

Newcastle Diocesan Education Board

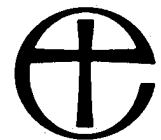
Annual Report & Financial Statements Year ended 31st December 2023

Company number - 00480293

Registered charity number - 528076

A large print version is available on request from
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NEWCASTLE DIOCESAN EDUCATION BOARD

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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, working closely with all of our schools, whether voluntary aided, voluntary controlled or academies / trusts.

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.

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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 31st December 2023.

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 (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.

The NDEB Articles were updated by special resolution of the Members in December 2021 (effective from 4th 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.

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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

Although schools have continued to be encouraged to consider the Education White Paper "Opportunity for All", the pace of change has been perhaps slower than envisaged. Schools are still dealing with the challenges of the pandemic with some alarming statistics regarding the widening gap in achievement for those from disadvantaged areas compared to non-disadvantaged, the rise in SEND need and the poverty gap. This, along with a recruitment and retention crisis, means that schools are focusing on the day-to-day challenges. The Joint Education Team (JET) continue to support schools daily through a variety of ways: Christian Distinctiveness, RE, Church school leadership support and working as Challenge and Support partners. Some of that support is offered face-to-face, whereas much of the CPD has remained online, enabling more staff to access the training and reducing the costs of travel and time. Numbers remain strong for diocesan training events and feedback has been overwhelmingly positive.

Our Diocesan Academy Strategy Paper has been reviewed and updated with schools encouraged to contact the diocesan team directly if they have chosen to explore the academisation route. Links with our trusts remain strong and schools are encouraged to consider all trusts within their diocese if considering this seriously. The Director meets termly with both the Regional Director and the Diocesan HMI Ofsted Link, as well as with the 3 local authorities that serve Newcastle Diocese. The number of church school academies within Newcastle Diocese continues to rise slowly but this has increased to 15 since last year. Additionally, some schools are also exploring a soft federation partnership with neighbouring schools in order to provide value for money with procurement and to tackle some of the challenges in recruitment. The schools in Berwick affected by the move to a two-tier system are also working closely with the Diocesan JET team to ensure that the curriculum and the buildings are fit for purpose.

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 Multi Academy Trusts (MATs) to support our church schools looking at Trust options. In addition, we are also working closely with our Voluntary Aided Schools to ensure that buildings are fit for purpose and with the relevant local authority representatives of our Voluntary Controlled Schools.

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Our concerns remain regarding 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

Staffing remains stable despite some significant staffing changes over the past twelve months with the Director of Education (DDE) leaving in August to take up a full-time role as the CEO of the Durham and Newcastle Diocesan Trust. An Interim Director of Education shadowed the DDE over the summer term and took up post in September. This post will be advertised in the forthcoming year following on from a strategic analysis of the work of the Joint Education Team and the educational landscape moving forwards. The role remains pivotal and ensures that both dioceses are continuing to meet their statutory duties according to The Measure.

We now have a full-time RE Adviser and this post continues to be supported by the St Hild and St Bede Trust in order to further enhance RE provision in all of our 106 schools across both dioceses, as well as support the teaching of RE through the RE Network. We also continue to support RE across all schools in the region by supporting Standing Advisory Council on Religious Education (SACRE) across the 10 LAs. A review of the RE curriculum has been conducted ready for the launch in 2024.

The administrative and finance team have been strengthened following a period last year where it was proving difficult to appoint. A temporary administrative assistant and a new part-time permanent finance assistant were employed in October which has enabled us to streamline our administrative processes, particularly uploading all paper documents into an electronic format. In addition, the temporary role of 0.2 JET team assistant has been pivotal in enabling the launch of the new Joint Education Team website and streamlining events' management. The JET Handbook has also been revised.

100% of schools across both Newcastle and Durham Dioceses have bought into the Partnering Agreement and attendance to the diocesan CPD programme is strong.

Challenges and Achievements

Our schools across both dioceses continue to flourish. Inspection outcomes remain strong with 100% of the 8 schools inspected for SIAMS achieving at least Good (if before September 23) or "living up to its foundation as a church school" since then. Bespoke support has been provided for any schools who are the list for "those most likely to be inspected" with tailored feedback and additional staff CPD according to need. SIAMS reports confirm this as can be seen in the following comments from schools across Newcastle Diocese:

- *"RE is well-led, providing pupils with a curriculum which is both balanced and well-sequenced. Informed monitoring by leaders, including governors, ensures RE is relevant, well-resourced and effective. Leaders carefully track progress and access training through the valued relationship with the Diocese of Newcastle education team. This, combined with highly effective teaching, ensures that pupils, including those who have SEND or are disadvantaged, make good progress. Pupils display a highly developed religious literacy including strong knowledge of a range of worldviews and faiths, including Christianity. They understand that Christianity is a global faith."* (SIAMS Holy Trinity First School Oct 2023)

In addition, of the 14 schools inspected by Ofsted, 13 were judged as Good or Outstanding. This is extremely impressive given the new Ofsted Framework. Comments show how the Christian Distinctiveness is rooted in the school's ethos, for example:

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- *"Pupils enjoy their time at this inclusive school. The Christian ethos of 'let your light shine' really does permeate all aspects of school life... Leaders want the best for all pupils. They set high expectations for pupils to be successful in their achievements. Pupils know this and respond well to such expectations. Pupils' behaviour is good." (Richard Coates CE Primary School July 2023)*

Overall, the reputation of the Joint Education Team remains strong across both dioceses due to the knowledge and support of the individual team members.

With all schools buying in to the Partnering Agreement, our diocesan family of schools continues to flourish. The team continue to offer termly updates to Chairs and Ex-officios on legal and governance matters; these are always well attended and feedback has been extremely positive. This is mirrored in the CPD programme that is varied and offered to all schools, supporting schools with Christian Distinctiveness, SIAMS, RE, school effectiveness and subject knowledge to name only a few. In addition, the JET conferences are well attended and offer staff not only the chance to engage in bespoke training, but also to network with one another.

The Diocesan Strategy is now firmly embedded and schools are supported in their academisation process, whether this is in the initial stages, during consultation or when joining a multi-academy trust. In 2023, 9 church schools joined one of the 7 MATs listed in our diocesan strategy. The CEOs of the varying trusts meet or communicate regularly with the Director and the Assistant Director for Legal and Governance. The challenges regarding Tiny and Rural Schools remains a challenge, as are the recruitment and financial pressures that many of our schools face. However, all of our schools and trusts are very forward-facing and work together to ensure that the needs of our pupils and community are prioritised so that all flourish.

Challenge and Support work continues across both dioceses and still forms a significant part of our workstream for the standards and effectiveness streams. The challenge is in recruiting consultants. However, we have been fortunate to be able to work closely with our existing consultants, as well as additional consultancy support for Early Years and also the new SIAMS inspection framework.

The JET LLP, a joint venture vehicle between the two dioceses was successfully set up and became operational in September 2023 to enable the Joint Education Team to operate as a legal entity in its own right reflecting its existing reputation as a strong provider of support for schools across both Dioceses.

The Operations and Co-ordination Group have reviewed their Terms of Reference and also the Scheme of Delegation. Over the next year, the group will be focusing on developing a 3-year financial plan in order to ensure that any financial risks to the new organisation are minimised.

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: -

- The Director meets regularly with the Children's Ministry teams from both dioceses. Following on from a strategic meeting, the group have set an action plan regarding a joint approach to the Leavers' Service in 2024 focusing on pupil voice. This will be incorporated into the Y4/Y6 Leavers' Services in 2024 with secondary pupils supporting the prayer space stations.
- The team are working with both dioceses on their route to becoming carbon neutral. We have employed an administrative assistant to support the work of both dioceses for one day per week. As part of this process, we are building up a dossier of each school's carbon footprint and are considering this in our procurement strategy for each diocese.
- The Director continues to meet with representatives from all 10 local authorities, as well as with the Regional Director and the diocesan HMI link with Ofsted. This ensures that the voices of the dioceses are heard and that the dioceses are part of any strategic planning, such as the Northumberland consultation to a two-tier system.

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Nationally, the team work closely with the CE Foundation to support leadership and management across all phases of church school education.

- The board have considered the workload and well-being of the team.
- The Director has represented the diocese with ESFA to look for funding for rural schools in the summer term.
- The board have supported the merger of Three Rivers and Tyne Community Learning Trust to become Cheviot Learning Trust.
- The board have engaged external building surveyors to audit all of the voluntary aided schools across the diocese
- We continue to work with schools and trustees of endowment funds linked to schools in relation to land and charity law issues
- 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.
- We are seen as a partner to our 3 Local Authorities in the Newcastle, North Tyneside and Northumberland area.

Other related parties include

Transactions within 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 18 to the financial statements. Other related parties include: -

- The Joint Education Team LLP. The NDEB is a partner alongside the Durham Diocesan Board of Finance and jointly employs the JET staff team.
- 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 with JET LLP. 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.

FUTURE PLANS

From 1st January 2024 the work of the Joint Education Team (JET) will be accounted for and reported through the JET LLP, although supported by Newcastle Diocesan Education Board (NDEB) and Durham Diocesan Board of Finance (DDBF).

Work of the Jet LLP will include focusing on the move to a two-tier system in the Berwick partnership area in Northumberland. The consultation is now over and the focus will be on the architectural challenges to ensure that all of the First Schools are ready to welcome in an additional class in September 2025 and another the following

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year as they become primary schools. There will also be a need to support the schools with the development of the Y5 and Y6 curriculum,

as well as through the recruitment process. The Director, Bursar and Assistant Director for Legal and Governance continue to be heavily involved in the process in order to support the schools concerned and will keep the board apprised.

Work will continue to be done to support schools and in particular Head Teachers' wellbeing in the current challenging period for the sector as they face increased parental complaints, significant financial challenges as a result of falling pupil numbers and increased costs for staff pay rises, a rise in SEN and behavioural issues and limited alternative and special provision.

Further work will continue to support schools on the 2023 -24 and the 2024-25 SIAMS "likely to be inspected" list. Plans are in place for the upskilling of the team with another team member now training to be a SIAMS inspector and support in place for Headteachers and Chairs of Governors. In addition, the new RE syllabus will be launched in the Spring Term for implementation in September 2025 or sooner if schools are able to do so.

One significant challenge is falling rolls, particularly across Northumberland and the impact this could have on our Tiny and Rural schools in particular.

Finally, the challenges in recruitment, including governance, remains. The board will need to consider how best to support schools where there are vacancies in parishes and where schools have Foundation Governor vacancies. Within this, there will also be a need to support trusts through CPD, both CE and Mixed MATs, as they grow in order to protect the distinctiveness of our church schools within the wider landscape and to ensure that they keep their church identity.

FINANCIAL REVIEW

Financial Performance

Overall income has decreased by £225,424 to £323,221 compared to 2022.

Unrestricted income decreased by £187,748 mainly due to the sale of Hedley Bank, less income received from Durham and Newcastle Diocesan Learning Trust to cover cost of seconded staff, a reduction in School Improvement income and Conference fees.

The current level of unrestricted funds, free and readily realisable, amounts to £82,352 (2022: £295,001) and represent investments of £200,000 (2022: £200,000) plus cash and current assets of- £117,648 (2022: £95,001) as detailed in note 17 to the financial statements. Trustees are aware a transfer of funds from reserves will be necessary in order to meet all of its financial obligations during the coming year which includes supporting the work of the Joint Education Team LLP.

There was a unrestricted deficit for the year of £212,249 against a budgeted deficit of £121,520. 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.

Investment performance

Investments are held in general, section and special purposes funds. The total value of investments, excluding short-term cash deposits, at 31st December 2023 was £2,243,381 (2022: £2,330,922). Investments decreased by £87,541 overall which includes £200 additions in listed investments, net disposals of £262,464 and revaluations of £174,723

Balance sheet position

Funds per the balance sheet show an overall reduction of £25K. This is the combined impact of a gain on investments less overall net expenditure in the year.

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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 2023 the unrestricted reserves were slightly lower than the minimum level required by this policy (£82,352) due to the setting up of the JET LLP being established and initial setup funds being transferred.

Restricted reserves

As set out in note 17 NDEB holds and administers a large number of restricted funds. As at 31st December 2023 restricted funds totalled £2,425,117 (2022: £2,237,812). These funds are not available for the general purposes of the NDEB although income can be expended on provision of advice and guidance, SIAMS inspections and staff costs.

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 have been reviewed and 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.

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

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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 20th 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 4th 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 1st 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. 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.

Director 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 staff are employed jointly by NDEB and DDBF.

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The Director has delegated authority for operational matters including finance, employment and other activities pursuant to the objectives of DDBF and NDEB.

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 £231,099 as at 31st December 2023 (2022: £209,494) 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 £674,265 as at 31st December 2023 (2022: £1,195,818)

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.

DIRECTORS RESPONSIBILITIES

The directors 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.

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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.

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ADMINISTRATIVE DETAILS

Ex Officio

The Acting Bishop of Newcastle - Bishop Helen-Ann Hartley (appointed 21st March 2023)

The Acting Bishop of Newcastle - The Right Reverend Mark Wroe (resigned 28th February 2023)

Directors

Rev'd Dr Gill Alexander (Chair)

Right Rev'd Lee Batson (Vice Chair appointed 21st November 2023)

Reverend G R Curry*

Reverend P H Pearson

Reverend Dennis Handley (Vice Chair) (resigned 28th June 2023)

Reverend J McGowan

Reverend Rachel Scheffer (resigned 31st July 2023)

Reverend D R Cleugh

Mr R Restall

Professor Gary Holmes

Professor Lesley Twomey

Mrs D Robertson (reverted to maiden name)

*Elected by Diocesan Synod

Secretary

Mr P Rickeard

Senior Officers

Director of Education – Mr P Rickeard (resigned 31st August 2023)

Interim Director Education – Mrs Gillian Booth (appointed 1st September 2023)

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

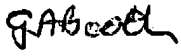
00480293

Registered charity number

528076

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By Order of the Board



Mrs G Booth
Company Secretary
Director
26th June 2024



Very Rev'd Lee Batson
Director
Chair of Finance and Property Committee
26th June 2024

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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 31st December 2023 which comprise the statement of financial activities, the balance sheet, statement of cashflows 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 31st December 2023 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.

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.

NEWCASTLE DIOCESAN EDUCATION BOARD

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.

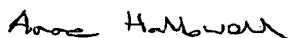
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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.

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. This description forms part of our auditor's report

NEWCASTLE DIOCESAN EDUCATION BOARD

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: 26th June 2024

NEWCASTLE DIOCESAN EDUCATION BOARD

STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account)

Year ended 31st December 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	As restated 2022 £
Income from					
Donations	2	49,258	29,152	78,410	255,540
Other trading activities	3	170,467	6,590	177,057	231,304
Investments	4	58,070	9,684	67,754	61,801
		<u>277,795</u>	<u>45,426</u>	<u>323,221</u>	<u>548,645</u>
Expenditure on					
Charitable activities	5/6	(490,444)	(32,844)	(523,288)	(505,158)
Total		<u>(490,444)</u>	<u>(32,844)</u>	<u>(523,288)</u>	<u>(505,158)</u>
Net income/(expenditure) before investment gains/losses		(212,649)	12,582	(200,067)	43,487
Net (loss) /gains on investments			174,723	174,723	(80,221)
Net income / (expenditure)		(212,649)	187,305	(25,344)	(36,734)
Transfers between funds		-	-	-	-
Net movement in funds		(212,649)	187,305	(25,344)	(36,734)
Total funds brought forward		295,001	2,237,812	2,532,813	2,569,547
Total funds carried forward		<u>82,352</u>	<u>2,425,117</u>	<u>2,507,469</u>	<u>2,532,813</u>

All operations relate to continuing activities

NEWCASTLE DIOCESAN EDUCATION BOARD

BALANCE SHEET

At 31st December 2023

		As restated	
		2023	2022
	Note	£	£
Fixed assets			
Tangible fixed assets	11	-	-
Investments	12	<u>2,243,381</u>	<u>2,330,922</u>
		2,243,381	2,330,922
Current assets			
Debtors	13	75,000	96,787
Deposits		67,870	67,791
Cash at bank		<u>246,774</u>	<u>97,848</u>
		389,644	262,426
Creditors: amounts falling due within one year	14	<u>(125,556)</u>	<u>(60,535)</u>
Net current assets		264,088	201,891
Net assets		2,507,469	2,532,813
The funds of the charity:			
Restricted income funds		<u>2,425,117</u>	<u>2,237,812</u>
Unrestricted income funds - general		<u>82,352</u>	<u>295,001</u>
Total funds		2,507,469	2,532,813

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

The notes on pages 23 to 36 form part of these financial statements. The accounts were approved by the members of the Board on 26th June 2024 and are signed on their behalf by:



Right Rev'd Lee Batson
Director and Chair of Finance and Property Committee
Registered Company Number 00480293

NEWCASTLE DIOCESAN EDUCATI ON BOARD

STATEMENT OF CASHFLOWS Year ended 31st December 2023

Statement of cashflows
for the year ended 31 December 2023

		2023	2022
	Note	£	£
Net cash inflow from operating activities	16	(193,549)	(2,512)
Cash flows from investing activities			
Dividends, interest and rent from investments		67,754	61,801
Purchase of investments		(200)	(150,000)
Proceeds from sale of investments		275,000	115,002
Net cash provided by investing activities		342,554	26,803
Change in cash and cash equivalents in the reporting period		149,005	24,291
Cash and cash equivalents at 1 January		165,639	141,348
Cash and cash equivalents at 31 December		314,644	165,639

NEWCASTLE DIOCESAN EDUCATION BOARD

Notes to the financial statements

For the year ended 31st December 2023

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 Charities SORP (FRS 102) – 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 (FRS 102) (effective 1st January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Going concern

Taking into account the levels of unrestricted reserves as at 31st December the directors are satisfied that the NDEB has adequate resources 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.

NEWCASTLE DIOCESAN EDUCATION BOARD

Notes to the financial statements

For the year ended 31st December 2023

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.

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

NEWCASTLE DIOCESAN EDUCATION BOARD

Notes to the financial statements

For the year ended 31st December 2023

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.

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 31st December 2023

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 31st December 2023

2 Donations

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Donations	8,161		8,161
DBF Grant	-	-	0
Service agreement receipts	41,097	-	41,097
Other grants received	-	29,152	29,152
	<u>49,258</u>	<u>29,152</u>	<u>78,410</u>

Donations

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Donations	155,790	27,853	183,643
DBF Grant	-	-	0
Service agreement receipts	39,528	-	39,528
Other grants received	-	32,369	32,369
	<u>195,318</u>	<u>60,222</u>	<u>255,540</u>

3 Other trading activities

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Rental income from investment properties	-	6,590	6,590
Conference fees income	17,249	-	17,249
DMAT Income	142,918	-	142,918
School Improvement income	10,300	-	10,300
	<u>170,467</u>	<u>6,590</u>	<u>177,057</u>

Other trading activities

	Unrestricted Funds	Restricted Funds	As restated Total Funds 2022
	£	£	£
Rental income from investment properties	-	16,223	16,223
Conference fees income	25,895	-	25,895
DMAT Income	153,559	-	153,559
School Improvement income	35,627	-	35,627
	<u>215,081</u>	<u>16,223</u>	<u>231,304</u>

NEWCASTLE DIOCESAN EDUCATION BOARD

Notes to the financial statements

For the year ended 31st December 2023

4 Investment income

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Bank interest receivable	-	9,684	9,684
Income from UK listed investments	58,070	-	58,070
	<u>58,070</u>	<u>9,684</u>	<u>67,754</u>

Investment income

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Bank interest receivable	267	6,657	6,924
Income from UK listed investments	54,877	-	54,877
	<u>55,144</u>	<u>6,657</u>	<u>61,801</u>

5 Costs of charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Support for church schools & academies	490,444	32,844	523,288
Support costs	-	-	-
	<u>490,444</u>	<u>32,844</u>	<u>523,288</u>

Costs of charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Support for church schools & academies	396,056	102,239	498,295
Support costs	26,140	-	26,140
	<u>422,196</u>	<u>102,239</u>	<u>524,435</u>

NEWCASTLE DIOCESAN EDUCATION BOARD

Notes to the financial statements

For the year ended 31st December 2023

6 Costs of charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total Funds 2023 £
Support for church schools			-
Governance:	444,148	58,193	502,341
Audit fees		8,496	8,496
Legal and professional fees	12,451	-	12,451
	<u>456,599</u>	<u>66,689</u>	<u>523,288</u>

Costs of charitable activities by activity type

	Activities undertaken directly	Support costs	Total Funds 2022
Support for church schools	472,837	17,965	490,802
Governance:			
Audit fees	-	8,175	8,175
Legal and professional fees	6,181	-	6,181
	<u>479,018</u>	<u>26,140</u>	<u>505,158</u>

Support costs comprise of

	2023 £
Rent	5,651
Office costs	52,542
Audit fees	8,496
	<u>66,689</u>
	2022 £
Rent	5,380
Office costs	12,585
Audit fees	8,175
	<u>26,140</u>

NEWCASTLE DIOCESAN EDUCATION BOARD

Notes to the financial statements

For the year ended 31st December 2023

7 Net (outgoing)/incoming resources for the year

2023	2022
£	£
Auditors' remuneration:	
8,496	8,175

8 Employee details

Total staff costs were as follows:

	2023	2022
	£	£
Wages and salaries	229,502	223,846
Social security costs	27,518	26,446
Other pension costs	31,460	30,163
	<u>288,480</u>	<u>280,455</u>

The total number of staff employed during 2023 was 13 (2022: 10)

At 31st December 2023 9 staff remained.

Staff costs for the JET staff from 1st September 2023 to 31st December 2023 were transferred to Joint Education Team LLP.

	2023	2022
	No	No
Average FTE staff members	<u>5</u>	<u>5</u>

Two employees received emoluments of more than £60,000 up to 31st August 2023.

	2023	2022
Band £60,000 - £70,000	1	0
Band £70,000 - £80,000	0	2
Band £80,000 - £90,000	1	1
Band £90,000 - £100,000	0	0
Band £100,000 - £120,000	<u>0</u>	<u>1</u>

Key management personnel comprise the Director of Education and three assistants. Their total remuneration to 31st August 2023 amounted to £250,918 (2022: £348,345).

NEWCASTLE DIOCESAN EDUCATION BOARD

Notes to the financial statements

For the year ended 31st December 2023

9 Summary of fund movements

	As restated Balance at 1 Jan 2023	Incoming resources	Outgoing resources	Gains and losses	Transfers	Balance at 31 Dec 2023
	£	£	£	£	£	£
Restricted Income Funds:						
Section Monies Fund	1,898,063	9,684	(29,222)	174,723	-	2,053,248
Special Purposes Fund	326,407	6,590	-	-	-	332,997
Educational Grants	13,342	29,152	(3,622)	-	-	38,872
	<u>2,237,812</u>	<u>45,426</u>	<u>(32,844)</u>	<u>174,723</u>	<u>-</u>	<u>2,425,117</u>
Unrestricted Income Funds:						
General Funds	295,001	277,795	(490,444)	-	-	82,352
Total Funds	<u>2,532,813</u>	<u>323,221</u>	<u>(523,288)</u>	<u>174,723</u>	<u>-</u>	<u>2,507,469</u>

	Balance at 1 Jan 2022	Incoming resources	Outgoing resources	Gains and losses	Transfers	Balance at 31 Dec 2022
	£	£	£	£	£	£
Restricted Income Funds:						
Section Monies Fund	2,001,359	44,076	(67,151)	(80,221)	-	1,898,063
Special Purposes Fund	319,750	6,657	-	-	-	326,407
Educational Grants	16,061	32,369	(35,088)	-	-	13,342
	<u>2,337,170</u>	<u>83,102</u>	<u>(102,239)</u>	<u>(80,221)</u>	<u>-</u>	<u>2,237,812</u>
Unrestricted Income Funds:						
General Funds	232,377	465,543	(402,919)	-	-	295,001
Management of Change Fund	-	-	-	-	-	-
Total Funds	<u>2,569,547</u>	<u>548,645</u>	<u>(505,158)</u>	<u>(80,221)</u>	<u>-</u>	<u>2,532,813</u>

10. Directors remuneration and expenses

No remuneration has been paid to any director in their capacity as a director during 2023 £121.50 (2022: £nil).

NEWCASTLE DIOCESAN EDUCATION BOARD

Notes to the financial statements

For the year ended 31st December 2023

11 Tangible assets

	Fixtures & Fittings £	Total £
At cost		
At 1 January and 31 December 2023	2,868	2,868
Accumulated depreciation		
At 1 January and 31 December 2023	2,868	2,868
Net book value at 31 December 2023	-	-

12 Investments

	Investment Property £	CCLA investments £	Total £
Within the United Kingdom			
At 1 January 2023	200,000	2,130,922	2,330,922
Additions	-	200	200
Disposals	-	(262,464)	(262,464)
Revaluation	-	174,723	174,723
At 31 December 2023	200,000	2,043,381	2,243,381
Historical cost at 31 December 2023	25,000	1,166,549	1,191,549

Joint venture

During the prior year, the company established a joint venture limited liability partnership with Newcastle Diocesan Education Board (NDEB). The new entity, Joint Education Team LLP, commenced trading on 1st September 2023.

13 Debtors

	2023 £	As restated 2022 £
Due within one year		
Other debtors	-	21,787
	-	21,787
Due after one year		
Spittal nursery	75,000	75,000
	75,000	75,000
	75,000	96,787

NEWCASTLE DIOCESAN EDUCATION BOARD

Notes to the financial statements

For the year ended 31st December 2023

14 Creditors

	2023	2022
	£	£
Amounts falling due within one year		
Trade Creditors		10,108
Taxation and social security	14,100	15,478
Other Creditors	83,152	26,890
Accruals	28,304	8,059
	125,556	60,535

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 31st 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.

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 31st December 2023, NDEB made contributions of £62,920 of which £31,460 is recoverable from DDBF (2022: £60,325 of which £30,162 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.

NEWCASTLE DIOCESAN EDUCATION BOARD

Notes to the financial statements

For the year ended 31st December 2023

16 Cash flow reconciliation

Reconciliation of net movements in funds to net cash flow from operating activities	2023 £	2022 £
Net movemens in funds for the year ended 31 December	(25,344)	(36,734)
Adjustments for:		
Dividends, interest and rent from investments	(67,754)	(61,801)
Revaluation of unvestments	(187,259)	80,221
Decrease/ (increase) in debtors	21,787	(5,099)
Increase/ (decrease) in creditors	65,021	20,901
Net cash used in operating activities	(193,549)	(2,512)
Analysis of cash and cash equivalents		
Cash in hand	246,774	97,848
Deposits (less than 3 months)	67,870	67,791
	314,644	165,639

NEWCASTLE DIOCESAN EDUCATION BOARD

Notes to the financial statements

For the year ended 31st December 2023

17 Analysis of net assets between funds

	Fixed assets Investments £	Net current assets £	Total 2023 £
Restricted Income Funds:			0
Section Monies Fund	1,710,384	342,864	2,053,248
Special Purposes Fund	332,997	-	332,997
Educational grants	-	38,872	38,872
	2,043,381	381,736	2,425,117
Unrestricted Income Funds:			
General Funds	200,000	(117,648)	82,352
	2,243,381	264,088	2,507,469

Analysis of net assets between funds

	Fixed assets Investments £	Net current assets £	As restated Total 2022 £
Restricted Income Funds:			
Section Monies Fund	1,804,515	93,548	1,898,063
Special Purposes Fund	326,407	-	326,407
Educational grants	-	13,342	13,342
	2,130,922	106,890	2,237,812
Unrestricted Income Funds:			
General Funds	200,000	95,001	295,001
	2,330,922	201,891	2,532,813

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.

NEWCASTLE DIOCESAN EDUCATION BOARD

Notes to the financial statements

For the year ended 31st December 2023

18. Custodian funds

School balances	Durham Schools £	Newcastle Schools £	2023 £	2022 £
Opening balance for year	389,117	806,701	1,195,818	1,234,286
Receipts	270,578	846,110	1,116,688	2,145,745
Payments	(454,754)	(1,183,487)	(1,638,240)	(2,184,213)
Closing balance for year	<u>204,941</u>	<u>469,324</u>	<u>674,265</u>	<u>1,195,818</u>

DfE grants and contributions from schools received in this year totalled £1,116,668. Expenditure during the same period totalled £1,638,240 leaving an overall balance of £674,265 held on behalf of Voluntary Aided schools.

Balances held for others	Healey £	Whittingham £	Schroders £	2023 £	2022 £
Opening balance for year	19,618	174,939	14,937	209,494	238,145
Investment revaluation	2,465	16,666	2,474	21,605	(28,651)
Closing balance for year	<u>22,083</u>	<u>191,605</u>	<u>17,411</u>	<u>231,099</u>	<u>209,494</u>

19. 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 2023.

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, grants received amounted to £nil (2022: £nil). Payments for services provided to NDBF amounted to £18,416 (2022: £19,860).
- NDEB recovered staffing costs and some operating costs for the joint working with DDBF for the year to 31st August 2023. The amount receivable from DDBF during 2023 was £291,684 (2022: £252,310). There was a year-end creditor for money owed totalling £30,476 (2022: £5,585).

20. Prior year restatement

During 2023, an error was noted relating to income received in 2023 that related to 2022. Consequently, an adjustment has been made to recognise £19,277 of income in 2022. This adjustment increased Accrued income and the opening reserves by the same amount.