 2022 and are signed on their behalf by:



Rev Dennis Handley  
Director and Vice Chair of Finance and Property Committee  
Registered Company Number 00480293

# NEWCASTLE DIOCESAN EDUCATION BOARD

## Notes to the financial statements

For the year ended 31 December 2021

### 1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, with the exception of fixed asset investments, which are included at their market value at the balance sheet date. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015), the Companies Act 2006 and applicable accounting standards (FRS102).

NDEB meets the definition of a public benefit entity under FRS 102. The financial statements are prepared in pounds sterling which is the fractional currency of the charity and are rounded to the nearest £1.

#### **Going concern**

Directors have considered the changing impact of COVID 19, which includes the potential for a reduction in core funding, and the ongoing needs of the schools that the Education Board supports. Taking into account the levels of unrestricted reserves as at 31 December and the events of the last year, the directors are satisfied that there is sufficient funding for the charity to continue to meet all liabilities as they fall due for the foreseeable future and consequently these accounts have been prepared on a going concern basis.

#### **a) Income**

All income is included in the Statement of Financial Activities (SOFA) when NDEB 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.

- i) **Rent** receivable is recognised as income of the year in respect of which it is receivable.
- ii) **Interest and dividends** are recognised as income where receivable.
- iii) **Donations** other than grants are recognised when receivable.

#### **b) Expenditure**

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

- i) **Costs of raising funds** are constrained to costs relating to investment properties.
- ii) **Charitable expenditure** relates to expenditure on education and Church of England schools in the Diocese.
- iii) **Support costs** consist of central management, administration and governance costs. The amount spent on raising funds and other activities is considered to be immaterial and all support costs are allocated to the purpose of charitable activities. Costs are allocated wherever possible directly to the activity to which they relate, but where such direct allocation is not possible, the remainder is allocated on an approximate staff time basis.
- iv) **Pension contributions.** NDEB contributes to the Pension Builder Scheme of its employees and this scheme is part of the Church Workers Pension Fund. It is treated as a defined contribution scheme and the annual contributions payable are charged to the Statement of Financial Activities.
- v) **Employee benefits.**  
Short-term benefits, including holiday pay and other similar non-monetary benefits are recognised as an expense in the period in which the employee's entitlement to the benefit accrues.



# NEWCASTLE DIOCESAN EDUCATION BOARD

## Notes to the financial statements

For the year ended 31 December 2021

### Tangible fixed assets and depreciation

#### c) Investment properties

Board properties which are held for investment purposes and rented out have been included at their fair value, as determined by an annual review carried out by an external surveyor.

#### d) Fixed asset investments

Listed investments, which have been classified as fixed asset investments, are measured initially and subsequently at fair value. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

#### e) Tangible fixed assets

All capital expenditure over £5,000 is capitalised and depreciated as follows. Depreciation is provided in order to write off the cost (less any ultimate disposal proceeds at process ruling at the time of the asset's acquisition) of other fixed assets over their currently expected useful economic lives at the following initial rate:-

Fixtures and fittings      15-30%per annum      straight line basis

School buildings are occupied and, in the case of Voluntary Aided schools, improved, extended and repaired by the school governors. The nature of the occupation of these buildings by these exempt and excepted charities means that NDEB trustees do not have the power to dispose of the buildings until the school ceases its occupation, which in turn would require the approval of the Secretary of State. Any proceeds of sale would be subject to claw-back by the Secretary of State of related grant aid provided. The trustees consider the Board's ownership to be in the nature of custodianship of the assets and these are therefore not capitalised in the financial statements. Details of the Voluntary Aided schools can be obtained from the Joint Education Team.

#### f) Debtors

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

#### g) 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.

#### h) Liabilities and provisions

Liabilities are recognised where there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligations. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

# NEWCASTLE DIOCESAN EDUCATION BOARD

## Notes to the financial statements

For the year ended 31 December 2021

### i) Financial instruments

The company only enters into financial instruments transactions that result in the recognition of basic debt financial assets and liabilities like trade and other accounts receivable and payable, cash and bank

balances and loans to or from related parties. All such instruments are due within one year, and are measured, initially and subsequently at the transaction price.

At the end of each reporting period debt financial assets are assessed for impairment, and their carrying value reduced if necessary. Any impairment charge is recognised in the statement of financial activities.

### j) Fund balances

Fund Balances are split between unrestricted (general and designated), restricted funds.

- **Unrestricted funds** are NDEB's corporate funds and are freely available for any purpose within the charitable objects, at the discretion of NDEB. There are two types of unrestricted funds:
  - **General funds** which NDEB intends to use for the general purposes of the NDEB and
  - **Designated funds** set aside out of unrestricted funds by NDEB for a purpose specified by the Trustees. No designated funds are held at this time.
- **Restricted funds** are income funds subject to conditions imposed by the donor as specific terms of trust, or else by legal measure.
- **Section funds**

Section Order Funds that have arisen from past Section Order Schemes are subject to Uniform Trusts governed by Section 86 (1944 Education Act). Section 2 (1973 Education Act) and more recently Section 554 (1996 Education Act). These funds have been extracted from the General Reserve and are accounted for under Restricted Funds.

The Uniform Trusts provide that the Board may after payment of any expenses in connection with the administration of the particular trust to apply the capital and income:-

- (a) In or towards the purchase of a site for or the erection, improvement or enlargement of the premises of any relevant school in the area.
- (b) For the maintenance of any relevant school in the area.
- (c) In or towards the purchase of a site for or the erection or improvement or enlargement of the premises of a teacher's house for use in connection with any relevant school in the area and
- (d) For the maintenance of a teacher's house for use in connection with any relevant school in the area

## NEWCASTLE DIOCESAN EDUCATION BOARD

### Notes to the financial statements For the year ended 31 December 2021

The Board may apply the income as follows:-

- (a) In or towards the provision of advice guidance and resources including materials in connection with any matter related to the management of or education provided at any relevant school in the area
- (b) The provision of services for carrying out any inspection of any relevant school in the area by Part 1 of the Schools Inspection Act 1996 and
- (c) To defray the cost of employing or engaging staff in connection with:-
  - (i) The application of income by the relevant trust assets for either of the purposes referred in sub paragraph (a) and (b) above or
  - (ii) The application of capital or income of the relevant trust assets for any of the purposes referred to in paragraph 1 above."

The accounts include future section order funds under permanent endowment funds. Once an order has been approved the funds are then transferred in accordance with the Order.

The accounts also include a Special Purposes Fund which includes various funds derived from educational endowments which can be used to fund special projects under the terms of the relevant Trusts as applicable.

#### **k) Estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing these financial statements the trustees do not consider there were any significant areas of judgement that were required in applying the company's policies as set out above.

Estimates within these financial statements include depreciation. None of the estimates made in the preparation of these financial statements are considered to carry significant estimation uncertainty, nor to bear significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

# NEWCASTLE DIOCESAN EDUCATION BOARD

## Notes to the financial statements For the year ended 31 December 2021

### 2 Donations

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Donations	16,045	-	16,045
DBF Grant	-	-	-
Service agreement receipts	36,184	-	36,184
Other grants received	-	15,842	15,842
	<u>52,229</u>	<u>15,842</u>	<u>68,071</u>

### Donations

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Donations	16,583	-	16,583
DBF Grant	81,250	-	81,250
Service agreement receipts	33,880	-	33,880
Other grants received	-	35,000	35,000
	<u>131,713</u>	<u>35,000</u>	<u>166,713</u>

### 3 Other trading activities

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Rental income from investment properties	-	23,193	23,193
Conference fees income	14,808	-	14,808
DMAT Income	55,911	-	55,911
School Improvement income	16,774	-	16,774
	<u>87,493</u>	<u>23,193</u>	<u>110,686</u>

### Other trading activities

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Rental income from investment properties	-	34,318	34,318
Conference fees income	15,297	-	15,297
DMAT Income	62,224	-	62,224
School Improvement income	5,700	-	5,700
	<u>83,222</u>	<u>34,318</u>	<u>117,540</u>

# NEWCASTLE DIOCESAN EDUCATION BOARD

## Notes to the financial statements For the year ended 31 December 2021

### 4 Investment income

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Bank interest receivable	9	7,022	7,031
Income from UK listed investments	54,321	-	54,321
	<u>54,330</u>	<u>7,022</u>	<u>61,352</u>

### Investment income

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Bank interest receivable	80	-	80
Income from UK listed investments	38,710	19,924	58,634
	<u>38,790</u>	<u>19,924</u>	<u>58,714</u>

### 5 Costs of charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Support for church schools & academies	281,802	62,978	344,780
Support costs	20,320	-	20,320
	<u>302,122</u>	<u>62,978</u>	<u>365,100</u>

### Costs of charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Support for church schools & academies	264,496	97,504	362,000
Support costs	22,182	-	22,182
	<u>286,678</u>	<u>97,504</u>	<u>384,182</u>

# NEWCASTLE DIOCESAN EDUCATION BOARD

## Notes to the financial statements For the year ended 31 December 2021

### 6 Costs of charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total Funds 2021 £
Support for church schools	332,157	13,843	346,000
Governance:			
Audit fees	-	6,477	6,477
Legal and professional fees	12,623	-	12,623
	<u>344,780</u>	<u>20,320</u>	<u>365,100</u>

### Costs of charitable activities by activity type

	Activities undertaken directly	Support costs	Total Funds 2020
Support for church schools	349,386	15,822	365,208
Governance:			
Audit fees	-	6,360	6,360
Legal and professional fees	12,614	-	12,614
	<u>362,000</u>	<u>22,182</u>	<u>384,182</u>

### Support costs comprise of

	2021 £	2020 £
Rent	5,192	5,192
Office costs	8,651	10,630
Audit fee	6,477	6,360
	<u>20,320</u>	<u>22,182</u>

# NEWCASTLE DIOCESAN EDUCATION BOARD

## Notes to the financial statements

For the year ended 31 December 2021

### 7 Net (outgoing)/incoming resources for the year

	2021	2020
	£	£
Auditors' remuneration:	6,477	6,360

### 8 Employee details

Total staff costs were as follows:	2021	2020
	£	£
Wages and salaries	225,369	206,270
Social security costs	24,520	22,390
Other pension costs	29,777	27,983
	<u>279,666</u>	<u>256,643</u>

The total number of staff employed during 2021 was 11 (2020: 11) During the year two members of staff left, one partly funded by JET, one by a grant received from Hild Bede Trust.

At 31st December 2021 9 staff remained. Total staff costs funded by Hild Bede Trust totalled £40,409

The remaining staff and costs disclosed within these financial statements represent 50% of the JET due to the joint contracts of employment with the DDBF.

	2021	2020
	No	No
Average FTE staff members	<u>5</u>	<u>5</u>

Four employees received emoluments of more than £60,000 during the year (2020 - four employees).	2021	2020
Band £60,000 - £70,000	3	3
Band £70,000 - £80,000	0	0
Band £80,000 - £90,000	<u>1</u>	<u>1</u>

Key management personnel comprise the Director of Education and his three assistants. Their total remuneration during the year amounted to £317,296 (2020: £316,362).

# NEWCASTLE DIOCESAN EDUCATION BOARD

## Notes to the financial statements For the year ended 31 December 2021

### 9 Summary of fund movements

	Balance at 1 Jan 2021	Incoming resources	Outgoing resources	Gains and losses	Transfers	Balance at 31 Dec 2021
	£	£	£	£	£	£
<b>Restricted Income Funds:</b>						
Section Monies Fund	1,705,861	23,193	(21,483)	293,788	-	2,001,359
Special Purposes Fund	304,152	7,022	(1,085)	9,661	-	319,750
Interfaith Project	-	-	-	-	-	-
Educational Grants	40,629	15,842	(40,410)	-	-	16,061
	<u>2,050,642</u>	<u>46,057</u>	<u>(62,978)</u>	<u>303,449</u>	<u>-</u>	<u>2,337,170</u>
<b>Unrestricted Income Funds:</b>						
General Funds	340,447	194,052	(302,122)	-	-	232,377
<b>Total Funds</b>	<u>2,391,089</u>	<u>240,109</u>	<u>(365,100)</u>	<u>303,449</u>	<u>-</u>	<u>2,569,547</u>

### 9 Summary of fund movements

	Balance at 1 Jan 2020	Incoming resources	Outgoing resources	Gains and losses	Transfers	Balance at 31 Dec 2020
	£	£	£	£	£	£
<b>Restricted Income Funds:</b>						
Section Monies Fund	1,633,087	34,318	(60,720)	99,176	-	1,705,861
Special Purposes Fund	279,883	19,924	-	4,345	-	304,152
Educational Grants	42,413	35,000	(36,784)	-	-	40,629
	<u>1,955,383</u>	<u>89,242</u>	<u>(97,504)</u>	<u>103,521</u>	<u>-</u>	<u>2,050,642</u>
<b>Unrestricted Income Funds:</b>						
General Funds	363,554	253,725	(286,678)	9,847	-	340,447
<b>Total Funds</b>	<u>2,318,937</u>	<u>342,967</u>	<u>(384,182)</u>	<u>113,368</u>	<u>-</u>	<u>2,391,089</u>

### 10. Directors remuneration and expenses

No remuneration has been paid to any director in their capacity as a director during 2021 (2020: £nil).



# NEWCASTLE DIOCESAN EDUCATION BOARD

## Notes to the financial statements For the year ended 31 December 2021

### 11. Tangible assets

	Fixtures & Fittings £	Total £
At cost		
At 1 January and 31 December 2021	2,868	2,868
Accumulated depreciation		
At 1 January and 31 December 2021	2,868	2,868
<b>Net book value at 31 December 2021</b>	-	-

### 12 Investments

	Investment Property £	CCLA investments £	Total £
<b>Within the United Kingdom</b>			
At 1 January 2021	265,000	1,947,697	2,212,697
Additions	-	-	-
Disposals	(90,000)	(43,898)	(133,898)
Revaluation	25,000	272,345	297,345
At 31 December 2021	<b>200,000</b>	<b>2,176,144</b>	<b>2,376,144</b>
Historical cost at 31 December 2021	25,000	1,166,549	1,191,549

During the year one property increased in value another was subject to a disposal.

# NEWCASTLE DIOCESAN EDUCATION BOARD

## Notes to the financial statements

For the year ended 31 December 2021

### 13 Debtors

	2021	2020
	£	£
<b>Due within one year</b>		
Loan to parish for school house	-	2,630
Other debtors	16,689	4,227
	<u>16,689</u>	<u>6,857</u>
<b>Due after one year</b>		
Spittal nursery	75,000	-
	<u>75,000</u>	<u>-</u>
	<u>91,689</u>	<u>6,857</u>

### 14 Creditors

	2021	2020
	£	£
<b>Amounts falling due within one year</b>		
Trade Creditors	-	8,529
Taxation and social security	12,866	12,691
Other Creditors	20,291	16,983
Accruals	6,477	6,360
	<u>39,634</u>	<u>44,563</u>

### 15. Pensions

For eligible salaried employees NDEB now participates in the Church of England Pension Builder Scheme (PBS), within the Church Workers Pension Fund. This is treated as a defined contributions scheme. The scheme is administered by the Church of England Pensions Board. Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

The assets of the PBS are held separately from those of the employer. A valuation of the scheme is carried out once every three years. The most recent scheme valuation was carried out as at 31 December 2019. This revealed a deficit of £14.2m. There is no requirement for deficit payments at the current time. NDEB is unable to identify its share of the underlying assets and liabilities as each employer is exposed to actuarial risks associated with the current and former employees of other entities participating in PBS. For schemes like this, paragraph 28.13 of the Financial Reporting Standard 102 (FRS102) required NDEB to account for pension costs on the basis of contributions actually payable to the Scheme in the year.

# NEWCASTLE DIOCESAN EDUCATION BOARD

## Notes to the financial statements

For the year ended 31 December 2021

NDEB contributes 15% of basic salary into the Scheme for 6 senior members of staff, and 10% for remaining staff. NDEB has provided pension contributions during the year for 11 members of staff on the payroll.

NDEB is only liable for contributions relating to its own staff, and not for any other members of the scheme. All members of staff are jointly employed by NDEB and DDBF and some work less than full-time hours.

During the year to 31 December 2021, NDEB made contributions of £59,554 of which £29,777 is recoverable from DDBF (2020: £55,966 of which £27,983 was recoverable from DDBF). The net total of these two figures has been taken as the pension cost shown in these accounts. No contributions were outstanding at the year end.

### 16 Analysis of net assets between funds

	Fixed assets Investments £	Net current assets £	Total 2021 £
<b>Restricted Income Funds:</b>			
Section Monies Fund	1,856,394	144,965	2,001,359
Special Purposes Fund	319,750	-	319,750
Educational grants	-	16,061	16,061
	<u>2,176,144</u>	<u>161,026</u>	<u>2,337,170</u>
<b>Unrestricted Income Funds:</b>			
General Funds	200,000	32,377	232,377
	<u>2,376,144</u>	<u>193,403</u>	<u>2,569,547</u>

### Analysis of net assets between funds

	Fixed assets Investments £	Net current assets £	Total 2020 £
<b>Restricted Income Funds:</b>			
Section Monies Fund	1,802,908	-	1,802,908
Special Purposes Fund	189,788	17,316	207,104
Educational grants	-	40,629	40,629
	<u>1,992,696</u>	<u>57,945</u>	<u>2,050,641</u>
<b>Unrestricted Income Funds:</b>			
General Funds	220,000	120,447	340,447
	<u>2,212,696</u>	<u>178,392</u>	<u>2,391,088</u>

# NEWCASTLE DIOCESAN EDUCATION BOARD

## Notes to the financial statements For the year ended 31 December 2021

### General Fund

The General fund represents those assets held by NDEB for carrying out its general activities.

### Special Purposes Fund

This fund can be used to fund special projects.

### Section Monies Fund

This fund holds monies under the Education Acts mainly in the form of shares and property. Investment income is transferred as needed to support any deficit on the General fund.

### Educational Grants Fund

Grants paid to NDEB to be used to support Religious Education in schools.

## 17. Schools Balances – custodian funds

	Durham Schools £	Newcastle Schools £	2021 £	2020 £
Opening balance for year	361,213	902,306	<b>1,263,519</b>	1,170,440
Receipts	671,597	1,182,253	<b>1,853,850</b>	2,433,269
Payments	<u>(700,830)</u>	<u>(1,324,604)</u>	<b><u>(2,025,435)</u></b>	<u>(2,340,190)</u>
Closing balance for year	<b>331,980</b>	<b>759,955</b>	<b>1,091,935</b>	1,263,519

DfE grants received in this year totalled £1,933,268 Expenditure during the same period totalled £2,025,435 leaving an overall balance of £1,091,935 held on behalf of Voluntary Aided schools.

## 18. Related party transactions

Three directors of NDEB were also directors of Newcastle Diocesan Board of Finance (NDBF) during the year. Nine staff were employed jointly by NDEB and Durham Diocesan Board of Finance (DDBF) during 2021.

The following are deemed to be the transactions in the year between NDEB and the related parties referred to above:

- NDEB received payroll services from NDBF. During the year, the grants received amounted to £nil (2020: £81,250) Payments for services provided to NDBF amounted to £17,310 (2020: £19,766).
- NDEB recovered staffing costs and some operating costs for the joint working with DDBF for the year. The amount receivable from DDBF during 2021 was £257,357 (2020: £264,823). There was a year-end debtor for money due totalling £14k (2020: £5K creditor).