

THE BLACKBURN
DIOCESAN BOARD
OF EDUCATION

The Blackburn Diocesan Board of Education

Trustees' annual report and financial statements

Company limited by guarantee (no 557954)

Registered charity (no 1020101)

31 December 2022

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements

For the year ended 31 December 2022

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VISION STATEMENT

*Serve Christ.
Share the Gospel.
Support, Equip and Educate*

Healthy Churches Transforming Communities

LEGAL OBJECTS

- To promote or assist in the promotion of education in the Diocese of Blackburn ("the diocese") being education which is consistent with the faith and practice of the Church of England.
- To promote or assist in the promotion of religious education and religious worship in schools in the diocese.
- To promote or assist in the promotion of church schools in the diocese and to advise the governors of such schools, and trustees of church educational endowments and any other body or person concerned on any matter affecting church schools in the diocese; to promote co-operation between its Board of Management ("the board") and bodies or persons concerned in any respect with education in the diocese.
- To discharge within the diocese the functions assigned to Diocesan Boards of Education by section 3 to 8 and 11 of the Diocesan Boards of Education Measure 1991 or by any amending legislation.
- To discharge within the diocese such other functions relating to the furtherance of church education as may be assigned to the Board by the diocesan synod, other than functions relating to church schools or church educational endowments.
- To do all such things as are incidental or conducive to the attainment of the aforesaid objects, including acceptance of the trusteeship of any trusts and the investment of any moneys not immediately required for its purpose in or upon such investments securities as the Board may think fit.

STRATEGIC REPORT

STRATEGIC AIMS AND OBJECTIVES FOR THE YEAR

- The support of Church of England schools in all areas of their activities. In particular:
 - ❖ Development and delivery of religious education and collective worship
 - ❖ Protection of the Church of England's interests in academy conversions in Blackburn Diocese
 - ❖ Maintenance of church school buildings belonging to trustees of Church of England Schools
 - ❖ Protection of the interests of the trustees of Church of England Schools
- The development of youth and children's work in Parishes and Schools across the Diocese of Blackburn.
- The support and development of Christian Spirituality in secular institutions of higher and further education.
- The provision of Chaplaincy support to church colleges and church-based universities.

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Public Benefit Statement

The Board exists under the Diocesan Board of Education Measure (2021). The Measure sets out the core purpose of the Board of Education, which is to

- promote or assist in the promotion of education in the diocese that is consistent with the faith and practice of the Church of England;
- 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.

In addition, the Board of Education support youth and children's work across church in the diocese

The public benefit of our work is seen in the support and flourishing of church schools that provide education for all within a Christian ethos. Blackburn Diocesan Board of Education (BDBE) supports the promotion of Christian faith within universities and other educational institutions and also supports schools to engage in their communities and to build projects that create improve and unify the local community. Our support for schools also ensures the provision of buildings which can be used by parishes and outside bodies for the benefit of all. The trustees have referred to Charity Commission guidance on public benefit and consider the entity is compliant.

Our support for Youth and Children's Work across the Diocese touches the lives of thousands of people, many of whom are not regular church attenders and supports churches in their work with the children and young people of local communities.

ACTIVITIES AND PERFORMANCE

Main Achievements of the Year

Objectives set until 2024 for the Board of Education:

Prayer for the work of the Board	
Objectives	DBE Actions
Encouraging a 'pray first culture' at diocesan and parish level to uphold children and young people and the specific ministries working with them	Prayer has become more visible and intentional at many events and so meetings and training sessions start and end with prayer. Also, during events such as the Children's Ministry Conference, each keynote speaker is prayed with before they begin to present in addition to other times of prayer throughout the day. Prayer continues to be a strong feature in many of our resources, with examples of written prayers being provided as well as suggestions for how children can be encouraged to pray themselves. Resources for children which help churches to engage in Thy Kingdom Come were once again shared via our normal communication channels. A key message in all conversations and learning community training around growing and start youth ministry is to grow a culture of praying for and with young people in parishes, and that this is the first action that a church should take.
Writing prayers for the young to be used in intercessions, services and events	
Encourage dedicated time and energy to the pursuit of hearing God's heart and waiting on Him	
Encouraging prayer sponsors in parishes where congregation members pray directly for individual children and young people	
Equipping young people with the confidence to pray	

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Children and Youth	
Overall objectives	To see growth of 11–17-year-olds (worshipping community statistics) of <u>1,030</u> by 2026 To see 25% growth in new disciples between the ages of 5-11 years (worshipping community statistics) To see 50% increase in toddler groups that share the gospel To see double the number of boys in worshipping communities
Key Objectives to be achieved by Dec 2024	Actions
<i>Making Disciples</i> We will support the DBF making disciples team to resource and equip local churches to:	
<ul style="list-style-type: none"> Make more Sunday services child/youth-friendly 	<p>Following the lifting of COVID-19 restrictions, officers had opportunity to meet with the majority of clergy in the Diocese in Spring 2022 at the Clergy Study Days. This helped to clear the backlog of outstanding visits and by the end of the year, officers had resumed meeting with clergy new to the diocese and all had been introduced to how the Board of Education can support them in their ministry with children, youth and schools.</p> <p>The Children and Youth Ministry Self-Assessment Tool (replacing the Child Friendly Church Award) was launched this year. This is a questionnaire that has been designed for churches to use in order to review their current practices and highlight potential areas for development.</p> <p>New Clergy visits are back up and running and at the time of writing all clergy due to be met in 2022 have been introduced to the work and ministry of the Board of Education.</p> <p>Launchpad and Learning community continue to challenge and equip clergy and youth teams about not only launching youth ministry but also how to make Sunday services more accessible for teenagers.</p>
<ul style="list-style-type: none"> Improve preparation and follow-up for confirmation, retaining confirmation candidates as part of the church’s worshipping community 	<p>Having taken the time to research preparation materials many clergy and parish preparation leaders are confident with what they are leading and the majority are significantly focused on confirmees growing as disciples of Jesus. The biggest area of support sought in this area is around how and what to do to follow up confirmations, which has led to several conversations about the parish context and how they can start to grow youth ministry following confirmation.</p>
<ul style="list-style-type: none"> Equip 50 parishes to set up small youth groups that develop faith 	<p>Learning Community continues to support parishes in renewing, launching and establishing youth ministry both following Launchpad engagement and those who have connected with the youth team independently. The 2022/23 cohort has been accompanied by a Lancaster focused Learning Community following Launchpad taking place in the Autumn.</p> <p>Additionally, October 2022 saw the first ‘Youth Leader Conference’ run. This both offered equipping for all youth leaders in the diocese, and offered specific sessions for the 2022/23 learning community cohort.</p>

<ul style="list-style-type: none"> • Support parishes in providing events and experiences that encourage children and young people in their faith 	<p>In April, officers supported a trial mid-week CPAS School Venture Camp for Chorley Schools and their linked churches. This led to a written proposal document to explore whether School Venture Residentials can be promoted further as a tool for parishes and schools to encourage children in their faith. This continues to be explored with CPAS.</p> <p>In July, officers organised and ran activities for children in the Churches Together marquee at the Royal Lancashire Show which were themed around the Christian response to climate change. Although this wasn't something happening directly at Parish level, the ideas and resources used at the Lancashire Show have since been used by parishes for their own events.</p> <p>2022 saw Walsingham Youth Pilgrimage return in the summer, as well as Satellites, Limitless Festival and DTI launching for the first time following Soul Survivor finishing in 2019 and a few years of cancellation due to covid. This gave us opportunity to signpost leaders to these events, as well as some others, and to engage with them about their experiences through our social media channels.</p> <p>March 2022 also saw Abide: The Gathering taking place at Archbishop Temple School. It was fantastic to see 105 young people plus their leaders coming together to worship, explore living out their faith in 2022 and having loads of fun for the first time in a good few years. This was also a space when we saw the impact of the Learning Community work with a number of new groups coming to the event or the event being used as a take off point for new church youth groups.</p>
<ul style="list-style-type: none"> • Launching significantly more digital content to promote faith development for children and young people, to train leaders and promote church events and activities. This will include: <ul style="list-style-type: none"> ○ Youtube content ○ Podcasts ○ Social media interactive resources 	<p>At the beginning of the year, a new podcast was released for children aged 3-7 years called Follow the Son, which encourages children to get into good habits of starting and ending the day with God. An accompanying mailing has been created alongside this Podcast, containing additional activities which link in with each episode. Later in 2022, series 3 of our popular Bible study and discussion podcast for primary aged children, Bible Podlets, was developed and released in October. Both of these resources have attracted significant attention, not just in the Diocese of Blackburn, but also globally, and have attracted around 50k listens to date.</p> <p>30 prayer activity posts linking in with the National Toddler Group Month of Prayer were posted on the Board of Education's Social Media Accounts in June which again received excellent engagement. These were collated into a downloadable booklet for people to be able to access as a resource afterwards via the Resources Area of the Board of Education website.</p> <p>The 'showcase' video featuring St Thomas' Preschool was released early in 2022 and a further showcase video featuring the Children's Soul Choir at Buckshaw Village Church was recorded and released in December. More of these 'How to' showcase videos are planned for 2023.</p> <p>Youth Work State of Mind returned in the autumn term for a new series of the podcast. This series is being broadcast live on Youtube, as well as an audio version in the week to follow. Youth Work State of Mind Instagram does well with showing our work with youth leaders and young people.</p>

	<p>'This is Abide' platforms have continued to grow consistently throughout 2021. Much of this was footage taken from the event as well as specific 'fun features' that the team created. The difficulty in recruiting a content creator in the summer meant this progress stalled in the Autumn. It has been interesting how each platform, even with similar content has a stumbly different angle. This is particular clear when comparing the audience reach of Instagram and TikTok.</p> <p>Training videos have been added to the Train, Equip, Inspire youtube following sessions run as part of the learning community.</p>
<ul style="list-style-type: none"> Produce more parish resources for work with children and young people 	<p>The suite of children's work resources on the website has grown to include materials which highlight how Christmas is celebrated by Christians around the world, linking in with our EDJ strategy, plus new Lent and Easter resources.</p> <p>The Weekly@ Lectionary Resource continues to be well used by our parishes. Due to challenges in finding Guest Writers, some of this work has returned to being written in house, however some work continues to be outsourced where possible.</p> <p>The Weekly@ Summer resource, 'A Messy Starting Point' was produced, with six sessions exploring how we can connect with God during the messy times in our life. Officers also connected with the wider diocesan team to create a page of downloadable resources to help to introduce the concept of the Vine community to children and families by exploring John 15.</p> <p>Pick N Mix resources have continued to be updated and relaunched in 'app style format' and work on will continue with this process in 2023.</p>
<ul style="list-style-type: none"> Create new or renewed toddler groups that share the gospel as part of their work 	<p>A training session was offered for those needing help with their Toddler Group Ministry, however this did not go ahead due to not enough uptake. Several churches received 1:1 support and guidance regarding starting up and developing their toddler groups. Toddler Group Ministry was references in other training that was delivered over the course of the year where appropriate.</p> <p>Although, not in a local context, in recognition of the work that the children's adviser has been involved in for Under 5s, she was invited by Care for the Family to deliver a workshop at the Playtime National Conference which was held at the All Nations Centre in Cardiff in September 2022.</p>
<ul style="list-style-type: none"> Engage with boy friendly ministry 	<p>A training session was offered for those needing help with engaging with boy friendly Ministry, however this did not go ahead due to not enough uptake. This topic is referenced regularly during other general training, acknowledging that boys spiritual preferences may look different to girls and sharing information on ideas for more active forms of children's ministry.</p> <p>Building on the traction KICK found with primary schools following the Headteacher conference we have sought to connect local churches where KICK are coaching in schools so that conversations might begin in those parishes to see if there was opportunities to see this grow into ministry in the life of the church. Planning for Abide in</p>

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	<p>2023 the team contacted both Ambassadors Football and KICK in the hope that they might provide coaching and run the active and football spaces at the event, giving them a showcase opportunity for local youth leaders and clergy.</p>
<p>Being Witnesses We will support the DBF being witnesses team to resource and equip local churches to:</p>	
<ul style="list-style-type: none"> Plant 50 local congregations which reach out to families and young people 	<p>Officers connect with the Being Witnesses team as necessary and planting new congregations work continues to be ongoing - as and when support is sought.</p>
<ul style="list-style-type: none"> Start 50 new child/youth-friendly worshipping communities (or congregations) including services in school 	<p>Child and Youth Friendly Congregations work is ongoing</p>
<ul style="list-style-type: none"> Develop 50 new sports/active ministry activities that meet regularly 	<p>Initiatives which help churches to grow and develop sports/active ministry are signposted to as and when support is sought.</p> <p>Planting congregations work ongoing - as and when support is sought.</p> <p>KICK involved in Abide 2023 and supporting them in making connections with local churches where they are delivering in their local primary school.</p> <p>Supported the Youth Church at St Christophers' High School.</p>
<p>Growing Leaders Support the DBF vocations team to commission 300 leaders and helpers of all ages (with at least 30% under 25 years old) to share the Gospel with children and young people. We will do this by:</p>	
<ul style="list-style-type: none"> Creating a culture of vocational discernment so that many more can hear a call to work with the young (DoV) 	<p>The 'Step by Step' Children's Ministry Conference this year was a great success and despite the pandemic, only saw a slight drop in attendance. Online engagement was offered as well as face-to-face, and although uptake for this was quite low, it facilitated some people's attendance who would otherwise, not have been able to participate.</p>
<ul style="list-style-type: none"> Developing varied training programmes for those new to this work or in need of refreshment, including basic training and more in-depth training as part of lay leadership development (Children/Youth Team/DoV) 	<p>The Children's Adviser was involved in the M:Power training program, delivering sessions on 'And then came Christmas' and 'Reaching the Next Generation' for those seeking to become Urban Evangelists. Despite the Children's Work Elective of the ALM course not having enough participants to run, the All Age Worship session for the Worship Elective of the ALM course was delivered which the participants thoroughly enjoyed.</p>
<ul style="list-style-type: none"> Ensuring that everyone who works with children and young people knows their safeguarding responsibilities (in partnership with DSO) 	<p>The youth ALM elective was run in summer 2022, but the repositioned Autumn edition was postponed due to low uptake, though this was not surprising given it was recently run in the summer.</p>
<ul style="list-style-type: none"> Liturgically Commissioning new and existing leaders and helpers, at Confirmation Services where possible 	<p>Other training opportunities came in the form of the workshop delivered at the Diocesan Conference, and delivery of sessions for the Start of Ministry session for Curates.</p>
<ul style="list-style-type: none"> Holding a Service of Celebration and Re-commissioning for those who minister to the young 	<p>Officers once again explored the possibility of organizing a Service of Celebration and Re-commissioning for those who minister to children and young people, however after pursuing several options, it had not been possible to</p>

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	<p>identify a suitable date and venue due to other diocesan commitments.</p> <p>Youth Leader Conference was a great day, offering support for youth leaders and church leaders wherever they are in terms of ministering with young people.</p> <p>Officers delivered the 'Reaching the next generations' session for M:Power.</p> <p>Partnering with ecumenical partners we have run The Gathering for youth leaders in Lancashire which has seen over 50% of those connecting with the gathering serving young people in Anglican churches. The Gathering is a time and space for youth leaders to connect, share and support one another in their ministries with young people.</p>
<p>To develop and implement a project that is designed to grow work with 11-17 years</p>	<p>The Youth Provision Learning Community welcomed its second cohort of parish youth teams in June 2022. The decision was taken to offer a specific learning community for the parishes whose clergy had undertaken the Launchpad course in Lancaster Deanery</p>

Schools	
Aspiration for schools by Dec 2024	Actions of the DBE
<p>Our schools to be built around the key Christian values and qualities of <u>love, hope, grace and service</u> and a Vision rooted in the Bible</p>	<p>Reference is made to the DBE vision in all training materials and emphasis placed on the Biblical root of the vision.</p> <p>The 'Be Prepared for SIAMS and Writing your SEAT' courses took place each term via zoom and face to face and were very well attended. Bespoke training has been delivered in both Primary and High schools across the Diocese.</p> <p>A comprehensive CPD Programme for both Primary and High schools has been accessed with increased take-up.</p> <p>Associate advisers continue with pastoral calls and SLA visits</p> <p>The number of schools inspected has been 13 with 6 Excellent grades and 7 Good grades achieved</p> <p>Consultancy visits to high schools including tailored resources, Chaplaincy and Religious Education networks took place through the year.</p>
<p>Embody a vision shaped by the personal faith and commitment of their leaders</p>	<p>Headteachers Conference took place in person at the Salmesbury Hotel and headteacher meetings continued via zoom and face to face as in previous years. These have been well attended.</p> <p>A Deputy Headteacher and Headteacher induction programme has taken place including input on Christian vision and courageous Christian leadership, Governance and SIAMS</p> <p>All NQT induction training has been well attended</p> <p>All the "Called to" training opportunities (inc. Called to Serve, Flourishing Schools, Academic and Rigorous) and Direct Learning training programmes have been delivered</p>

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	<p>and a new Headteacher Induction Booklet and mentor scheme is in place.</p> <p>A programme of Retreats and Quiet Days has taken place</p> <p>DBE Services Christian Leadership programme ran again this year in collaboration with other dioceses and is oversubscribed annually</p>
<p>To embody a vision rooted in the bible</p>	<p>All material produced for primary schools Collective Worship and RE are clearly rooted in scripture.</p> <p>All courses make reference to scripture and how the content of the course is connected to scripture.</p> <p>Worship Together Across the Diocese content is aligned with the Church Year and the new series 'Have you ever heard of ?' is introducing less well-known characters in the Bible was very popular</p>
<p>Enable and encourage a praying and worshipping community where distinctly Christian celebrations are integral to the learning experiences of all within the school community</p>	<p>Worship together across the Diocese video resources are continuing to be produced. Bishops Harvest materials for primary schools were produced and the 2022 Leavers service were also delivered</p> <p>New resources have been shared with schools via Head Teachers meetings and emails and new resources have been created and distributed along with resources for the celebration of the Queen's Platinum Jubilee and resources to support schools in September following her death.</p> <p>Bi-annual delivery on the IME2 programme for new clergy continues</p> <p>The DBE have created significant resources for the National Initiative 'Faith at Home' to support Key Christian Festival and days of national significance</p> <p>Active engagement with National Networks, and Local Networks continues (NASACRE, CEEFEL, Local SACRE)</p>
<p>Ensure Religious Education is at the heart of the curriculum and is a core subject</p>	<p>New Questful RE syllabus website has been launched and a series of conferences took place across the Diocese and in Penrith.</p> <p>Syllabus units have been updated, bespoke films recorded and schools have embraced the new format positively.</p> <p>RE coordinator Cluster meetings continued throughout 2022 via zoom and face to face</p> <p>The Primary RE Coordinators conference took place at the Marriot Hotel</p> <p>SIAMS Inspection reports indicate that RE in schools is of high quality.</p> <p>Illuminating Pathways has been moved to a new website along with the guiding light worship resources. This makes resources accessible to all and removes the dependency on a third-party supplier. The curriculum has been supplied to other dioceses following requests from them for additional resource for RE and worship</p>

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Recognise the presence of God in the uniqueness of each individual and in each person's specific talents and gifts	Significant development work on equality, diversity and justice has continued. A suite of courses was designed and delivered. In 2022 over 100 of our schools attended the Equality Diversity and Justice Strategy launch conferences.
Develop a broad community open to the world in which we live, which seeks to change it for the better	Multicultural Christianity resources in the RE syllabus have significantly increased and resources for the teaching about World Faiths has also increased. Primary schools have proactively changed the way they promote social action and there is a greater emphasis on pupils developing the skills to be a courageous advocate. A training course exploring Courageous Advocacy has been introduced and was well attended.
Celebrate success and treat failure with compassion	Engagement with schools using social media has increased, with Twitter regularly used to praise success Schools are sent letters of congratulations following inspections and visits are made to school in difficult circumstances. Staff regularly attend celebration events in schools.
Support their alumni in finding ways to continue their faith journey, and to provide a pathway or signpost for those alumni looking to re-engage with faith	Worship materials and RE Curriculum content support schools in fulfilling these points
Be strong and sustainable presences in their community with a structure that best serves the needs of the children and young people	Recognition given to schools achieving The Christian Aid Global Neighbours Award and for schools with ABYT Schemes
Seek to work in collaboration with churches in delivering <i>Vision 2026</i>	A suite of primary and secondary conferences and training continues to encourage connection and worship and work together between churches and schools. The DBF Choir Church initiative has also created better connections between churches and schools across the diocese.

School Buildings

Ensure that school buildings are developed and maintained to best meet the needs of pupils	The SCA system has been run effectively this year alongside a partner company DBE Services Costs have risen through the year leading to reduced ability to deliver the number of programmes that had been hoped for. A full programme of capital work has been planned and delivered to meet school needs. As in previous years, the level of need outweighed the funding envelope by around three times the amount.
Seek opportunities for expansion of existing church schools or new church school provision	Regular meetings take place with the school place planning team in Lancashire and detailed conversations took place with Blackburn with Darwen over future pupil number projections.
Ensure the correct treatment of school assets when schools close or relocate	A number of live cases continue to be handled by the DBE and is an area of significant work. These are often cases of historic incorrect treatment of land. The DBE has sought to register a number of titles with the Land Registry for school properties The DBE continues to research trusts and land of church school so to build a complete picture of the school estate and ownership of land

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Chaplaincy	
Key Objectives for 2024	Actions of the DBE
We want to help young people accept the salvation offered through Jesus' death on the cross and embark on a lifelong journey as a disciple	Ongoing work with university institutions to support the delivery of chaplaincy
We want to help students in our universities to be disciples, nurtured and challenged in their faith, encouraged to share their faith, and develop to lead others in discipleship, witness and service.	The first year of a shared role of Chaplain at UCLAN and student support at Preston Minster has operated with great success, offering a model of how chaplaincy may develop in future.
We want to help chaplains that enable the people of God in our High Schools and Universities to live out the Christian life and witness to the presence of Jesus	The post at the University of Cumbria is became vacant and discussions are taking place about how best to support ministry in the university sector
We want to help young people transition from a school place of worship to engagement in a Church of England multigenerational worshipping community that is accessible to the young	

Future Objectives

The objectives for the board of education remain as above until 2024

FINANCE REVIEW

Financial Performance

During the year to 31 December 2022 the Charity made a loss of £278k against a gain of £106k in 2021, this is due to a loss on investments in the year of £293k.

Principal Funding Sources

There is an annual grant agreed in advance by the Blackburn Diocesan Board of Finance Limited as agreed by the Diocesan Synod. A grant of service is provided in addition for the provision of finance. The Board is also in receipt of funds allocated from the BDBF Restricted Funds. Total funding from these sources for the year ended 31 December 2022 is £359,360 (2021: £336,914).

Service level agreements to provide support services to schools £278,862 (2021: £278,090).

Total interest and dividends income is £153,000 (2021: £88,478) representing 12% of total income (2021: 8%). This is due to investing in Property Shares in CCLA to generate income.

The Blackburn Diocesan Board of Finance grants represented around 30% of the total income of the charity for the year, equally 24% of the income came from service level agreements and interest and dividend income was 12%.

During the year a gift aid donation of £144,321 (2021: £145,143) was received from DBE Services Ltd.

Significant expenditure

The charitable company employs staff to support schools in their maintenance and building projects. During the year £40,117 (2021: £38,764) was spent on directly undertaking activities in this area which includes generating voluntary income.

Additional school support is provided by staff and consultants for the development and delivery of religious education, school vision and ethos and collective worship. This may be in the form of direct support for schools or running training courses and events for the schools. During the year £443,340 of school and governor support (2021: £358,303) was spent on directly undertaking activities in this area.

Youth and children's work occur both in schools and parishes. Youth and children's work directly undertaken activities cost £181,453 (2021: £212,917).

The charitable company also supports university chaplains and this support amounted to £89,591 (2021: £101,628) of activities directly undertaken.

Balance Sheet Position

Net assets at 31 December 2022 are £5,738,000 (2021: £6,016,000) which is made up of designated funds of £3,109,000, restricted funds of £544,000 and endowment funds of £84,000 and unrestricted funds of £2,001,000.

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Within the balance sheet, and held in separate bank accounts as client funds, are the assets and liabilities relating to Barchester.

	£000
Debtors less than 1 year	2,489
Debtors greater than 1 year	140
Cash on deposit	1,200
Cash at bank	7,801
Creditors less than 1 year	(11,630)
	-

Investment policy

The charity utilises the CBF fund with CCLA for investments.

This ensures ethical investment, as investments are held in companies which have high standards of corporate governance and act in a responsible way towards stakeholders.

Unrestricted and restricted funds are invested to balance income, liquidity and the reimbursement of capital. The investment policy for long-term funds is aimed primarily at generating a sustainable income with due regard to the need for preservation of capital value.

Reserves policy

The total funds of the charitable company as at 31 December 2022 are £5,738,000, of which £544,000 are restricted and £84,000 are endowment funds.

The reserves of the company provide working capital for the activities of the Board. The Board also requires funds to be available to provide assistance to schools for their contribution to building projects and to ensure continued operation if income is disrupted.

The trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission. They have agreed to set a reserves figure equivalent of 20% of predicted income for SCA and DFC expenditure costs on behalf of schools £1,048,000 and three to six months budgeted running costs for 2022, £532,889 (six months). The total approved level of reserves is £1,580,889.

The total value of free reserves (general reserves less assets used in the charity and designated fund and any pension adjustment) is £1,473,000. The level of free reserves is £107,889 below the approved level. The directors at their summer meeting will review free reserves and designated funds along with plans for the future in order to address the free reserves position.

The level of designated funds at the year end is £3,109,000 (2021: £2,579,000). Material designated funds include the New Opportunity Fund at £344,418 for school buildings support and the Elmslie Fund at £450,914 for educational purposes in the Blackpool area.

Financial assistance and grant making policy

Organisations must make applications to the Board of Education Executive. The Executive considers these in the light of their benefit for promoting Christian education within the Diocese. Consideration is also given to the financial circumstances of the organisation applying.

Grants were less than 1% of total expenditure.

PRINCIPLE RISKS AND UNCERTAINTIES

The trustees of the charitable company have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. There is no internal audit function as it is not considered an efficient use of the resources of the charity.

They include:

- A strategic plan and annual budget approved by the trustees;
- Regular consideration by the Board of Education of financial results and variance from budgets;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

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During the year the trustees have further developed their risk management process to assess and document business risks and implement risk management strategies. This involved assessing the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. This process has drawn on the on-going consideration of business risk, which already forms a significant aspect of the trustees' duties.

An annual meeting has been put in place to review the risks of the Blackburn Diocesan Board of Education.

During the year consultants and advisers have been engaged to assist in the management of on-going work where there has been identified need.

The key risks, which may impact on the charitable company, are:

Key risks	Mitigations
Loss of grant funding from the DBF;	The company holds sufficient reserves to cope with funding shortages and would be able to restructure the business to manage such a reduction
Reduction in income from SLAs to a level not sufficient to cover running costs;	The company holds sufficient reserves to cope with funding shortages and would be able to restructure the business to manage such a reduction
A tight labour market leading to staff shortages;	Effective recruitment campaigns and reviews of employment benefits hope to tackle this need
An increase in statutory duties that cannot be recharged to schools.	Use of reserves and clarity in SLA agreements to reduce risks.

Impact on risk and risk management

The company risk register already contained income losses and actions associated with them and has been updated to include loss of income from the DBF. The company continues to be strong and anticipates that even with no DBF grant and reduction in investments and income, costs can be managed to ensure continued viability.

STRUCTURE GOVERNANCE AND MANAGEMENT

The Board of Education is a statutory body under the Diocesan Boards of Education Measure 2021. This requires every diocese to have a Board of Education which has responsibility for overseeing the work of Church Schools and being responsible for managing Education Charitable Trusts. The Board of Education was incorporated in November 1955 and is a company limited by guarantee.

Those persons who are normally referred to as members of the Board of Education are in company law the Directors of the Board and Trustees in charity law.

The Trustees present their report and audited financial statements for the year ended 31 December 2022. The Trustees and the Trustees' Report constitute the Directors and Directors' Report for Companies Act purposes.

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities SORP (Second Edition, effective 1 January 2019) and applicable accounting standards FRS102.

Organisation

The Board of Education, as defined in statute, has overall control of the activities of the Company. The Board operates with four sub-committees. The finance, staffing and resources committee is responsible for all financial matters across the work of the Board of Education. The schools work is split over two committees with school Christian ethos development considered by the Distinctiveness Committee and the other aspects of work considered by the School Strategy Committee. Parish support work is considered by the Children's and Youth Committee. The Board reports to the Diocesan Synod (Membership of the Diocesan Synod is also the membership of the Diocesan Board of Finance) annually and the Director of Education also reports to the Bishop's Council.

Method of Appointment of Trustees

The trustees are appointed in the following way:

The Chair of the Board is nominated by the Diocesan Bishop. At least 4 but not more than 5 members appointed by the Bishop, at least 4 but not more than 5 members elected by Diocesan Synod and at least 4 but not more than 5 members co-opted by the DBE

The trustees are elected by synod are elected every three years.

The Blackburn Diocesan Board of Education

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Induction and Training of Trustees

On induction there is a meeting with prospective trustees to explain their roles and responsibilities. They are advised of the structure of the Blackburn Diocesan Board of Education and associated companies.

Trustee training is provided as a need is identified.

Remuneration of key management personnel

The Board is responsible for setting the pay for the key members of staff and any annual increments are agreed by the Chair of the Board.

Custodian Trustee

The charitable company is the custodian trustee for all Voluntary Aided Church of England Schools in the Benefice area (Diocese of Blackburn) except in cases where it is the actual trustee either by right of the trustee document or following an order under S86 of the 1944 Education Act.

Under the 2021 Diocesan Board of Education Measure, the governing body or (in the case of an Academy) the proprietor of a church school which is on land in which a freehold or leasehold interest is held on trust for the purposes of a church school must obtain the consent of the DBE before entering into an agreement or arrangement in connection with an alteration to or repair the premises of the school.

TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees (as Directors) to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 surplus or deficit 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 methods and principles in the Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK 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 auditors are unaware, and
- b. we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

APPOINTMENT OF AUDITOR

The re-appointment of Haysmacintyre LLP as auditors to the BDBE will be proposed at the Annual General Meeting.

The Blackburn Diocesan Board of Education

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ADMINISTRATIVE DETAIL

The Blackburn Diocesan Board of Education Limited (by guarantee) hereafter referred to as the "charitable company" is a registered company and is registered with the Charity Commission. The company was incorporated on 30 November 1955.

The trustees, who are also directors for the purposes of company law, present their trustees' report, together with the audited financial statements, for the year ended 31 December 2022.

This report constitutes the Strategic Report and the Directors' Report required under the Companies Act 2006.

Charity Registration number	1020101
Company registration number	557954
Company Secretary	Mr S Whittaker
Directors/Trustees	Mr JMP Hewitt Miss J Snape Mr R Jones Rev Canon A Holliday Rev P R M Venables A C Abernethy Rev Canon David Arnold D L Metcalfe Venerable D A Picken Rev S Lloyd Rev C Abbott Ms Y Arshad
Chief Executive Officer	Mr S Whittaker

Appointments are made under the Diocesan Board of Education Measure 2021

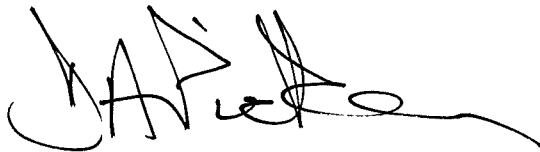
Advisers

Solicitors	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES
Bankers	National Westminster Bank 35 King William Street Blackburn BB1 7DJ
Insurers	Ecclesiastical Insurance Group Beaufort House Brunswick Road Gloucester, GL1 1JZ
Investment Advisors	CCLA Investment Management Ltd Senator House, 85 Queen Victoria Street London EC4V 4ET
Registered Auditor	Haysmacintyre LLP 10 Queen Street Place London, EC4R 1AG
Registered Address	Diocesan Office Clayton House Walker Office Park Blackburn BB1 2QE

The Blackburn Diocesan Board of Education

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By order of the board



The Venerable David Picken

Chair of the Board of Education

Blackburn Diocesan Board of Education Limited
Clayton House
Walker Office Park
BLACKBURN
BB1 2QE

18 September 2023

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

Opinion

We have audited the financial statements of The Blackburn Diocesan Board of Education for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of the charitable company's net movement in funds, including the 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 trustees are responsible for the other information. The other information comprises the information included in the Annual 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2022

- the information given in the Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report (which incorporates the strategic report and 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 by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 12, 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and the Charities Act 2011 and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and concluded that the risk was low. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and

The Blackburn Diocesan Board of Education

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- Challenging assumptions and judgements made by management in their critical accounting estimates

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.

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.



Adam Halsey
(Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors
Date: 27 September 2023

10 Queen Street Place
London EC4R 1AG

The Blackburn Diocesan Board of Education

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STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2022

	Note	Unrestricted			Endowment Funds £000	Total 2022 £000	Total 2021 £000
		General Fund £000	Designated Fund £000	Restricted Funds £000			
Income and endowments from:							
Donations and legacies	3	362	-	12	-	374	369
Charitable activities	3	490	-	23	-	513	422
Other trading activities	3	2	-	-	-	2	2
Investments	3	282	11	4	-	297	233
Total		1,136	11	39	-	1,186	1,026
Expenditure on:							
Raising funds	4	2	-	-	-	2	2
Charitable activities	5	1,139	16	15	-	1,170	1,143
Total		1,141	16	15	-	1,172	1,145
Net income/(expenditure) before Investment gains		(5)	(5)	24	-	14	(119)
Net (losses)/ gains on investments	10	(277)	-	(5)	(11)	(293)	225
Net income/(expenditure)	7	(282)	(5)	19	(11)	(279)	106
Transfer between funds	14	(536)	535	1	-	-	-
Actuarial gains/(losses) on defined benefit pension schemes	2	1	-	-	-	1	-
Net movement in funds		(817)	530	20	(11)	(278)	106
Total funds brought forward	14	2,818	2,579	524	95	6,016	5,910
Total funds carried forward	14	2,001	3,109	544	84	5,738	6,016

All activities derive from continuing activities.

The notes on pages 25 to 40 form part of these financial statements.

Details of comparative figures by fund are disclosed in note 23.

The Blackburn Diocesan Board of Education

Annual Report and Financial Statements
For the year ended 31 December 2022

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 December 2022

	2022 £000	2021 £000
Total income	1,186	1,026
Total expenditure	(1,172)	(1,145)
Operating profit/(deficit) for the year	<u>14</u>	<u>(119)</u>
Net (losses)/gains on investments	(293)	225
Actuarial loss defined benefit scheme	1	-
Net (expenditure)/income for the year	<u><u>(278)</u></u>	<u><u>106</u></u>

The Blackburn Diocesan Board of Education

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For the year ended 31 December 2022

BALANCE SHEET

at 31 December 2022

	Note	2022		2021	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	8		528		543
Investments	9		2,170		2,473
			<u>2,698</u>		<u>3,016</u>
Current assets					
Debtors (amounts receivable after more than One year £371,000 (2021: £410,000))	10	2,272		2,045	
Cash on deposit	11	3,994		3,934	
Cash at bank and in hand	11	8,499		7,691	
		<u>14,765</u>		<u>13,670</u>	
Creditors: amounts falling due within one year	12	<u>(11,590)</u>		<u>(10,523)</u>	
Net current assets			3,175		3,147
Total assets less current liabilities			<u>5,873</u>		<u>6,163</u>
Creditors: amounts falling due after more than one year	12		(135)		(147)
Net assets			<u>5,738</u>		<u>6,016</u>
Fund balances					
Endowment funds:	14		84		95
(including investment revaluation reserve of £56,256 (2021:£67,463))					
Restricted income funds	14		544		524
(including investment revaluation reserve of £29,979 (2021:£38,540))					
Unrestricted income funds:					
General funds (including revaluation reserve of £781,720 (2021:£970,102))	14		2,001		2,818
Designated funds (including revaluation reserve of £nil (2021:£nil))	14		3,109		2,579
			<u>5,738</u>		<u>6,016</u>

The notes on pages 25 to 40 form part of these financial statements.

These financial statements were approved by the board of directors and were signed on its behalf on 18 September 2023 by:



The Venerable David Picken
Chair of the Board of Education

The Blackburn Diocesan Board of Education is a company limited by guarantee registered in England and Wales (no 557954)

The Blackburn Diocesan Board of Education

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For the year ended 31 December 2022

CASH FLOW STATEMENT

for the year ended 31 December 2022

	2022 £000	2021 £000
Cash (outflow)/ inflow from operating activities		
Net (expenditure)/income	(278)	106
Net (gains)/losses on investments	303	(227)
Depreciation	25	25
Dividends and interest income	(297)	(233)
(Increase)/Decrease in debtors current assets	575	(1,233)
Decrease/(Increase) in debtors long term assets	39	36
Increase in creditors current liabilities	226	3,510
(Decrease)/Increase in creditors long term liabilities	(12)	(5)
Net cash (outflow) / inflow	<u>581</u>	<u>1,979</u>
Cash from investing activities		
Dividends and interest income	297	233
Purchase of tangible fixed assets	(10)	(3)
Purchase of investments	-	(700)
Net cash inflow/(outflow)	<u>287</u>	<u>(470)</u>
Increase/(Decrease) in cash in the year	868	1,509
Cash and cash equivalents at the beginning of the year	11,625	10,116
Cash and cash equivalents at the end of the year	<u>12,493</u>	<u>11,625</u>
Analysis of cash and cash equivalents		
	2022 £000	2021 £000
Cash on deposit	3,994	3,934
Cash at bank and in hand	8,499	7,691
	<u>12,493</u>	<u>11,625</u>

The charitable company does not have any debt and as such no reconciliation of net debt note has been presented.

NOTES TO THE FINANCIAL STATEMENTS

(forming part of the financial statements)

1 Accounting policies

Basis of preparation and going concern

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included on a market value basis, and in accordance with the Companies Act 2006, the Charities SORP (Second Edition, effective 1 January 2019) and applicable accounting standards FRS102. The charitable company manages its activities in line with income received. As a consequence, the Trustees believe the charitable company is well placed to successfully manage its risks. After making enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future and the trustees do not believe there to be any material uncertainties and as such believe the going concern basis remains appropriate. The Trustees have taken into account the effect of the Covid 19 pandemic on its operations which, will remain largely unchanged in relation to the work with schools. The Trustees believe they have sufficient reserves to allow time to adjust should grant funding for other operations reduce. Accordingly, they continue to adopt the going concern basis in preparing the Trustee's report and financial statements. The Trustees believe that the charitable company is a public benefit entity.

The principal accounting policies and estimation techniques are as follows.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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. 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 affected current and future periods.

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and the assumptions used in determining the value of the pension scheme deficit and are discussed below.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Fixed assets and depreciation

Assets with a value in excess of £500 are capitalised. Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold property	2% per annum
Re-modelling	3.33% per annum
Computers	25% per annum
Fixtures and fittings	5 - 10% per annum
Office equipment	25% per annum

The charitable company will perform annual impairment testing of assets on which depreciation is not provided in accordance with FRS 102 to determine whether residual disposal values of these assets in aggregate continue to exceed carrying value.

Fixed asset investments

Fixed asset investments are included in the balance sheet at market value and the gain or loss taken to the Statement of Financial Activities.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Debtors

Debtors are stated at amounts receivable less any provision for uncertain recoverability.

Deferred Payment Arrangements

Deferred Payment Arrangements are agreements to defer payment of the governors' liabilities on buildings projects under the Barchester Scheme.

Creditors

Creditors are stated at amounts payable.

Income:

Grants received and donations

All grants and donations are recorded as income when receivable. Where grants have conditions relating to future accounting periods they are treated as deferred income and recognised in those accounting periods. Other donations are recorded as income when receivable.

Grants received from the government on behalf of the Governors of schools are not recorded in these accounts as they are treated as being the income of the Governors of the schools. One grant is no longer allocated to the school and is for conditioning funding. This money is "paid to eligible bodies responsible for maintaining school buildings" who are the Governors. The grant is calculated using a formula largely based on the number of pupils in VA schools and the relative condition of each school building as assessed through a government survey. For the Board of Education, the allocation of funding and the prioritisation of projects is managed by and through DBE Services who involve an independent advisor to advise on the assessment of the bids. Funding is allocated on an agreed set of principles with the highest priority being keeping all schools open, warm and safe. The Board of Education has relatively little discretion in which projects to fund as this is determined by the state of the buildings.

Fees and Chaplaincy income

Fees received are recognised on an accruals basis in the period to which they relate.

Service level agreement income

From April 1999 schools have been invoiced for the support services provided by the Board of Education. Prior to this school support contributions were voluntary. Income is recognised on an accruals basis.

Arrangement fee income

From 2009 arrangement fees are payable on loans arranged for schools by the Board of Education. The arrangement fee is deferred over the life of the loan.

Investment income

Interest and dividends are recognised on an accruals basis.

Grant from Blackburn Diocesan Board of Finance

The annual grant is agreed in advance by the Blackburn Diocesan Board of Finance Limited as agreed by the Diocesan Synod. A grant of service is provided in addition to cash for the provision of finance.

Expenditure:

Grants payable

Grants payable are debited to expenditure when the charitable company has a constructive obligation to pay.

Barchester Scheme Building work

The Board of Education has traditionally been involved in helping voluntary aided church school governing bodies with projects involving major funding streams from the Department for Education (DfE). This entails paying contractors' and professional fee invoices on behalf of the governing body concerned, claiming the appropriate grant (90%) from the DfE, and collecting the governors' (and sometimes the local authority) contributions. The Board might also have agreed deferred payments arrangements to the governors (10%) to such projects. The gross turnover of such activity can amount to considerable sums, where a major new build is concerned.

The payment of such invoices is not accounted for as expenditure of the Board. Normally, the Board has received grant funding or the governors' contribution in advance, but where this is not the case it is shown as the making of short-term cash-flow deferred payments for the governing bodies concerned. These are repaid when the appropriate DfE grant and governors' contributions are received. Essentially the Board is acting as the agent of the appropriate governing body in these transactions.

The Board also acts as an agent with DfE arrangements for making 'voluntary aided school annual devolved formula capital grants' available to schools in advance of project spend or approval.

During 2022 the total expenditure was £7,914,196 (2021: £10,763,032). This expenditure has not been recognised in the financial statements of the company in line with FRS 102.23.4.

Cost of Activities

The cost of running each department of the Board is recognised on an accruals basis.

Governance and support costs

Governance costs consist of the audit fee and the cost of preparing the accounts.

Board of Education administration support costs are recognised on an accruals basis. Support costs are apportioned on a basis consistent with the use of resources.

Taxation

The Blackburn Diocesan Board of Education Limited (by guarantee) is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in independently administered funds. The amount charged in the statement of financial activities represents the contributions payable to the scheme in respect of the accounting period.

Some of the charitable company's staff are members of the Church Workers Pension Fund. The costs charged as expenditure represent the charitable company's contributions payable in respect of the accounting period, in accordance with FRS102.

Three employees are members of the Church of England Funded Pension Scheme. At 31 December 2022 the Board of Education is responsible for its own liabilities on this scheme and as such the liability is held on the balance sheet. There is no liability at 31.12.22

Fund accounting

Funds held by the charitable company are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds

This is capital, held in perpetuity to create income for specified purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Where a grant or donation is received to fund a capital item or where an asset is donated, if there is an obligation relating to the future use or retention of the relevant asset, the balance relating to that asset is held within restricted funds as long as that restriction exists. Where there is no such restriction, the income relating to the purchase of capital items is transferred to unrestricted funds in the Statement of Financial Activities.

Realised gains on schools

Realised gains on schools represent amounts which accrue to the Board of Education from the sale of church schools' land or buildings and which have been received in the period.

Unrealised gains / losses on investments

Unrealised gains and losses on investments represent the aggregate change in market value of investments since the previous balance sheet date.

Realised gains / losses on investments

Realised gains or losses on investments relate to actual gains or losses arising in the period on disposal.

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The financial statements have been prepared under the historic cost convention, with the exception of investments which are included on a market value basis, and in accordance with the Companies Act 2006, the Charities SORP (Second Edition, effective 1 January 2019) and applicable accounting standards FRS102. The charitable company manages its activities in line with income received. As a consequence, the Trustees believe the charitable company is well placed to successfully manage its risks. After making enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The Trustees have taken into account the effect of the Covid 19 pandemic on its operations which, will remain largely unchanged in relation to the work with schools. The Trustees believe they have sufficient reserves to allow time to adjust should grant funding for other operations reduce. Accordingly, they continue to adopt the going concern basis in preparing the Trustee's report and financial statements. The Trustees believe that the charitable company is a public benefit entity.

The principal accounting policies and estimation techniques are as follows.

2 Remuneration of trustees

No trustee has received remuneration from the Board of Education during the year (2021: £nil).

Expenses reimbursed to trustees during the year amounted to £nil (2021: £nil).

Staff numbers and costs

The average number of people employed during the year was 18 (2021: 20).

The average number of full-time equivalent persons employed by the charitable company during the year, analysed by category, was as follows:

	Number of employees	
	2022	2021
Director of Education	-	1
Deputy and Assistant Directors	1	1
Principal Schools Adviser	2	2
Schools Improvement Officers	1	1
Youth and Children's Chaplains/ Officers	6	8
Administration and Secretarial	8	7
	<hr/>	<hr/>
	18	20
	<hr/>	<hr/>

The aggregate payroll costs of these employees were as follows:

	2022	2021
	£000	£000
Wages and salaries	498	561
Social security costs	44	50
Other pension costs	97	40
	<hr/>	<hr/>
	639	651
	<hr/>	<hr/>

During the year no employee received a salary in excess of £60,000, in the band £60,000 to £70,000 (2021: one). Pension contributions in respect of this employee were £nil (2021: £7,881).

Remuneration of key management personnel

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the trustees, for planning, directing and controlling the activities of the charitable company. During 2022 they were:

Chief Executive officer	Stephen Whittaker
Deputy Director	Samuel Johnson

Remuneration, pensions and expenses for these employees amounted to £89,976 (2021: £154,612).

In addition to the above 18 employees (2021:20) the charitable company met some or all of the payroll costs of the following people who worked for the charitable company during the year but were paid by the Church Commissioners.

Number of persons

The Blackburn Diocesan Board of Education

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	2022	2021
University/FE Chaplains	-	1
	-----	-----
	-	1
	=====	=====

The total payroll costs during the year met by the charitable company and related to these non-employees amounted to £nil (2021: £47,527).

Pension schemes

Group Personal Pension Plan

The Blackburn Diocesan Board of Education participates in a defined contribution pension scheme. The assets of the pension scheme are held separately from those of the Blackburn Diocesan Board of Education in an independently administered fund. The pension cost charge for the year represents contributions payable by the Blackburn Diocesan Board of Education to the fund.

The Blackburn Diocesan Board of Education participates in the Defined Benefits Scheme section of CWPf 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 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.

Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. This does not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year (2022: £22,633, 2021: £21,294 plus the figures in relation to the DBS deficit highlighted in the table below as being recognised in the SoFA, giving a total charge of £22,633 for 2022 (2021: £21,294).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board having taken advice from the Actuary.

A valuation of DBS is carried out once every three years. The most recently finalised valuation was carried out as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and £7.7m was notionally transferred from the employers' sub-pools to the Life Risk Section. This increased the employer contributions that would otherwise have been payable. The overall deficit in DBS was £11.3m.

The next actuarial valuation is due at 31 December 2022.

Following the 2019 valuation, the Employer entered into an agreement with the Church Workers Pension Fund to pay a contribution rate of 45.2% of pensionable salary and expenses of £3,200 per year.

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The movement in the provision is set out below:

	2022 £000	2021 £000
Balance sheet liability at 1 January	-	-
Deficit contribution paid	-	-
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	-	-
Balance sheet liability at 31 December	<u>-</u>	<u>-</u>

* Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	December 2022 £000	December 2021 £000	December 2020 £000
Discount rate	0.00%	0.00%	0.00%

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

Church of England Funded Pension Scheme (CEFPS)

Blackburn Diocesan Board of Education participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2022: £21,015, 2021: £65,835).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following the 31 December 2018 valuation, a deficit recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

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As at 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the table below. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is nil. The movement in the balance sheet liability over 2021 and over 2022 is set out in the table below.

	2022 £000	2021 £000
Balance sheet liability at 1 January	4	9
Deficit contribution paid	(3)	(5)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	(1)	-
Balance sheet liability at 31 December	-	4

* Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. In general, these are set by reference to the duration of the deficit recovery payments but as at 31 December 2021, under accounting rules the payments are not discounted since the remaining recovery plan is less than 12 months. No price inflation assumption is needed since pensionable stipends for the remainder of the recovery plan are already known.

	December 2022 £000	December 2021 £000	December 2020 £000
Discount rate	n/a	0.0%	0.2%
Price inflation	n/a	n/a	3.1%
Increase to total pensionable payroll	n/a	-1.5%	1.6%

The legal structure of the scheme is such that if another Responsible Body fails, Blackburn Diocesan Board of Education could become responsible for paying a share of that Responsible Body's pension liabilities.

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3 Analysis of Income

	2022 £000	2021 £000
Donations and legacies		
Donations	12	12
Diocesan Board of Finance General Funds	359	337
External organisations	3	20
	<u>374</u>	<u>369</u>
Income from charitable activities		
Fees and Chaplaincy income	9	19
Sale of publications and courses	140	51
Service level agreements	279	278
Rent	85	74
	<u>513</u>	<u>422</u>
Other trading activities		
DBE Services Fees	2	2
Investment income		
DBE Services gift-aid donation (17% owned)	144	145
Dividends	147	82
Interest	6	6
	<u>297</u>	<u>233</u>

4 Fund Raising Costs

	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2022 £000	Total 2021 £000
Fundraising trading	2	-	-	2	2
Total Fund-Raising Costs	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>

5 Charitable Activities

Activity or Programme	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2022 £000	Total 2021 £000
Cost of charitable activities:					
<i>School and governor support</i>	443		221	664	482
<i>Higher and further education</i>	89	1	44	134	135
<i>Children's work</i>	72	2	36	110	80
<i>Youth work</i>	103	4	51	158	206
<i>Central - designated</i>	7	9	-	16	-
<i>School buildings support</i>	64	-	24	88	240
Charitable activities subtotal	<u>778</u>	<u>16</u>	<u>376</u>	<u>1,170</u>	<u>1,143</u>

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6 Net expenditure for the year

	2022 £000	2021 £000
These are stated after charging: Auditors remuneration	13	10
Total	13	10

7 Realised gains on schools

The Church of England Primary School at Out Rawcliffe was closed in July 2013 and the Board is currently in the process of establishing the exact terms regarding closure and use of the sale proceeds of the original Trust Deed. If this is not available, the Board will follow due process in establishing how the proceeds from the sale of the school should be used or distributed. During 2016 £298,960 was received regarding this school and is currently being held as a liability on the balance sheet. Should any other diocesan schools be closed, and the premises be sold, then the Diocesan Board of Education would normally have a claim on some or all of the proceeds.

8 Tangible fixed assets

	Buildings £000	Fixtures, fittings and other equipment £000	Total £000
Cost			
At beginning of year	616	86	702
Additions	9	1	10
Disposals	-	-	-
At end of year	625	87	712
Depreciation			
At beginning of year	97	62	159
Charge for year	17	8	25
Elim on disposal	-	-	-
At end of year	114	70	184
Net book value			
At 31 December 2022	511	17	528
At 31 December 2021	519	24	543

9 Investments

	Investment Fund £000	Fixed interest securities fund £000	Property Fund £000	Total UK investments £000
Market valuation				
At 31 December 2021	1,513	208	752	2,473
Decrease in market value	(187)	(28)	(88)	(303)
At 31 December 2022	1,326	180	664	2,170
Historic cost	1,145	224	700	669

Unlisted securities
Central Board of Finance
Church of England

Included within Total UK Investments is a 17% holding in DBE Services Limited, a non-listed company and a related party. The Board of Education holds 12 shares in DBE Services Limited valued at £12 (2021: £12).

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10 Debtors

	2022 £000	2021 £000
<i>Amounts receivable within one year</i>		
Deferred payments on school building projects	1,414	1,250
Deferred Payment Arrangements	6	18
Cidari	40	30
Other debtors	307	125
Loans	1	1
Prepayments	16	8
Accrued income	42	24
Amounts due from Diocesan Board of Finance	75	178
Amounts due from DBE Services Ltd	-	1
	<u>1,901</u>	<u>1,635</u>
<i>Amounts receivable after more than one year</i>		
Deferred Payment Arrangements	140	138
Loans	11	12
Amount owed from related party (Cidari)	220	260
	<u>371</u>	<u>410</u>

	Instalments due in one year		Instalments payable due in two and five years		Instalments due in five years or more		Total	
	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000	2022 £000	2021 £000
Deferred Payment Arrangements	10	18	74	74	62	64	146	156
Loans	1	1	4	4	7	8	12	13
	<u>11</u>	<u>19</u>	<u>78</u>	<u>78</u>	<u>69</u>	<u>72</u>	<u>158</u>	<u>169</u>

11 Deposits and cash at bank and in hand

	2022 £000	2021 £000
Bank (Current Account and Deposits)	8,499	7,691
Deposits with Central Board of Finance Church of England	3,994	3,934
	<u>12,493</u>	<u>11,625</u>

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12 Creditors

	2022 £000	2021 £000
<i>Amounts falling due within one year</i>		
Receipts in advance on behalf of boards of school governors	3,376	4,553
Monies held on behalf of schools in relation to Devolved Formula Capital (DFC)	3,946	1,719
Monies held on behalf of schools in relation to SCA Funding	2,187	1,441
Monies held on behalf of schools in relation to PSDS Funding	1,155	2,078
Other creditors	845	637
Accruals	13	21
Deferred income	68	74
Creditors falling due within one year	11,590	10,523
<i>Amounts falling due after more than one year</i>		
Education trust funds	135	143
Defined benefit pension liability	-	4
Creditors falling due after more than one year	135	147
<i>Deferred Income:</i>		
At beginning of year	74	
Recognised in year	(74)	
Deferred income 2022	68	
At end of year	68	

Deferred income is recognised as follows:

	Recognised in one year		Recognisable between two and five years		Recognisable after five years		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	£000	£000	£000	£000	£000	£000	£000	£000
Deferred income	68	74	-	-	-	-	68	74

13 Funds

	Unrestricted				Total £000
	General fund £000	Designated fund £000	Restricted fund £000	Endowment fund £000	
At beginning of year	2,818	2,579	524	95	6,016
Surplus/(deficit) of income over expenditure in the year	(5)	(5)	24	-	14
Investment gains in the year	(277)	-	(5)	(11)	(293)
Transfers between funds	(536)	535	1	-	-
Actuarial loss on pension scheme	1	-	-	-	1
At end of year	2,001	3,109	544	84	5,738

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The General Fund consists of those amounts available for the general purposes of the charitable company.

	At 1 January 2022 £000	Income £000	Expenditure £000	Net investment gains, losses and transfers £000	At 31 December 2022 £000
Designated funds					
Sponsoring academies	365	-	-	-	365
Elmslie Fund	454	6	(9)	-	451
New Opportunity Fund	347	5	(7)	-	345
Church Workers Pension Deficit	53	-	-	-	53
Admissions & Appeals	206	-	-	(39)	167
Appointments	70	-	-	(11)	59
Vision 2026	608	-	-	(170)	438
Statutory Governance	150	-	-	(24)	126
Schools causing concern	194	-	-	-	194
Digital Resources	132	-	-	(21)	111
Underwriting DBF grant	-	-	-	700	700
Youth Development	-	-	-	100	100
	<u>2,579</u>	<u>11</u>	<u>(16)</u>	<u>535</u>	<u>3,109</u>
Restricted funds					
Residential Income Fund	38	4	-	(2)	40
Education Trust Funds	49	-	-	(14)	35
Common Fund	373	12	-	4	389
Other restricted funds	64	23	(15)	8	80
	<u>524</u>	<u>39</u>	<u>(15)</u>	<u>(4)</u>	<u>544</u>
Endowment funds					
Residential Endowment Fund	95	-	-	(11)	84

The specific purposes for which the designated and restricted funds are to be applied is as follows:

The Youth Development fund - for the support of chaplaincy work.

The Academies fund - to support the sponsoring of academies.

The Elmslie fund is used for the work of the youth chaplain at Blackpool St George CE School.

The New Opportunity Fund - for school buildings support.

The Residential Endowment and Income Fund are used to support Youth Work activities.

The Common Fund was set up by schools make voluntary donations to support capital work in schools.

Church workers pension deficit – designated for use against deficits on the defined benefit pension scheme for some employed staff.

Admissions, Appointments and Appeals – designated to cover the cost of statutory expenditure for where there is no direct source of income.

Educational Trust Fund – the revaluation reserve on funds held in creditors awaiting final decision on ownership of the investment.

Vision 2026 – a designated fund has been created to enable churches and schools to fund initiatives and projects that seek to deliver the objectives of the diocese vision 2026.

Statutory Governance – this fund is to be used to underwrite the Board of Education’s statutory duties for governance in schools.

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Schools causing concern – schools falling into difficulty often require financial support and assistance this fund will enable the diocese to work in partnership with local authorities to support schools as they seek to improve.

Digital Resources – for the production of digital resources for the Board of Education and staffing to meet the target of significantly increasing digital reach.

DBF Grant – for the underwriting of the DBF Grant.

14 Share capital

The charitable company is limited by guarantee, registered in England and does not have authorised or allotted share capital. The liability of each member of the Board may not exceed £1.

15 Analysis of net assets between funds

	Tangible fixed assets £000	Investments £000	Net current assets £000	Creditors falling due after more than one year £000	Total £000
Unrestricted Funds	528	2,051	2,531	-	5,110
Restricted Fund (restricted)	-	35	644	(135)	544
Endowment fund (restricted)	-	84	-	-	84
	<u>528</u>	<u>2,170</u>	<u>3,175</u>	<u>(135)</u>	<u>5,738</u>

16 Commitments

There were no commitments in 2022.

17 Related party transactions

The company is related to Blackburn Diocesan Board of Finance Ltd who provides significant funding by way of a grant. At the year-end the balance due from this company was £170,070 (2021: £178,185). Grants received in the year from this company amounted to £359,360 (2021: £336,914) and grants paid to this company amounted to £9,375 (2021: £22,500). Recharges in the year were £24,314 (2021: £15,953).

The company is related to DBE Services Ltd by virtue of owning 17% of the share capital. There was £nil due from DBE Services Ltd (2021: £1,087) at the year end and recharges in the year were £11,009 (2021: £8,911).

The company is related to Cidari Multi-Academy Trust which was set up by both the DBE and DBF to look after Church of England schools converting to academies within the diocese. As at 31 December 2022 £259,608 (2021: £289,608) was due from this company and recharges in the year were £10,492 (2021: £9,887).

18 Financial instruments

	2022 £000	2021 £000
Financial assets measured at fair value	<u>2,170</u>	<u>2,473</u>
Financial assets measured at amortised cost	<u>15,360</u>	<u>14,511</u>
Financial liabilities measured at amortised cost	<u>-</u>	<u>-</u>
Financial liabilities measured at fair value	<u>-</u>	<u>-</u>

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19 Prior year comparative Statement of Financial Activities

	Unrestricted				2021
	General Fund £000	Designated Fund £000	Restricted Funds £000	Endowment Funds £000	Total £000
Income and endowments from:					
Donations and legacies	357	-	12	-	369
Charitable activities	399	-	23	-	422
Other trading activities	2	-	-	-	2
Investments	229	-	4	-	233
Total	987	-	39	-	1,026
Expenditure on:					
Raising funds	2	-	-	-	2
Charitable activities	1,079	37	27	-	1,143
Total	1,081	37	27	-	1,145
Net income/(expenditure) before Investment gains	(94)	(37)	12	-	(119)
Net gains/(losses) on investments	208	-	5	12	225
Net income/(expenditure)	114	(37)	17	12	106
Transfer between funds	136	(134)	(2)	-	-
Actuarial (losses) on defined benefit pension schemes	-	-	-	-	-
Net movement in funds	250	(171)	15	12	106
Total funds brought forward	2,568	2,750	509	83	5,910
Total funds carried forward	2,818	2,579	524	95	6,016

20 Prior year Fund Raising Costs

	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2021 £000	Total 2020 £000
Fundraising trading	2	-	-	2	2
Total Fund-Raising Costs	2	-	-	2	3

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21 Prior year Charitable Activities

Activity or Programme	Activities undertaken directly £000	Grant funding of activities £000	Support costs £000	Total 2021 £000	Total 2020 £000
Cost of charitable activities:					
<i>School and governor support</i>	358	-	124	482	408
<i>Higher and further education</i>	101	-	35	136	171
<i>Children's work</i>	60	-	20	80	90
<i>Youth work</i>	151	2	53	206	266
<i>Schools work - designated</i>					-
<i>School buildings support</i>	188	-	53	241	191
Charitable activities subtotal	858	2	285	1,145	1,126

22 Prior year Funds

	Unrestricted				Total £000
	General fund £000	Designated fund £000	Restricted fund £000	Endowment fund £000	
At beginning of year	2,568	2,750	509	83	5,910
Surplus/(deficit) of income over expenditure in the year	(94)	(37)	12	-	(119)
Investment gains in the year	208	-	5	12	225
Transfers between funds	136	(134)	(2)	-	-
Actuarial loss on pension scheme	-	-	-	-	-
At end of year	2,818	2,579	524	95	6,016

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For the year ended 31 December 2022

The General Fund consists of those amounts available for the general purposes of the charitable company.

	At 1 January 2021 £000	Income £000	Expenditure £000	Net investment gains, losses and transfers £000	At 31 December 2021 £000
Designated funds					
Youth and Chaplaincy	43	-	-	(43)	-
Sponsoring academies	365	-	-	-	365
Elmslie Fund	477	-	(23)	-	454
New Opportunity Fund	357	-	(10)	-	347
Church Workers Pension Deficit	53	-	-	-	53
Clayton House	2	-	-	(2)	-
Admissions & Appeals	238	-	-	(32)	206
Appointments & Appeals	80	-	-	(10)	70
Vision 2026	608	-	-	-	608
Statutory Governance	173	-	-	(23)	150
Schools causing concern	198	-	(4)	-	194
Digital Resources	156	-	-	(24)	132
	<u>2,750</u>	<u>-</u>	<u>(37)</u>	<u>(134)</u>	<u>2,579</u>
Restricted funds					
Residential Income Fund	35	3	-	-	38
Education Trust Funds	49	-	-	-	49
Common Fund	361	12	-	-	373
Other restricted funds	64	25	(25)	-	64
	<u>509</u>	<u>40</u>	<u>(26)</u>	<u>6</u>	<u>524</u>
Endowment funds					
Residential Endowment Fund	83	12	-	-	95

23 Prior year Analysis of net assets between funds

	Tangible fixed assets £000	Investments £000	Net current assets £000	Creditors falling due after more than one year £000	Total £000
Unrestricted Funds	543	2,334	2,524	(4)	5,397
Restricted Fund (restricted)	-	44	623	(143)	524
Endowment fund (restricted)	-	95	-	-	95
	<u>543</u>	<u>2,473</u>	<u>3,147</u>	<u>(147)</u>	<u>6,016</u>