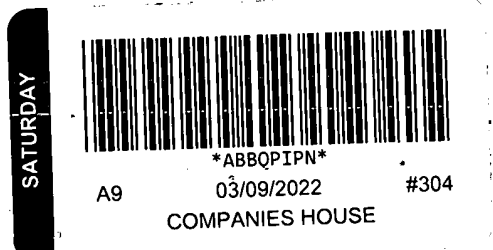


**Leicester Diocesan Board of Education
Company Limited by Guarantee**

**Reports and Financial Statements
For the year ended 31 August 2021**

Company Registration Number 08432843

Charity Registration Number 1151692



Leicester Diocesan Board of Education

Company Limited by Guarantee

Reports and Financial Statements

For the year ended 31 August 2021

Company Registration Number 08432843

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INDEX

Administrative Details	1
Trustees' Annual Report (incorporating the Director's Report)	3
Trustees' Responsibilities Statement	11
Independent Auditor's Report	12
Statement of Financial Activities (including income and expenditure account)	15
Statement of Financial Position	16
Notes to the Report & Financial Statements	17

Leicester Diocesan Board of Education

Company Limited by Guarantee

Reports and Financial Statements

For the year ended 31 August 2021

Registered charity name Leicester Diocesan Board of Education

Charity registration number 1151692

Company registration number 8432843

Chairman Canon S Adshead

Diocesan Director of Education
and Secretary of the Board Canon Carolyn Lewis

Treasurer Canon S Adshead

Trustees and members of the Leicester Diocesan Board of Education ("the Board")

No Trustees had any beneficial interest in the charity during the year. The following Trustees, unless otherwise stated, served during the year and are still in office at the date of this report:

Ex officio Rt Revd M Snow (Bishop of Leicester)
Ven R Worsfold (Archdeacon of Leicester)
Ven C Wood (Archdeacon of Loughborough)

Elected by Diocesan Synod	Mr R Andrews	Revd P Watson
	Mrs C Bampton	Mrs M Green
	Mr D Jones	Revd D Cowie
	Revd J Hargreaves	Revd Canon E Davies
	Miss A Reddecliffe (resigned 21 Feb 2022)	Revd A Hall
	Dr C Spencer	Revd J Taylor (appointed 21 Feb 2022)
	Revd E Wilson	
	Revd Canon P O'Reilly	
	Mrs E Wayne-Hawker	

Co-opted by the Board	Mr S E Roddy (resigned 13 Sept 2021)	Mr N J Bardsley
	Mrs A Leadbeater	Mrs J Stillwell (appointed 21 Feb 2022)
	Mrs E Prokipczuc (resigned 21 Sept 2021)	Mrs S Batstone (appointed 21 Feb 2022)

Bishop's nominees	Canon S Adshead	Revd R Woodall (resigned 01 August 2021)
	Mr J Kerry (resigned 21 Feb 2022)	Ms M Wang (appointed 21 Feb 2022)

Leicester Diocesan Board of Education**Company Limited by Guarantee****Reports and Financial Statements****For the year ended 31 August 2021**

Registered office & Charity address	St Martins House 7 Peacock Lane Leicester LE1 5PZ	
Telephone	0116 261 5200	
Auditor	BHP LLP 2 Rutland Park Sheffield South Yorkshire S10 2PD	
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR	
Bankers	Barclays Bank plc Dominus Way Meridian Business Park Leicester LE19 1RP	
Chartered surveyors	YMD Boon Limited York House Fernie Road Market Harborough Leicestershire LE16 7PH	
Land agents	Andrew Granger & Co Ltd 2 High Street Loughborough Leicestershire LE11 2PY	
Investment managers	Savills Investment Charities Property Fund 33 Margaret Street London W1G 0JD	CCLA Investment Management Ltd Senator House 85 Queen Street London EC4V 4ET
Insurance brokers	Towergate Risk Solutions (Towergate Underwriting Group Limited) Towergate House Eclipse Park Maidstone Kent ME14 3EN	

Leicester Diocesan Board of Education

Company Limited by Guarantee

Trustees' Annual Report

For the year ended 31 August 2021

The Trustees, who are also the directors for the purposes of company law, present their report and the audited financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financials statements of the charity.

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

Vision and strategy

The Board's vision and strategy is derived from our key partners, our Bishop and the wider Diocese, the Church of England's Vision for Education and the Board's own evaluation of the needs of our Church school family.

The *Diocesan Purpose* is driven from our Christian Vision: The Kingdom of God. We seek to support one another across our Diocesan family to consider how we are 'Shaped by God' and how our daily lives reflect ten marks of mission. This then extends to asking ourselves three key questions about how we are deepening discipleship, growing the number of disciples and offering loving service of the world.

The *Church of England's Education Office* has published its vision for Education, 'Deeply Christian, Serving the Common Good'. This vision, for all of education and not simply Church schools, embraces the spiritual, physical, intellectual, emotional, moral and social development of children and young people. The Church of England, as a whole, seeks a vision of human flourishing for all, one that embraces excellence and academic rigour, but sets them in a wider framework. This is worked out theologically and educationally through four basic elements which permeates the vision:

- Wisdom
- Hope
- Community
- Dignity

The vision, in line with the Church of England's role as the established Church, is for the common good of the whole human community and its environment, whether national, regional or local. This reflects the Board's responsibility as a charity to provide benefit to the public. It is hospitable to diversity, respects freedom of religion and belief, and encourages others to contribute from the depths of their own traditions and understandings.

The Board believes that it makes its own, unique and distinct, contribution to the work of the wider diocesan purpose and the national Church. First of all, we recognise that we predominantly serve our family of Church schools and we aspire for them to contribute positively and effectively to the 'healthily plural educational system' by offering a distinctively Christian ethos. This, of course, must be delivered alongside academic rigour and excellence.

The Board also believe that our schools can and many already do, echo the marks of mission seen in 'Shaped by God.' Our schools can be places of transformation, inspiration, celebration and welcome.

The DBE's vision has captured the hearts and minds of many within our Church school family. As the school systems evolves, we believe that it is important to be consistent and steadfast in our work. We invite all schools to consider how their work reflects this vision and how they can play their part in the diocese and national network.

Leicester Diocesan Board of Education

Company Limited by Guarantee

Trustees' Annual Report

For the year ended 31 August 2021

The Vision of the Board is:

'Transforming the lives of children and young people'

Effective: As a result of visionary leadership and inspirational teaching, children and young people in the Diocese of Leicester achieve excellence. They are well-rounded and confident with a strong sense of self-worth. As learners transformed, they in turn transform their communities.

Distinctive: Unequivocally Christ-like, our schools offer children and young people the opportunity to hear the Christian response to life's big questions. Christian Worship is invitational, offering the whole school community an opportunity for renewal and to encounter the person of Jesus Christ. Religious Education is exemplary, enabling a genuine understanding of the role of faith and belief in modern society.

Rooted: Our schools are rooted in prayer, partnership with parish and wider community and the teachings of Jesus Christ. Children and young people receive excellent Religious Education equipping them with a firm knowledge of the Christian faith and other key faiths.

Inclusive: Like Jesus himself, our schools are 'scandalously inclusive'. Children and families from all faiths and none are welcomed, respected and cherished. Serving the community in which they are placed, our schools exemplify, 'love your neighbour'.

In supporting 97 church schools across the Diocese of Leicester to realise this vision provides benefit to the public. This is achieved by training and equipping school leaders and governors to make educational provision of the highest quality, which in turn enables children and young people to contribute positively to society.

Objectives and activities

The Board's objectives are the same as its statutory functions determined by the Diocesan Boards of Education Measure 2021 ("the measure"). They Diocesan Board of Education must:

- promote or assist in the promotion of education in the diocese that is consistent with the faith and practice of the Church of England;
- promote or assist in the promotion of religious education and religious worship in schools in the diocese;
- promote or assist in the promotion of church schools in the diocese;
- promote co-operation between itself and other persons concerned with education in the diocese
- The functions assigned to the Board by the measure; and

The Board's principal objective during the year was the promotion of lifelong learning throughout the Diocese, effect being given to the belief that all true education must be based on Christian principles, and the promotion and stimulation of religious education according to the doctrines of the Church of England.

To achieve this the Board appoints staff to support the work of the church schools and the development of the ministry of ordained and lay people.

An additional aim of the Board's work is to promote and facilitate building work in Church of England schools within the Diocese. Creating and maintaining high quality learning environments has clear public benefit.

Leicester Diocesan Board of Education

Company Limited by Guarantee

Trustees' Annual Report

For the year ended 31 August 2021

The Board operates a system which enables Voluntary Aided maintained schools to have their Devolved Formula Capital (DFC) Grant money lodged with the Board pending work being carried out. In addition to this, the Board is a member of a diocesan consortium, which receives School Condition Allocation (SCA) Grant money for capital work in Voluntary Aided maintained schools. An administration charge is levied for this service and details are published in the Board's Partnership Agreement with schools. Any interest received on these funds is re-invested for the purposes previously described.

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

The principal beneficiaries of the charity's services are the children and young people attending the 97 Church of England schools and academies in the Diocese. Wider than this, the Board also aims to promote and assist in the promotion of education consistent with the faith and practice of the Church of England.

Achievements and performance

The Board develops a 3-year strategic plan which includes aspirational success indicators. Progress towards these is routinely monitored by the Board. During the financial year, the Board aimed to provide and support work amongst children and young people in church contexts by providing professional, pastoral and theological support. The principal public benefit of this work is the support offered by the Board for the provision of worthwhile organised activities for children and young people.

During the financial year, the Board aimed to provide and support work amongst children and young people in church contexts by providing professional, pastoral and theological support. The principal public benefit of this work is the support offered by the Board for the provision of worthwhile organised activities for children and young people.

The Board continued to support this work through;

- Regular meetings and leadership development for school and trust leaders of church schools.
- The support of denominational inspections and the training of inspectors
- Giving advice and support to governing bodies and trust boards
- Managing the admission appeals on behalf of schools
- Advice and training on religious education and collective worship
- Working with strategic partners to ensure school effectiveness
- Development and oversight of building projects
- Advising governing bodies and trust boards in the appointment of head teachers

Leicester Diocesan Board of Education

Company Limited by Guarantee

Trustees' Annual Report

For the year ended 31 August 2021

Key activities for achieving objectives

- Providing school and trust leaders with pastoral and professional support.
- Organising training and developmental opportunities for school and trust leaders and lay leaders.
- The appointment, support and training of foundation governors.
- Offering legal advice for trustees, governing bodies and school leaders.
- Liaison with officers of national and local bodies, including Teaching School Alliances, Multi Academy Trusts, Local Authorities, Department for Education, Regional Schools Commissioner and Ofsted.
- Partnership working with the Church of England Education Office and other Diocesan Board of Education teams.
- Representation on those committees of Leicestershire County and City Councils, which deal with education issues

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and setting the grant making policy for the period.

In light of the changing educational environment, there is an expectation that the Board become increasingly responsible for the quality of provision within their schools.

Structure, governance and management

The Diocesan Board of Education is constituted in line with the Diocesan Boards of Education Measure 2021 and its Articles of Association.

Trustees

Recruitment and Appointment

Trustees are recruited through advertisement within the Diocese of Leicester. This is mainly through the Diocesan Synod. Some trustees are ex-officio appointments and some are appointed by the Bishop of Leicester. Co-opted trustees are recruited on the basis of their skills and experience in church schools. Trustees are appointed under the categories shown in the Reference and Administrative information provided in this report.

Induction and training

At the first meeting of a new triennium the Board's role and function is explained. All members receive a copy of all the terms of reference for the sub-committees.

At the first meeting of each sub-committee the terms of reference are discussed, and the sub-committee's remit clarified.

During triennium the Board has a variety of on-going opportunities to discuss the strategic plan for the coming three years.

Organisational and decision-making structure

The Board is part of the Synodical structure of the Church of England and is responsible to and reports to the Synod of the Diocese of Leicester.

The Board operates through its meeting and those of the various sub-committees. The Board makes all major decisions, including those relating to financial matters.

Sub-committees scrutinise issues and make recommendations to the Board. Sub-committees have certain delegated powers under their Terms of Reference.

The Board is governed by the certificate of incorporation in accordance with the Companies Act 2006 and the Charities Act 2011.

Leicester Diocesan Board of Education

Company Limited by Guarantee

Trustees' Annual Report

For the year ended 31 August 2021

The Board adopted and continue to operate within the core objectives and remit of the Board and had the following sub-committees in the period to 31 August 2021:

Church Schools Business & Finance Committee. The principal responsibilities of this sub-committee are formulating and overseeing a coherent strategy for existing and future school provision across the Diocese and to monitor local and national developments that impact upon the strategy. Also monitoring and managing all financial and property matters appertaining to the Board including maintenance and repair of voluntary aided schools in the Diocese, management of the Board's trustee responsibilities and investments and scrutiny of the Board's financial position and risk management policy and procedures.

Supporting Church Schools Committee. This sub-committee is responsible for formulating and overseeing a coherent strategy for existing and future church school provision across the Diocese in respect of their effectiveness, distinctiveness and inclusivity. Also, to provide support and training services to schools, governors and teachers, to provide guidance on policy and curriculum issues, respond to resolutions from General Synod in relation to church schools and promote and pursue partnerships with Local Authorities. The committee oversees the appointment of Foundation Governors and is responsible for the management of SIAMS (Statutory Inspection of Anglican and Methodist Schools). The committee oversees the Board's Admissions guidance and its support for schools in these matters.

Strategic Group. This sub-committee works with the Director on all matters of strategy and monitors the Board's progress towards its vision. The committee regularly reviews the development and growth of Multi Academy Trusts.

Related parties

Through the Synodical structure the Board is related to the Leicester Diocesan Board of Finance from whom it receives grant support, details of which are shown at note 5(i) to the financial statements.

Risk management

The Trustees are required, under the Charities SORP 2019, to confirm as part of the Trustees' annual report that they have reviewed and taken steps to mitigate the major risks to which the Board is exposed. The following are assessed by the Board as major risks:

- **All Schools and Trusts: Governance.** Failure to understand roles and responsibilities. This represents a reputational risk of failure, including financial and educational.
- **All Schools and Trusts: Provision.** Failure to maintain good & outstanding provision, leading to reputational risks for the DBE; *difficulty in finding suitable sponsor for school in an Ofsted category.*
- **DBE: Funding.** DBE unable to finance staffing levels required to meet charitable objects / strategic aims. Income from investments and from DBF grant at risk due to Covid-19 impact.
- **DBE: Staffing capacity for Statutory Functions.** DBE does not have sufficient capacity to undertake core statutory functions through loss or personnel or government legislation.
- **DBE: Staffing Capacity.** Major Incident. DBE does not have sufficient capacity to respond to a major incident, which impacts on the charity. E.g. Covid-19.
- **DBE: Staffing Capacity.** Land and capacity. Officer time required to manage land and property reduces capacity for core role.

In respect of each risk identified above, the Trustees have implemented strategies to mitigate and monitor the relevant issue. These mitigations include ensuring the relevant support, systems and expertise is available for schools and Trusts as well as within the Board itself.

The responsibilities of the Trustees cover the identification and assessment of risks, taking appropriate steps to mitigate those highlighted as major risks to the Board and an annual review of risk so as to ensure that the measures taken are adequate.

Leicester Diocesan Board of Education

Company Limited by Guarantee

Trustees' Annual Report

For the year ended 31 August 2021

Modern Slavery Statement

The Board and the Charitable Foundations for which we are Trustees, are strongly opposed to slavery and human trafficking. We strive to act ethically and with integrity in all our business dealings and relationships to ensure that slavery and human trafficking are not taking place within our organisation or our supply chains.

Financial review

In financial terms during 2020-21 the Board planned to:

- ensure that expenditure from general reserves did not exceed income before any realised or unrealised gains or losses on investments, for the period
- ensure that expenditure from s554 funds did not exceed those funds' income, before capital receipts and any realised or unrealised gains or losses on investments, for the period.

The principal funding sources for the charity are currently by way of grants from the Diocese of Leicester Board of Finance and investment income.

In the year the Board:

- made a surplus before any realised or unrealised gains or losses on investments on its general fund of £69,534 (2020: £195,381),
- made a deficit before any realised or unrealised gains or losses on investments on its endowment funds of £115,471 (2020: £116,591).
- made a transfer from general funds to endowment funds of £115,650 (2020: £23,314)

The Board has reviewed all available information, taking account of the current position and principal risks and have a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due.

Fundraising

The charitable company does not carry out significant fundraising activities.

Leicester Diocesan Board of Education

Company Limited by Guarantee

Trustees' Annual Report

For the year ended 31 August 2021

Overall financial performance

The overall financial performance in 2021 may be summarised as follows:

	2021	2020
	£	£
General funds		
Income and endowments	245,221	398,638
Less: expenditure including transfers	(291,337)	(179,943)
	(46,116)	218,695
Endowment funds		
Income and endowments excluding capital receipts	63,243	76,774
Less: expenditure including transfers	(63,064)	(216,679)
	179	(139,905)
	(45,937)	78,790
Movements in capital funds		
Loss on disposal of shares	-	-
Gains on revaluation of property and share portfolio	343,473	24,864
Net movement in funds during the period as shown on the SOFA	297,536	103,654

Reserves

The reserves of the Board comprise those which may be expended for the normal objectives of the Board and those arising from Educational Foundations within the trusteeship of the Board (the Consolidated Fund), which may only be expended for specific purposes as shown in note 17 on pages 27 and 28.

As at 31 August 2021 the total funds are £3,979,490 (2020: £3,681,954) as shown in the Statement of Financial Position on page 16.

Having considered financial risk, liquidity requirement and the timing of cashflows throughout the year, the Board's policy is to hold a balance of readily available realisable assets equivalent to 3 months of budgeted expenditure. As at 31 August 2021, the minimum amount required under this policy totalled £89,995 (2020: £93,952).

Actual free reserves in general and endowment funds totalled £3,163,491 (2020: £2,914,915). Free reserves in unrestricted funds were positive by £408,551 (2020: positive £420,158).

Actual free reserves are higher than the Board's policy due to prudent fiscal management.

Leicester Diocesan Board of Education

Company Limited by Guarantee

Trustees' Annual Report

For the year ended 31 August 2021

Investment policy

The investments of the Board are represented by:

- properties held under trusts
- investments in the CBF Investment and Property funds managed by CCLA Investment Management Limited and Savills Investment Management.

The movements in the Board's investments are shown at note 12 to these financial statements.

In the light of the market conditions prevalent during the period the Trustees consider the performance of the Board's investments to be satisfactory. It is the policy of the Board to adhere to the ethical investment guidelines issued by the Church of England.

Grant making policies

During the period the Board made grants to the governors of aided schools in relation to the Department for Education (DfE) scheme. Details of the grants made may be found in note 6 of these financial statements.

Funds held as custodian trustee

The Board acts as custodian trustee for a number of small religious education funds. These funds are available to parishes to promote and deliver religious education to the younger society within their parishes.

The assets of these funds consist of either cash deposits or shares in the CBF Investment Fund. All such assets are held in accounts separate from those of the Board.

The total value of the assets held as custodian trustee is £88,680 (2020: £92,952) and relate to the following organisations:

	2021	2020
	£	£
St Nicholas House Education Foundation	60	60
Hugglescote RE Fund	15,332	20,292
Walcote RE Fund	26,015	25,964
Hoby School Fund	10,000	10,000
Cossington Day School Charity	-	12
Syston Junior RE Fund	2,665	2,460
Syston Infant RE Fund	23,904	23,857
Stony Stanton Junior School RE Fund	2,908	3,681
Syston Junior RE Fund (Shares)	7,796	6,626
	88,680	92,952

Impact of COVID-19

The activities of the schools supported by the Board, and some of the training and other activities of the Board, were significantly impacted by COVID-19 during the year. This however did not have a significant impact on the Board's finances nor is it expected to impact on the Board's long term ability to continue its operations.

Leicester Diocesan Board of Education

Company Limited by Guarantee

Trustees' Annual Report

For the year ended 31 August 2021

Trustees' responsibilities statement

The trustees (who are also directors of Leicester Diocesan Board of Education for the purposes of company law) are responsible for preparing the Trustees' Annual 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 trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Appointment of auditors

The appointment of BHP LLP as auditors to the Board has been agreed at the Annual General Meeting.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The trustees report was approved by the Board of Trustees on Aug 30, 2022 and signed behalf of the board of trustees by:



Canon S Adshead, Chairman

Leicester Diocesan Board of Education

Company Limited by Guarantee

Independent Auditor's Report

For the year ended 31 August 2021

Independent Auditor's Report to the Members of Leicester Diocesan Board of Education

Opinion

We have audited the financial statements of Leicester Diocesan Board of Education (the 'charitable company') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, the Statement of Financial Position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the report of the trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Leicester Diocesan Board of Education

Company Limited by Guarantee

Independent Auditor's Report

For the year ended 31 August 2021

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 directors' report.

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

- 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- 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 directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

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

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

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

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

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

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

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

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/Our-work/Audit/Audit-and-assurance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Leicester Diocesan Board of Education
Company Limited by Guarantee
Statement of Financial Activities (including income and expenditure account)
For the year ended 31 August 2021

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BHP LLP

Jane Marshall (Senior statutory auditor)

For and on behalf of

BHP LLP
2 Rutland Park
Sheffield
S10 2PD

Date: 31 August 2022

Leicester Diocesan Board of Education
Company Limited by Guarantee
Statement of Financial Activities (including income and expenditure account)
For the year ended 31 August 2021

	Note	Unrestricted funds	Endowment funds	Total 2021	Total 2020
		£	£	£	£
Income and endowments					
Donations and legacies	5(i)	156,059	-	156,059	272,183
Charitable activities	5(ii)	60,622	-	60,622	102,223
Other trading activities	5(iii)	-	27,579	27,579	42,318
Investment income	5(iv)	28,540	35,664	64,204	58,688
Total income		245,221	63,243	308,464	475,412
Expenditure					
Expenditure on raising funds:					
Cost of other trading activities	6(i)	-	18,880	18,880	36,073
Expenditure on charitable activities	6(ii)	175,687	159,834	335,521	360,549
Other expenditure	6(iii)	-	-	-	-
Total expenditure		175,687	178,714	354,401	396,622
Net income/ (expenditure)		69,534	(115,471)	(45,937)	78,790
Realised loss in year on unlisted investments		-	-	-	-
Unrealised gains / (losses) in the year on:					
Land and property		-	40,000	40,000	-
Unlisted investments		43,469	260,004	303,473	24,864
Net income		113,003	184,533	297,536	103,654
Transfers between funds	18	(115,650)	115,650	-	-
Net movement in funds		(2,647)	300,183	297,536	103,654
Reconciliation of funds					
Total funds brought forward		427,197	3,254,757	3,681,954	3,578,300
Net movement in funds		(2,647)	300,183	297,536	103,654
Total funds carried forward	17	424,550	3,554,940	3,979,490	3,681,954

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure of the charity are derived from continuing activities.

Leicester Diocesan Board of Education

Company Limited by Guarantee

Statement of Financial Position

As at 31st August 2021

	Note	2021		2020	
		£	£	£	£
Fixed assets					
Tangible fixed assets	11	15,999		7,039	
Property investments	12	800,000		760,000	
Other investments	12	<u>2,618,137</u>		<u>1,814,664</u>	
			3,434,136		2,581,703
Current assets					
Debtors	13	44,011		1,002,279	
Deposits		243,949		207,457	
Cash at bank		<u>899,252</u>		<u>236,504</u>	
		1,187,212		1,446,240	
Creditors: amounts falling due within one year					
Creditors	14	517,322		266,752	
DFC Funds held for schools	15	<u>124,536</u>		<u>79,237</u>	
		641,858		345,989	
Net current assets			545,354		1,100,251
Net assets			<u>3,979,490</u>		<u>3,681,954</u>
Funds of the charity					
Unrestricted funds (of which £457,235 (2020 - £370,040) is held in a revaluation reserve)	17	424,550		427,197	
Endowment funds (of which £1,763,902 (2020 - £1,507,625) is held in a revaluation reserve)	17	3,554,940		3,254,757	
Total charity funds	17	<u>3,979,490</u>		<u>3,681,954</u>	

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

The financial statements were approved by the board of Trustees and authorised for issue on Aug 30, 2022 and were signed on its behalf of the board by:



Canon S Adshead
Chairman

Leicester Diocesan Board of Education

Company Limited by Guarantee

Notes to the Reports and Financial Statement

For the year ended 31 August 2021

1 General information

The Charitable Company is a public benefit entity and a private company limited by guarantee without share capital, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is St Martins House, 7 Peacock Lane, Leicester, LE1 5PZ.

The principal activity of the charity is to promote lifelong learning throughout the Diocese, effect being given to the belief that all true education must be based on Christian principles, and the promotion and stimulation of religious education according to the doctrines of the Church of England.

2 Statement of compliance

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

3 Accounting policies

The principal accounting policies are as follows:

3.1 Basis of preparation

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include the revaluation of investment properties and fixed asset investments which are measured at their market value through income or expenditure.

The financial statements are presented in GBP £ sterling which is the functional currency of the charity.

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

3.2 Going concern policy

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

The charity made an unrestricted deficit for the year of £2,647 and at the year end had free reserves of £408,551.

The Board have considered the continuing impact of COVID-19 on the charitable company's income and operating cost base. They have prepared forecasts of income and expenditure for the period to 31 August 2023 which shows that they have sufficient reserves and cash to be able to continue for the foreseeable future.

The Board have concluded therefore that the entity remains a going concern and continue to adopt the going concern basis of preparation for these financial statements.

3.3 Group accounts policy

The Charitable Company are members of 10 academies (single and multiple academy trusts) and the Diocese of Leicester Educational Trust.

The Board's policy is for non-consolidation of either of the academies, trust or company into the Board accounts as it can demonstrate that no parent / subsidiary relationship exists.

The policy is reviewed annually to ensure compliance with the national guidance and any developments in the relationship between the Board and the Trusts.

Leicester Diocesan Board of Education
Company Limited by Guarantee
Notes to the Reports and Financial Statement
For the year ended 31 August 2021

3.4 Cash flow statement

The trustees have taken advantage of the exemption in FRS 102 and SORP 2019 from including a cash flow statement in the financial statements on the grounds that the charity qualifies as a small charity under the standard.

3.5 Fund accounting

Fund balances are split between unrestricted and endowment (restricted) funds:

- the general fund is an unrestricted fund, which may be used at the Trustees' discretion;
- the endowment (restricted) fund consists of funds where there are imposed restrictions on their use.

Further details of these funds are given in note 17.

3.6 Income

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income, the amount can be measured reliably, and it is probable that the income will be received.

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided there are no donor-imposed restrictions as to the timing of any related expenditure, in which case recognition is deferred until the pre-condition is met.

Revenue grants included in donations and legacies are credited as income when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

3.7 Expenditure

All expenditure is included in the financial statements on an accruals basis. Expenditure includes any VAT which cannot be fully recovered and is classified under headings of the statement of Financial Activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking its charitable activities, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- cost of other trading activities includes expenditure that relates to the delivery of courses to schools.

Expenditure is allocated to those cost categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity.

Support costs are apportioned between the activities on a reasonable and consistent basis based upon specific nominals.

Grants payable

Grants to schools are accrued for as expenditure when the recipient is notified of the grant.

3.8 Tangible fixed assets and depreciation

Fixed assets (excluding investments) are stated at cost less accumulated depreciation.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over their expected useful life, as follows:

Office equipment	7 years
Computer equipment	3 years

3.9 Property investments

Property investments are held at open market value based upon external property valuations. Their valuations are derived from the most recent valuation, performed by Andrew Granger & Co Ltd as at 31 August 2021, with the exception of the land at Plungar which was valued as at 1st July 2021.

Leicester Diocesan Board of Education
Company Limited by Guarantee
Notes to the Reports and Financial Statement
For the year ended 31 August 2021

3 Accounting policies (continuing)

3.10 Investments

Investments are shown at market value at the date of the statement of financial position and any gain or loss taken to the Statement of Financial Activities. Investments held by the Board as custodian trustee are not included in these financial statements.

Realised gains or losses on investments are recognised when investments are sold. Unrealised gains or losses are accounted for on the revaluation of investments.

Investments and their gains and losses are allocated to funds based upon the nature of the investment source.

3.11 Debtors

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

3.12 Cash at Bank and Deposits

Cash at bank and deposits 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.

3.13 Creditors

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

3.14 Employee benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

3.15 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described above, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Management do not deem there to be any key sources of estimation uncertainty. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Investment properties

The critical judgement that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements is the valuation of the investment properties. These are valued by the trustees using guidance from an independent professional valuer. Investment properties are measured at each year end at their open market value.

Leicester Diocesan Board of Education

Company Limited by Guarantee

Notes to the Reports and Financial Statement

For the year ended 31 August 2021

4 Pension costs

Three employees of the Board participated in pension schemes administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Board and the other participating employers. This is the Church Workers Pension Fund. The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

These schemes are multi-employer last man standing defined benefit pension schemes for which the Board 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 the scheme.

Church Workers Pension Fund – Pension Builder Scheme

The Board participates in the Pension Builder Scheme section of the Church Workers Pension Fund for lay staff. The scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the employer and the other participating employers.

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

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.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement.

Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' normal pension age.

There is no subdivision of assets between employers in each section of the Pension Builder Scheme. The scheme is considered to be a multi-employer scheme, this means it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the scheme were a defined contribution scheme. The pension costs charged to the SoFA in the year represent contributions payable.

The most recent scheme valuation completed was carried out as at 31 December 2019. This revealed, on the ongoing assumptions used, an overall deficit of £10.6m. The scheme's actuaries have proposed that the deficit is to be eliminated within 7 years without the need for additional contributions from the employers involved in the scheme. There is therefore no requirement for deficit payments at the current time.

The Board contributes 10% of basic salary. There is no minimum contribution for employees. The pension costs for the period of £9,466 (2020: £9,162) are equal to the contributions paid by the Board and there were no contributions outstanding at the period end.

Leicester Diocesan Board of Education

Company Limited by Guarantee

Notes to the Reports and Financial Statement

For the year ended 31 August 2021

4 Pension costs (continuing)

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014.

The Diocesan Director of Education is the only member of the TPS.

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 (amended) published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 (amended). The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2019 determined an employer rate of 23.68%, which was payable from September 2019 (this includes the administration levy of 0.08%).

The employer's pension costs paid to TPS in the year amounted to £18,477 (2020: £12,604).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The charity has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charity has set out above the information available on the scheme.

Leicester Diocesan Board of Education
Company Limited by Guarantee
Notes to the Report and Financial Statement
For the year ended 31 August 2021

5 Income and endowments

(i) Donations and legacies

	Unrestricted funds	Endowment funds	Total 2021	Total 2020
	£	£	£	£
Donations received	-	-	-	72,116
Grant from Leicester DBF	156,059	-	156,059	200,067
	<u>156,059</u>	<u>-</u>	<u>156,059</u>	<u>272,183</u>

In 2020, £272,183 of donations were allocated to the general fund.

(ii) Charitable activities

	Unrestricted funds	Endowment funds	Total 2021	Total 2020
	£	£	£	£
Admission appeal costs	4,575	-	4,575	1,435
Partnership Agreement & Courses	37,928	-	37,928	66,827
Other income	18,119	-	18,119	33,961
	<u>60,622</u>	<u>-</u>	<u>60,622</u>	<u>102,223</u>

In 2020, charitable activities income totalled £102,223, all of which was allocated to the general fund.

(iii) Other trading activities

	Unrestricted funds	Endowment funds	Total 2021	Total 2020
	£	£	£	£
Rents received	-	27,579	27,579	42,318
	<u>-</u>	<u>27,579</u>	<u>27,579</u>	<u>42,318</u>

In 2020: £42,318 of rents received were allocated to the endowment fund.

(iv) Investment income

	Unrestricted funds	Endowment funds	Total 2021	Total 2020
	£	£	£	£
Other interest	41	-	41	421
Investment income	28,499	34,550	63,049	56,949
Deposit interest	-	1,114	1,114	1,318
	<u>28,540</u>	<u>35,664</u>	<u>64,204</u>	<u>58,688</u>

In 2020 investment income totalled £58,688, of which £24,232 was allocated to the general fund and £34,456 was allocated to the endowment fund.

Leicester Diocesan Board of Education
Company Limited by Guarantee
Notes to the Reports and Financial Statement
For the year ended 31 August 2021

6 Resources expended

(i) Cost of other trading activities

	Unrestricted funds	Endowment funds	Total 2021	Total 2020
	£	£	£	£
Rent costs	-	3,957	3,957	3,642
Baxter Hall costs	-	11,272	11,272	7,830
Course & event expenditure	-	3,651	3,651	24,601
	<u>-</u>	<u>18,880</u>	<u>18,880</u>	<u>36,073</u>

In 2020, costs of other trading activities totalled £36,073 and were allocated to the endowment fund.

(ii) Expenditure on charitable activities

	Unrestricted funds	Endowment funds	Total 2021	Total 2020
	£	£	£	£
Advice to and work with schools	44,683	-	44,683	50,671
Governance costs (see iv)	4,800	14,399	19,199	23,645
Support costs (see v)	126,204	145,435	271,639	286,233
	<u>175,687</u>	<u>159,834</u>	<u>335,521</u>	<u>360,549</u>

In 2020, costs totalled £360,549, of which £179,943 were allocated to the general fund and £180,606 allocated to the endowment fund.

(iii) Other expenditure

	Unrestricted funds	Endowment funds	Total 2021	Total 2020
	£	£	£	£
Amounts due from Diocese of Leicester	-	-	-	-
Educational Trust Limited written off	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

In addition, there are grants made to School Governors of aided schools in respect of repairs and improvements. These amounts are fully recoverable from the DfE, School Governors and other third parties. In 2021 these grants and recoveries amounted to £185,871 (2020: £377,946).

(iv) Governance

	Unrestricted funds	Endowment funds	Total 2021	Total 2020
	£	£	£	£
Audit fee	2,960	8,879	11,839	9,271
Other statutory costs	-	-	-	555
Governance support costs	1,840	5,520	7,360	13,819
	<u>4,800</u>	<u>14,399</u>	<u>19,199</u>	<u>23,645</u>

In 2020, costs totalling £6,328 were allocated to the general fund and costs totalling £17,317 were allocated to the endowment funds.

(v) Support costs

	Unrestricted funds	Endowment funds	Total 2021	Total 2020
	£	£	£	£
Staff costs	111,832	72,752	184,584	209,262
Office costs	13,102	38,325	51,427	37,485
Travel costs	607	661	1,268	5,982
Legal & Professional	-	31,710	31,710	13,493
Depreciation	662	1,987	2,649	20,011
	<u>126,204</u>	<u>145,435</u>	<u>271,639</u>	<u>286,233</u>

In 2020 Support costs totalling £122,944 were allocated to the general fund and £163,289 were allocated to endowment funds.

Leicester Diocesan Board of Education
Company Limited by Guarantee
Notes to the Reports and Financial Statement
For the year ended 31 August 2021

7 Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total 2021	Total 2020
	£	£	£	£
Charitable expenditure	44,683	271,639	316,322	336,904
Cost of other trading activities	18,880	-	18,880	36,073
Governance costs	11,839	7,360	19,199	23,645
Other costs	-	-	-	-
Total - 2021	75,402	278,999	354,401	396,622
Total - 2020	96,570	300,052	396,622	

8 Net income

Net income is stated after charging or crediting:

	Total 2021	Total 2020
	£	£
Depreciation of tangible fixed assets	2,649	7,322
Fees payable for the audit of the financial statements	11,839	9,271

9 Staff numbers and costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Total 2021	Total 2020
	£	£
Wages and salaries	149,476	169,754
Social security costs	7,165	17,742
Pension costs	27,943	21,766
	184,584	209,262

Average number employed	Number	Number
Administration and support	3	5

During the year there was one employee whose emoluments amounted to more than £70,000 but less than £80,000 (excluding pension contribution) (2020: one). Pension payments of £18,478 were made for this employee (2020: £12,604). No other employees earned £60,000 or more in the current or preceding period.

Key management personnel

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the trustees, for planning, directing and controlling the activities of the Charitable Company. During 2020 this was the Diocesan Director of Education and Secretary of the Board, Carolyn Lewis.

During the year, remuneration (including Employers National Insurance and pension) amounting to £106,058 was paid (2020: £100,064).

10 Board trustee members' emoluments and expenses

None of the Board members received any emoluments from the Board for services performed as trustees (2020: none). Board members received £Nil (2020: £Nil) for the reimbursement of travelling and out of pocket expenses.

Leicester Diocesan Board of Education
Company Limited by Guarantee
Notes to the Reports and Financial Statement
For the year ended 31 August 2021

11 Tangible fixed assets

	Office equipment	Computer equipment	Total
	£	£	£
Cost or valuation			
At 1 September 2020	11,637	6,487	18,124
Additions at cost	2,098	9,529	11,627
Disposals	-	(6,487)	(6,487)
At 31 August 2021	13,735	9,529	23,264
Depreciation			
At 1 September 2020	4,616	6,469	11,085
Charge for the year	1,962	687	2,649
Eliminated on disposal	-	(6,469)	(6,469)
At 31 August 2021	6,578	687	7,265
Net book value at 31 August 2021	7,157	8,842	15,999
Net book value at 31 August 2020	7,021	18	7,039

12 Fixed asset investments

	Investment properties	Unlisted investments	Total
	£	£	£
Cost or valuation			
At 1 September 2020	760,000	1,814,664	2,574,664
Additions at cost	-	500,000	500,000
Disposals	-	-	-
Revaluation adjustment	40,000	303,473	343,473
At 31 August 2021	800,000	2,618,137	3,418,137
Historical cost (unlisted investments only)		2021 1,197,000	2020 697,000

Investment properties do not have any historical cost as the Board received legacies and gifts. The difference between historical cost and market value is included within the relevant funds.

The investment properties were valued as at 31st August 2021 by the Board's land agents, Andrew Granger & Co Ltd, Chartered Surveyors. The basis of valuation was on an open market basis based on existing use and prevailing permissions. The Board undertakes valuations every 3 years.

The Leicester Diocesan Board of Education acts as a custodian of two properties on behalf of The Saint Nicholas House Educational Foundation. These properties have not been recognised in the accounts of Leicester Diocesan Board of Education as it does not have beneficial interest. The valuation of these properties is £700,000.

All the unlisted investments of the Board are in CBF Church of England Common Investment Funds managed by CCLA Investment Management Limited & Savills Investment Management.

	Total 2021	Total 2020
	£	£
CBF Investment Fund	2,182,901	1,394,468
Savills Property Fund	435,236	420,196
Total investments	2,618,137	1,814,664

Leicester Diocesan Board of Education
Company Limited by Guarantee
Notes to the Reports and Financial Statement
For the year ended 31 August 2021

13 Debtors

	Total 2021	Total 2020
	£	£
Other debtors	20,582	22,248
Amounts due from related parties	4,313	959,313
Prepayments and accrued income	19,116	20,718
	<u>44,011</u>	<u>1,002,279</u>

14 Creditors: amounts falling due within one year

	Total 2021	Total 2020
	£	£
Schools' Building works and other creditors	490,858	252,112
Taxation & Social Security	6,390	(8)
Accruals and deferred income	20,074	14,648
	<u>517,322</u>	<u>266,752</u>

Included in the above is £2,512 in relation to deferred rental income (2020: £6,238).

15 Schools' DFC funds

With effect from 1 April 2006 the DfE paid over to schools the funds available for 2006/07 plus any unspent funds from prior years, which could be used for the 90% cost of building works, previously reimbursed by the DfE.

The Voluntary Aided Schools agreed that the Board should hold these funds and meet any 90% contributions from them. The value of the funds at 31st August 2021 was £124,536 (2020: £79,237).

Each school's unspent amount of the total is identifiable.

16 Related party transactions

The Board is related to Leicester Diocesan Board of Finance, Diocese of Leicester Educational Trust and Diocese of Leicester Educational Services Ltd.

At the end of the period the following amounts, were receivable or (payable) by the Board in respect of related parties:

	Total 2021	Total 2020
	£	£
Leicester Diocesan Board of Finance in respect of grants receivable, loans and contribution to costs	4,313	959,313

The Board was charged £129,689 (2020: £108,819) by the Leicester Diocesan Board of Finance in the period for salaries, office room hire and related services.

Income and expenditure in the period which passed through the Board, but which relates to related companies, can be summarised as follows:

	2021		2020	
Income	Expenditure	Income	Expenditure	
	£	£	£	£
Diocese of Leicester Board of Finance	16,099	129,689	24,801	108,820

Leicester Diocesan Board of Education
Company Limited by Guarantee
Notes to the Reports and Financial Statement
For the year ended 31 August 2021

17 Analysis of charitable funds

	Balance at 01/09/2020	Income	Expenditure	Transfers	Other recognised gains and losses	Balance at 31/08/2021
	£	£	£	£	£	£
Unrestricted funds						
General fund	427,197	245,221	(175,687)	(115,650)	43,469	424,550
Total unrestricted funds	427,197	245,221	(175,687)	(115,650)	43,469	424,550
Endowment funds						
s554 Income Fund	-	35,485	(167,442)	131,957	-	-
s554 Capital Fund	2,838,269	-	-	-	292,289	3,130,558
Baxter Hall Fund	305,000	27,579	(11,272)	(16,307)	-	305,000
Other foundations	111,488	179	-	-	7,715	119,382
Total endowment funds	3,254,757	63,243	(178,714)	115,650	300,004	3,554,939
Total funds	3,681,954	308,464	(354,401)	-	343,473	3,979,490

The transfer in the year, between the General fund and the s554 Income Fund is to fund the deficit on this fund, as costs allocated exceeded the income generated.

The transfer between the Baxter Hall fund and the General fund is in respect of net rental income generated which can be used for general purposes.

Revaluation Reserve

Included in the fund balances above is a revaluation reserve of £2,221,137 (investment property £800,000 and investments £1,421,137). As at 31st August 2021, the revaluation reserve is allocated as follows, general fund £457,235, Baxter Hall £300,000, s554 capital fund £1,422,038 and other foundations £41,864.

	Balance at 01/09/2019	Income	Expenditure	Transfers	Other recognised gains and losses	Balance at 31/08/2020
	£	£	£	£	£	£
Unrestricted funds						
General fund	208,285	398,638	(179,943)	(23,314)	23,531	427,197
Total unrestricted funds	208,285	398,638	(179,943)	(23,314)	23,531	427,197
Endowment funds						
s554 Income Fund	122,937	62,599	(208,850)	23,314	-	-
s554 Capital Fund	2,956,912	-	-	(118,643)	-	2,838,269
Baxter Hall Fund	181,157	13,029	(7,829)	118,643	-	305,000
Other foundations	109,009	1,146	-	-	1,333	111,488
Total endowment funds	3,370,015	76,774	(216,679)	23,314	1,333	3,254,757
Total funds	3,578,300	475,412	(396,622)	-	24,864	3,681,954

Revaluation Reserve

Included in the fund balances above is a revaluation reserve of £1,877,664 (investment property £760,000 and investments £1,117,664). As at 31st August 2020, the revaluation reserve is allocated as follows, general fund £370,040, Baxter Hall £300,000, s554 capital fund £1,173,475 and other foundations £34,149.

Leicester Diocesan Board of Education
Company Limited by Guarantee
Notes to the Reports and Financial Statement
For the year ended 31 August 2021

17 Analysis of charitable funds (continued)

Endowment funds

s554 Income and Capital funds

These principally represent funds and income held under trusts arising from the sale of redundant educational properties. The Board as trustees may, after payment of any expenses incurred in connection with the administration of the trusts, apply the capital and income of the relevant trust assets for any of the following purposes:

- 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
 - the premises of a teacher's house for use in connection with any relevant school in the area
 - for the maintenance of any relevant school in the area or of a teacher's house for use in connection with any relevant school in the area.

The income arising from these trusts may additionally be used, after payment of any expenses incurred in connection with the administration of the trust, for any of the following purposes:

- 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
- the provision of services for the carrying out of any inspection of any relevant school in the area required by Part I of the School Inspection Act 1996(a); and
- to defray the cost of employing or engaging staff in connection with the application of capital or income of the relevant trust assets.

The Baxter Hall fund

This represents the book value of the Baxter Hall property as revalued from time to time.

Other Foundations	Total 2021	Total 2020
	£	£
Gilmorton, Edward Chandler	3,995	3,535
Leicester, G A Robinson	12,292	10,314
Stoke Golding	397	394
Rev Towers Earl Shilton	42,238	37,292
Hathern Old School House	60,460	59,953
	<u>119,382</u>	<u>111,488</u>

During any year the Board can become aware of redundant schools and/or schoolhouses of which it has no record. When this occurs, the Board acts under current legislation to acquire the asset for its work. The Board has no means of identifying such cases in advance.

Leicester Diocesan Board of Education
Company Limited by Guarantee
Notes to the Reports and Financial Statement
For the year ended 31 August 2021

18 Analysis of transfers between funds

Overheads are apportioned based upon the allocation of staff time and is split between general and endowment fund. Transfers between funds and the reasons behind them are disclosed in Note 17.

19 Net assets by fund

31st August 2021	Unrestricted funds £	Endowment funds £	Total 2021 £
Fixed assets			
Tangible fixed assets	15,999	-	15,999
Property investments	-	800,000	800,000
Other investments	247,789	2,370,348	2,618,137
Net current assets	160,762	384,592	545,354
Total net assets	424,550	3,554,940	3,979,490

31st August 2020	Unrestricted funds £	Endowment funds £	Total 2020 £
Fixed assets			
Tangible fixed assets	7,039	-	7,039
Property investments	-	760,000	760,000
Other investments	247,789	1,566,875	1,814,664
Net current assets	172,369	927,882	1,100,251
Total net assets	427,197	3,254,757	3,681,954