



ANNUAL TRUSTEE REPORT

Including Strategic Report
And Financial Statements

FOR THE YEAR ENDED 31 MARCH 2022

Company registration number:	00198131
Country of incorporation:	England
Charity registration number:	313000
Registered office:	London Diocesan House 36 Causton Street London SW1P 4AU
Secretary:	I R M Woolf
Bankers:	Barclays Bank plc Charities & Education Team Level 27 1 Churchill Place London E14 5HP
Solicitors:	Winckworth Sherwood LLP Minerva House, 5 Montague Close, London SE1 9BB
Independent Auditor:	Haysmacintyre LLP Statutory Auditors 10 Queen Street Place London EC4R 1AG
Investment managers: (except directly held property)	CCLA Investment Management Limited The CBF Church of England Funds 85 Queen Victoria Street London EC4V 4ET M&G Securities Limited Laurence Pountney Hill London EC4R 0HH

The CBF funds are collective investment schemes regulated by the Church Funds Investment Measure 1958, as amended by the Church of England (Miscellaneous Provisions) Measure 1995 and the Trustee Act 2000. The CBF has delegated to CCLA Investment Management Limited, which is regulated by the Financial Services Authority, the investment management, administration and registration of the funds.

M&G Securities Limited is the managing agent for Charities Investment Managers Limited - both companies are regulated by the Financial Services Authority.

ANNUAL REPORT

As provided for in Statement of Recommended Practice, Accounting and Reporting by Charities (2015), the Directors have combined their Annual Charity Report with the statutory report required for companies. The report also provides information required by the Charity Commission to be included in the annual Summary Information Return.

INDEX	PAGE
Foreword	4
Overview	5-7
Strategic Report	7-16
Trustees' Report	16-25
Statement of trustees' responsibilities	25-26
Independent auditor's report	27-29
Consolidated statement of financial activities	30
Consolidated balance sheet	31
Charitable company balance sheet	32
Consolidated statement of cash flows	33
Notes to the financial statements	34-44

The London Diocesan Board for Schools has a proud history of providing the children of London with the best foundation for their longer-term flourishing. This report, once again, provides clear examples of our desire to serve our diverse populations through schools which are deeply Christian and serve the wider common good.

As we continue to respond to the consequences of covid, every Head Teacher and every clergyperson associated with our schools, has had the opportunity to think about models of leadership. We have taken much inspiration from the model of Jesus as the good shepherd. Jesus uses a Greek word for good, Kalos, which speaks of noble, caring and wonderful. These qualities are crucial in culture setting in our schools. Our dedication to our school's vision statements, and that of the LDBS, have provided an imaginative and secure framework to provide an environment of stability at a crucial time.

This need for robust stability has also guided the restructuring of the Board. Over the course of this year, the previous Board has been disbanded, new committees have been formed and a new Board has been instigated by the Bishop of London, following approval through the Diocesan and Board for Schools governance structures. In addition, Mrs Penny Roberts has been appointed as the new Director of Education for the Diocese of London. She will formally take over this role later in 2022. We are very grateful to Mr Inigo Woolf for his creative oversight of the Board as our CEO, and we wish him a very happy retirement from the summer of 2022.

This new Board structure puts us in a very good position to respond creatively to the ongoing challenges of education. Our Advisors all continue to offer expert advice to our schools as they navigate admissions, staffing, standards, SIAMS, SEN and OFSTED. In addition, we are well placed to respond to the continued call for Academisation across the sector, and we shall be developing the best and most inclusive strategies which will benefit, most importantly, the children of London, whom we are called to serve. Beyond this, we look forward too to developing a coherent strategy with the Diocese of London which seeks to grow younger, and to face the deep challenges of institutional racism which have been identified as priorities.

I do hope you enjoy reading the pages of this report. The LDBS team have navigated a year of significant turbulence with much kindness and wisdom. I am grateful for each one of them, and these pages reflect their dedication. We therefore look forward with much optimism, rooted in our identity in Jesus Christ, the Good Shepherd.



The Rt Revd Rob Wickham
Bishop of Edmonton
Chair of LDBS Board

1. ABOUT THE LDBS and CHURCH SCHOOLS

Our 2030 Vision is for every young Londoner to experience the love of God in Christ. Specifically, the London Diocesan Board for Schools (LDBS) aims to serve and support schools to be:

- Places where all can flourish *our diverse family of children and adults developing and thriving spiritually, physically, intellectually, emotionally, morally and socially.*
- Places which enable transformational futures: *academically rigorous; pupils from all faiths and none achieving excellent outcomes to give them the best opportunities in life.*
- Deeply Christian, committed to serving the common good *with the invitation of Jesus to 'life in all its fullness' at their heart (John 10:10).*

Church schools are for everyone: this principle is as important to us today as it was when the LDBS was established in 1836. Church schools in London today are diverse, inclusive and successful.

It is our privilege to lead, equip and encourage them as we serve and support education right across our thriving, diverse and vibrant diocese.

In many ways this year has been more challenging for schools, children and families than the one that went before it. Covid-19 has continued to disrupt teaching and learning and to impact on school attendance, and we are beginning to understand the long-term effects that the disruption is having on children's development and on the mental and physical health of staff and pupils alike. The LDBS team has continued to adapt the training, advice and resources that we offer.

This Annual Report sets out how our activities have made a difference to the education of children and young people within our diocese, and our vision and strategy for the future.

157 Church of England Schools in the Diocese of London

5 non-denominational academies affiliated to the diocese

7 non-denominational maintained schools affiliated to the diocese

Serving 59,000+ pupils each day

80% of Church schools are Maintained

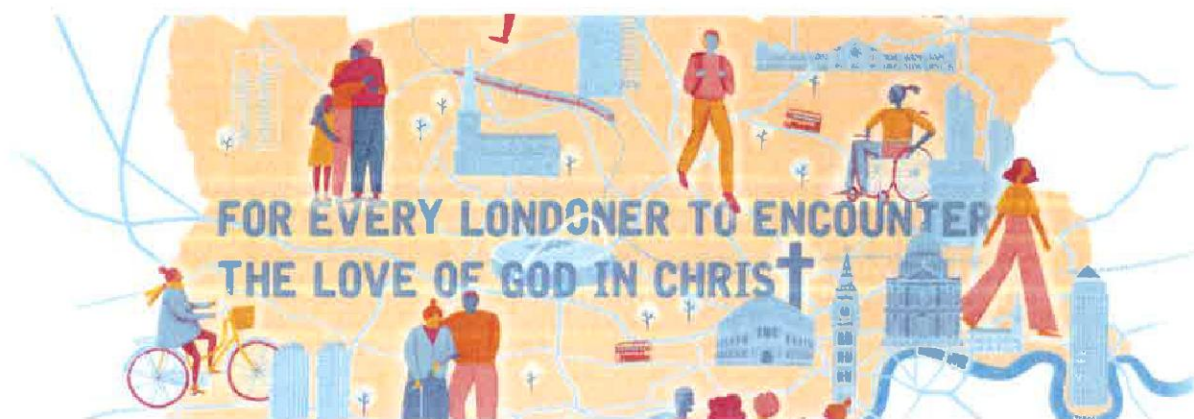
20% of Church schools are Academies

34,000 primary age pupils: Jan 22
650 fewer than Jan 21
2,300 fewer than Jan 18

23,000 secondary age pupils: Jan 22
1,000 more than Jan 21
3,500 more than Jan 18

Serving 18 London Boroughs

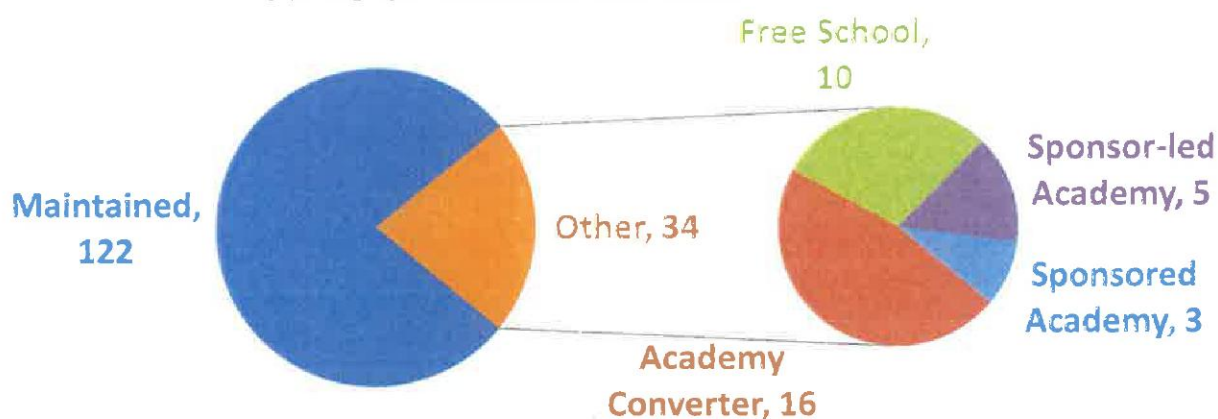
87 nursery classes: Jan 22
Serving 2,300 pre-school children
200 fewer than Jan 18



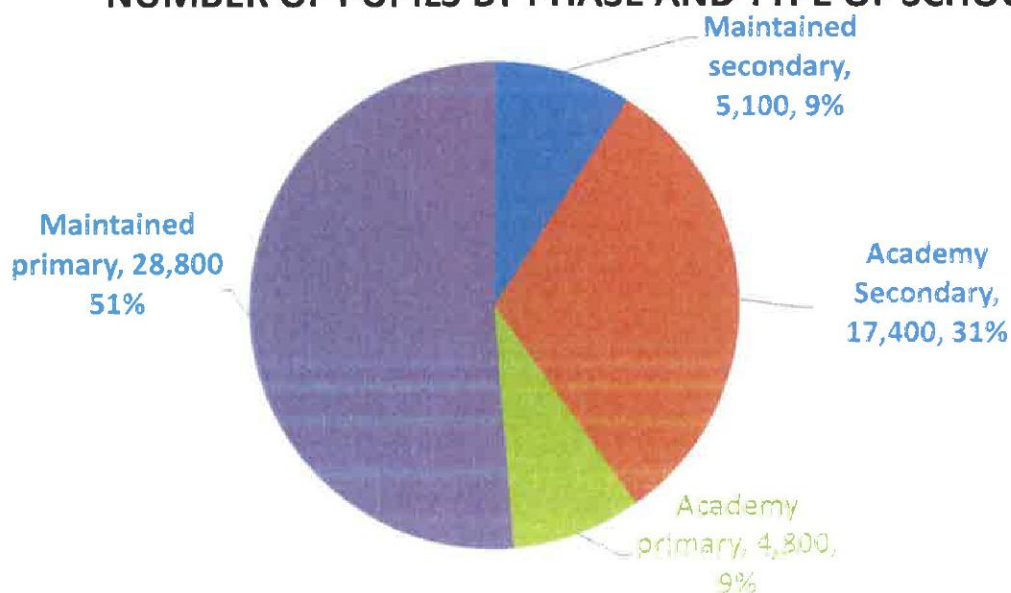
Church schools in London are diverse and inclusive

Linguistically	Ethnically	Academically	Socially
• 44% speak English as an Additional Language • 200+ languages	• 55% of pupils have a Global Majority Background • 30% have a White British background	• 2.9% have an Education Health Care Plan	• 23.7% are entitled to Free School Meals

TYPES OF CHURCH SCHOOL



NUMBER OF PUPILS BY PHASE AND TYPE OF SCHOOL



2. LDBS FUNCTIONS

The London Diocesan Board for Schools is a registered charity (charity number: 313000) that was incorporated as a company limited by guarantee on 22 May 1924. It is governed by the 2021 Diocesan Boards of Education Measure, the 2021 Diocese of London Diocesan Board of Education Scheme and the Articles and Memorandum of Association. Although the LDBS is a separate charity, it is an integral part of the Diocese of London fulfilling the statutory duties placed on the Diocese in respect of children's education. There is more detail about governance arrangements in section 6.4.

The LDBS Objects are 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.

3. STRATEGIC REPORT

3.1 Strategic Objectives

The LDBS 2021-24 strategic objectives are to:

1. Provide a joined-up and comprehensive programme of training and support for all school leaders *being responsive to emerging needs so that schools are equipped to offer transformational futures, and children and adults flourish*
2. Support schools to be 'deeply Christian, serving the common good' *to enable schools to be places which invite 'life in all its fullness' and to achieve excellent SIAMS outcomes*
3. Work with colleagues in the LDF to develop a blueprint for churches, schools and households to work together *for mutual benefit and keeping children at the centre of all we do*
4. Apply the same standards to ourselves as we apply to our schools *to make sure the LDBS continually develops as an organisation which is equipped to respond and adapt, and to support schools to do the same*

The LDBS, and our schools, work in a constantly changing climate. The ongoing disruption and long-term impact of Covid-19, and the political changes that will come from the March 2022 White Paper '*Opportunity for all*', make it more important than ever that the LDBS is an adaptable organisation that can navigate complex challenges and support schools to do the same. This means that our activity as an organisation has developed during 2021-22, and will continue to develop through 2022-23, to enable us to meet our objectives.

The summary of activity below provides a snapshot of the support that has been provided this year through the LDBS Core Service and GROW Education Partners Ltd. GROW is the traded service of the LDBS which, by offering services to all schools, seeks to serve the common good.

3.2 Provide a joined-up and comprehensive programme of training and support for all school leaders

In the year to March 2022:

1. The functions set out in the Diocesan Measure for Education 2021 have started to shape our advice and training, including:
 - Induction for new Church school headteachers
 - Incorporation into governor training
2. Increasingly diverse appointments are strengthening school leadership teams and governing bodies:
 - Ongoing reports of racism experienced by children from global majority heritage backgrounds, together with reports of safeguarding failures in schools, have raised again the importance of an active anti-racist approach including pro-active measures to increase the diversity of leadership teams.
 - More than 100 governors have attended training this year on the value and importance of building diversity of governing boards.
 - The appointments of people with global majority heritage to their first term as an LDBS governor has increased from 18% in the academic year 2018-19 to 32% in 2021-22.
 - We know that there remains a significant under-representation of people with a global majority heritage as headteachers in Church schools in the diocese and this remains a priority.
 - The LDBS has appointed a Diocesan Director of Education whose responsibilities include leadership of diversity and equality issues. She will take over from the Chief Executive when he retires in August 2021 but will retain the title of Diocesan Director of Education as this is a requirement of the Diocesan Measure for Education.
3. Well-trained teachers at all levels means that schools are well-led, now and in the future. This year:
 - A chance to return to in-person visits to schools from advisers has been welcomed by advisers and schools alike, and a wide range of leadership support activities have taken place.
 - The LDBS Initial Teacher Training programme has remained popular and successful, and is applying for reaccreditation.
 - The LDBS was appointed a delivery partner for the early career framework for Westminster Early Career Teachers, serving approximately 30 early career teachers this year.
 - A positive partnership with the Church of England Foundation for Educational Leadership has enabled the LDBS, through partner schools, to support delivery of the national suite of National Professional Qualifications (NPQs).
 - The LDBS leadership middle, senior and preparation for headship courses have remained popular. The national NPQs mean that LDBS has these courses under review for the future
 - The LDBS will be piloting a new RE leadership programme in 2022-23.
 - 73% of Church primary schools now purchase an additional school improvement support package from LDBS through GROW.
4. Well-trained operational staff means strong management of finances, personnel and premises and LDBS has supported this through:

- New termly HR conferences for school business managers in both primary and secondary schools, which have started well, with more than a quarter of Church primary school business managers joining the first event.
 - Basic HR support is provided to Church schools through the Core service. Through Grow, an additional HR service is offered to all schools (not just Church schools) and the number of schools purchasing this service has increased to 85 (from 70 in 2019).
 - The Data Protection Service is also offered to all schools through GROW, as part of our mission to serve the common good. The number of schools purchasing this service has increased to 220 (from 173 in 2019).
 - Preparation for financial leadership, which is now included in all LDBS leadership courses
 - Financial consultancy for schools, which is now available through GROW
 - Planning for the future, as the academy agenda is likely to impact on the training and support that schools need.
 - Overseeing 90 school building projects in 2021-22 with a total value in excess of £7million.
5. Well-trained governors, trustees and members strengthen governance and LDBS has supported governor training through:
- Continuing to run most governor training courses on-line. This change was forced on us at the start of the pandemic, but we have continued the pattern after noticing it resulted in increased attendance.
 - In 2021 the LDBS offered more than 30 courses to governors on a wide range of topics from the Ofsted inspection framework to valuing all God's children, and from safer recruitment to resolving parental complaints; with overall attendance totalling more than 500.
 - A new six-part training series about strategic financial leadership includes training for governors to understand school pay policies, strategic financial planning and the potential for collaborations between schools.
 - With regret, the LDBS clerking service closes in the Summer 2022; but LDBS is taking the opportunity to strengthen the support that is provided to clerks at all Church schools through training and network opportunities.
 - The recruitment of Foundation governors remains a challenge but LDBS is looking at ways to streamline the application process and taking every opportunity when speaking with churches, deaneries and the wider diocesan structures to raise awareness of vacant positions.
6. Well-trained clergy strengthen collective worship and Christian distinctiveness, and LDBS has supported clergy development through:
- A small pilot project which saw a group of second year curates placed in Church schools as part of their training.
 - We plan to build on the scheme next year and to support a school-led initiative to bring together second year curates with teachers in their second year of teaching (ECTs) for relationship and awareness building and shared learning..
 - Ensuring clergy are included in discussions about the future of Church schools within the government academy programme.
 - Bringing together headteachers and incumbents in each deanery twice a year for network events. The meetings enable sharing of best practice, relationship-building and resolution of local issues.

3.3 Support schools to be 'deeply Christian, serving the common good'

1. A consistent understanding of the C of E vision for education shapes the work of the LDBS and Church schools, and LDBS has developed this understanding through:
 - Running a conference for Headteachers on the theme of remaining anchored as individual leaders and through the Christian vision of Church schools.
2. The LDBS is led by its vision and shows it values the people it serves, and this has developed through:
 - Vision, objectives and strategic planning becoming more part of our culture and routine thinking.
 - A weekly staff prayer meeting for any who are interested.
 - A Celebration of Governance planned for Summer 2022, to thank governors.
 - A partnership with Compassionate Communities (LDF) to support the Lent Appeal (focus on the mental health of children and young people) and in providing educational resources for Refugee Week in June 2022.
 - Supporting Church schools that between them took in around 200 Afghan refugees.
3. Schools are led by their vision with opportunities for spiritual flourishing for all, and this has developed through:
 - A new template contract for staff appointed to church schools which clarifies the requirement for all staff to commit to supporting the vision of the school.
 - Training updates which reflect the entitlement statement in relation to Collective Worship.
 - Induction for headteachers new to church schools to include expectations around vision.
4. Chaplaincy in education settings has been developed through:
 - A growing network of up to 50 chaplains, including those serving in independent schools, UTCs, further education and community school settings.
5. Outreach to community schools has been developed through:
 - An increase in RE training for SCITT students to 10 hours; many go on to teach in community schools.
 - Ongoing support for SACRE and networks for RE teachers in community schools.
6. Global Christianity is celebrated through:
 - Building in racism and climate change themes to the Collective Worship calendar.
 - Supporting the ALMA partnership through the development of new KS3 lessons. ALMA (the Angola, London, Mozambique Association) is the Diocese of London's Companion Link with the Anglican Church in Angola and Mozambique.

3.4. Deepening relationships between schools, Churches and families

1. Clarity about best practice is increasing creativity and confidence in school-church engagement for mutual benefit:
 - A new web page for best practice case studies highlights a range of creative practice.
 - A new Youth Minister has been established in an all-through school.

2. Where school governance and governor appointments are supported by churches it strengthens governance:
 - There are a range of initiatives underway to support the recruitment of Foundation Governors.
 - Planning for the future, LDBS is aware that engagement from deaneries and the wider church community will be crucial as schools engage with the academy agenda.
3. Schools are increasingly praying and prayed for, and the profile of prayer is raised through:
 - Prayer Spaces for Schools information being available at the headteacher conference.
 - Sharing examples of best practice including prayer.
4. The LDBS is supporting the development of strong headteacher-clergy relationships, for mutual benefit through:
 - Biennial meetings for all headteachers and linked clergy in each deanery, supported by the Bishop of London and the Bishop of Edmonton.
 - Raising the profile of and acknowledging the importance of clergy development and school-church relationships through the introduction of an annual joint meeting of the Bishop's Council and LDBS Trustees to report on and celebrate shared initiatives.

3.5. Applying the same standards to ourselves as we expect from others

The LDBS has developed internal procedures this year so that we are better placed to serve others. Developments include:

- A governance restructure for alignment with the 2021 DBE Measure has resulted in a diverse, skilled board to help lead the LDBS into its next chapter.
- Working with the Bishop's Council of the London Diocesan Fund to implement the diocesan vision for 2030.
- The appointment of Penny Roberts as the new Diocesan Director of Education.
- An internal staff restructure to build capacity and support succession planning.
- The establishment of an Academies Working Group and prompt response to the White Paper, 'Opportunity for all', so that LDBS has time to consult and to pursue a strategy that is in the best interests of schools and children.
- Completing the migration of LDBS accounting software to the cloud.
- A review of communications.
- Development of data protection processes.

4. FINANCIAL REPORT

4.4. Overall Financial Health

There was a net inflow of funds for the year of £4.4m which increased the net assets of the LDBS to £43.5m.

The inflow of funds arose from an increase in the value of investments of which £4m arose from the revaluing the asset of the former St Matthias Primary School in Bethnal Green once the school closed in August 2021.

Cash balances remained stable at £7.5m of which £1.65m represents deposits received in advance of expenditure from schools for building maintenance and £1.3m is awaiting payment to contractors. Cash balances also include £0.9m of School Condition Allocations and £0.4m of Devolved Capital which has not yet been committed to building projects.

Net current assets exceed long term creditors by £1.156m (2021 £1.108m).

All investment properties remain let except for a building in Archer St, Soho where the tenant did not renew the lease in December 2020. Soho Parish School is using the accommodation on a temporary basis which is helping to minimise the liabilities associated with holding property assets.

Covid-19 also impacted the training activities of Grow Education Partners Ltd but expansion of other services enabled this trading subsidiary to provide gift aid to LDBS of £414k (2021: £435k).

Trading activities achieved sales of £1m for the third year running despite Covid-19.

4.5. Key Performance Indicators

4.6.

The services provided by the Board rely to a large extent on income being received before payment of suppliers on their contractual dates. Cash flow is managed actively, and daily cash reports are supplemented by regular management accounts alongside a close monitoring of work in progress on building projects.

4.6.1. Unrestricted Income and Expenditure: LDBS & Grow Education Partners Limited

Group Unrestricted income	2022	2021
	£000's	£000's
LDBS School subscriptions and sales	605	567
Grow Education sales and fees	1,117	1,071
Teaching London	709	-
London Diocesan Fund	456	429
Grants received	-	18
Interest income	1	1
Reimbursement from schools	220	211
	3,108	2,297
Grant from Uniform Schools Trust	450	400
Transfer from SCITT restricted fund	14	-
	3,572	2,697

Group Unrestricted expenditure

LDBS	2,161	2,090
Teaching London	712	-
Grow Education	703	636
	3,576	2,726
Net movement in unrestricted funds	(4)	(29)

The LDBS earns income from subscriptions and services provided to schools either directly, through Teaching London or through its trading subsidiary, Grow Education Partners Ltd. These sources of income cover three quarters of expenditure with the remainder provided by grants from the London Diocesan Fund and the Uniform Schools Trust, for which the LDBS is sole trustee.

In prior years the teacher training activities had been shown in restricted funds but following a review of accounting policies it was decided that income transferred from the accounts of the consortium of primary schools that runs the SCITT course is unrestricted. The comparative income for 2021 included in restricted funds was £746k. No prior year adjustment has been made to the accounts.

All profits from Grow Education Partners Ltd are gift aided to LDBS and this resulted in a distribution of £414k (2021: £435k).

4.6.2. Restricted Funds

Uniform Schools Trust

The Trust was established under Section 557 of the 1996 Education Act to hold the assets of schools which had been closed. The LDBS, as the sole trustee, is allowed to apply capital and income in expenditure on school sites and buildings. Income can also be applied towards the provision of advice, guidance and resources in connection with any matter related to the management of, or education provided at, any relevant school in the Diocese.

The LDBS, through the Uniform Schools Trust, also manages building projects on behalf of schools. Expenditure totalled £9.23m (2021: £17.6m) of which £0.8m (2021: £7.2m) related to the new school for the Green School for Boys in Isleworth which was delivered on time and within budget in Summer 2020.

Investment income is derived from letting former school buildings to third parties. Rents increased from £578k to £643k following the letting of the former St Matthias Primary school in Bethnal Green but this was insufficient to make up for the £150k fall in interest income to £69k as the City & Diocese of London Voluntary Schools Fund had no rental income from Soho with which to cover mortgage interest.

When the Urswick School was rebuilt in 2011, it was agreed that the Governing Body would be given time to find their 10% contribution of £2.1m. At 31 March 2021, the debtor balance was £727k and in Spring 2022, before the year end, the school brought the balance to zero. This has enabled the Uniform Schools Trust to reverse a fair value adjustment of £90k.

Reduced expenditure on investment properties enabled the Trust to increase its grant to the Education Fund from £400k to £450k. This resulted in a small deficit of £17.6k for the year but with unrealised gains on pooled investment funds of £308k the Uniform Schools Trust ended the year with resources of £31.76m

City and Diocese of London Voluntary Schools Fund

The LDBS is the sole trustee of this fund which may provide grants to schools for maintenance of school premises and to young persons under the age of 25 years who have for at least two years at any time attended a Church of England school in the Diocese of London.

The Charity is registered for VAT and holds two properties where VAT is chargeable on rents; the charity also owns some pooled investment funds.

The tenant of the property at Archer Street, Soho decided not to renew their lease and vacated at Christmas 2020. Soho Parish School has a long lease on the basement and the hall on the ground floor and it is not in the best interest of the Charity to sell the remainder of the building at the present time. Whilst agents continue to find a tenant, Soho Parish School is using the building for two year groups so as to go more space within the school for an internal reorganisation during school hours. Use of the building by the School has reduced the outgoings on the building.

The gymnasium built adjacent to Bishop Wand School, Sunbury is let to Spelthorne Gymnastics with the School having use of parts of the building during school hours. The Club has continued to pay rent and make loan repayments which allowed the Charity to pay interest on the £900k borrowed from the Uniform Schools Trust for this facility. No interest has been paid on the mortgage provided by the Uniform Schools Trust of £2.675m

The pooled investment funds held as part of the permanent endowment provide the income that funds grants for disadvantaged pupils mainly in respect of school trips. Investment income of £19k is set aside for grants and during 2021 only £5k was dispensed due to Covid-19 limiting the number of trips. Schools have planned more trips in 2022 and the Charity has awarded grants of £30k.

At the end of March 2021 the valuation of Archer Street was reduced in the value by £1.33m to £4.1m. The Board's surveyor has confirmed that no further impairment is required this year.

The net worth of the Charity remained level at £3.3m with the permanent endowment increasing in value to £1.228k and the accumulated surplus on unrestricted funds reducing by £37k to £2,083k.

Schools' Building Maintenance Scheme

The LDBS operates a buildings maintenance scheme for the governors of Voluntary Aided schools who are required to fund 10% of repairs and improvements to their buildings. The fund receives subscriptions from schools.

	2022	2021
	£000's	£000's
School Balances brought forward	720	854
School subscriptions	925	953
Interest income	1	5
	1,646	1,812
Expenditure	(151)	(142)
Contributions to building projects	(766)	(950)
School Balances carried forward	729	720

The balances brought forward represent school subscriptions brought forward and would be sufficient to fund the planned programme for maintaining schools in 2021/22 irrespective of any delays in schools making their 10% contributions.

Until April 2021, the Fund also held the devolved capital allocated to these schools until such time as funds are drawn down to cover expenditure authorised by schools. The devolved capital is now held in the Uniform Schools Trust and the comparative 2021 figures now exclude £1,864k from income and from the contribution to building projects.

5. LOOKING AHEAD TO 2022-23

a. LDBS Priorities

Particular issues for LDBS to address through the strategic objectives in the coming year include:

i) Developing a strategic response to the White Paper, 'Opportunities for all'
The LDBS has a significant leadership role to play for the Church schools in the diocese, as well as contributing to discussions with local authorities and the national church. We are developing a strategic, diocese-wide response to the expectation that all schools will be part of a strong Multi-Academy Trust by 2030. The LDBS looks forward to working with all Church schools in the diocese to seek the best for those we serve now and for years to come.

This is a significant priority. The decisions that individual schools make will have an impact on the schools themselves but also on other schools and the LDBS. The decisions that we make (to act or not to act) over the coming years will shape Church of England education in London for decades to come. Therefore, the work needs to be done collaboratively with schools.

ii) Racial equality

This remains a priority for LDBS as we continue to plan and take steps actively to identify and address institutional racism as a Board, and to support our schools to do the same. The schools we support are rich in their diversity and we believe that this diversity brings strength and opportunity. Racism and other forms of discrimination are wholly incompatible with Jesus' promise of "life in all its fullness" and our vision of human flourishing. We grieve with those in our communities at every report of discrimination, especially when it affects a child or young person, and we seek deep change that will be sustained and embedded.

iii) Support for Church schools in areas with falling pupil numbers

On average, pupils attending smaller Church schools in London achieve at least as well as pupils in larger schools. Where schools are shrinking as a result of falling rolls, pupils can continue to thrive, but the school may need additional support (for example, to restructure to remain financially viable). The LDBS will support schools to navigate the complex interplay between fragile finances and potential academisation.

iv) Support for Church schools to recover from the impact of Covid-19

It is becoming clear that the needs of many schools have changed over the last two years. LDBS will consider how best to support schools and in particular to support the learning needs of the youngest pupils whose development may have been significantly delayed, and the mental health needs of pupils and staff who have been significantly affected.

v) LDBS development

The new board and leadership team at LDBS are looking forward to overseeing the development of the organisation at an interesting time of change for the whole sector following the publication of the Schools' Bill by the Department for Education in May 2022

6. TRUSTEES' REPORT

6.4. Governance

In 2021 the Diocesan Synod for the London Diocese approved a Diocesan Board of Education Scheme under the 2021 Diocesan Boards of Education Measure, and the LDBS Board adopted new Articles of Association. Trustees are appointed by the Bishop of London on the recommendation of a Nominations Committee with members drawn from the Diocesan Synod and the LDBS.

We are indebted to the Board of 2019-21; their willingness to think creatively about the needs of the organisation enabled these significant developments in the governance of the LDBS. We also thank the Bishop's Council and Diocesan Synod for engaging with and supporting the process, and for providing sage advice and feedback as plans developed throughout 2021.

Since January 2022 the LDBS Board has comprised 12 trustees, chaired by the Rt Revd Rob Wickham, Bishop of Edmonton. The Board is diverse, with appointments based on skills, experience and a commitment to the vision and work of the LDBS.

The Board meets at least five times each year to set vision, strategy and budgets, to monitor risk, and to review progress.

The LDBS Board are Company Members, Directors and Trustees. Their liability is limited to £1 in the event of the winding up of the company.

Trustee	Other relevant roles	Term dates
The Bishop of Edmonton - Chair of the Board		Ex Officio
Paula Aitcheson-Walker	Headteacher, Christ Church CofE Primary School NW1, Camden	31.12.25
Stephanie Ajayi	Chair of Governors, The Blue CofE Primary School, Hounslow Diocese of London Racial Justice Priority Group Chair of Local Authority School Appeal Panel	31.12.25
Catherine Allard	Headteacher, John Keble CofE Primary School, Brent	31.12.25
Revd. Stephen Coleman	Vicar, St Peter's Church, Grange Park Sub-Dean Enfield Deanery Trustee, The Wren Academy Trust Governor, St Paul's CofE Primary School, Winchmore Hill Trustee, Ecclesiastical Law Society Honorary Research Fellow, St Stephen's House, Oxford	31.12.24
Monica Duncan	Headteacher, Duke Aldridge Academy Trustee, St Luke's CofE Primary School, Camden	31.12.23

Andrew Garwood-Watkins	Chair of Governors, St John & St James School, Westminster Chair, Westminster Schools Forum LDF Property Advisory Group Director, GROW Education Partners Ltd	31.12.23
Simon Judge - Vice Chair of the Board	Trustee, Kemnal Academy Trust Trustee, Volunteering Matters Trustee, The City Literary Institute	31.12.25
Carla Munoz Slaughter	Former Chair of Governors of a CofE primary school	31.12.24
Revd. Nicholas Pye	Vicar, St Paul's Church, Finchley Governor, St Mary's CofE Primary School, Finchley	31.12.23
Revd. William Rogers	Vicar, St Matthew's Church, Fulham	31.12.24
Zoe Vickerman	Governor, St Mary Abbott CofE Primary School London Diocesan Synod member Kensington Area – Bishop's Council	31.12.24

Trustees appointed in 2022 have been appointed on 2, 3 or 4-year terms to ensure that term dates are staggered. In future, Trustees will usually serve a four-year term, with an expectation that they will step down for at least two years once they have served two terms.

Of the twelve current Trustees, four served on the previous Board and eight were appointed for the first term in 2022. A further eight people have been co-opted to committees; of these six have previously served as Trustees and two were appointed for the first time in 2022. Their experience has been invaluable for supporting the transition.

In particular we are indebted to Fr Simon Clark for supporting the establishment of the Governance Committee and the transition of the Appointment Panel, and Ann George for supporting the transition of the Education Committee. The Board looks forward to welcoming Lyn Meadows to the Governance Committee and Appointment Panel and anticipates co-opting a new member to the Education Committee later in 2022 as Fr Simon and Ann step down.

We are always keen to hear from people who may be interested in being a Trustee or serving on a Committee or Working Group. In 2022-23 there are likely to be opportunities for co-options to committees and working groups.

6.5. Members' Interests

LDBS is a company limited by guarantee and members may derive no benefit, income or capital interest in the Board's financial affairs other than as reimbursement of out-of-pocket expenses. Note 5(d) to the Financial Statements, on page 29, sets out the total of expenses, if any, reimbursed to members.

6.6. Training and Induction of Trustees

Trustees were appointed on the basis of skills and experience and as a group they provide a tremendous depth and breadth of knowledge relevant to the work of the LDBS, confirmed by a skills audit carried out at the point of appointment. The LDBS will always welcome opportunities to strengthen the board further, and the overall skills balance will be considered in making future trustee appointments and committee co-options.

A comprehensive induction session was attended by all trustees in January 2022. Ongoing training and development is a priority for the Board, with a plan in place for collective and individual development activities.

6.7. Volunteers

LDBS does not make direct use of volunteers; where a former teacher is invited to assist the LDBS with supporting a school, a consultancy fee is charged either to the school concerned or to the LDBS.

6.8. Committee Overview

6.8.1. Education Committee

The Education Committee meets three times each year to determine and monitor educational policy, especially in relation to the religious education, collective worship and the Christian distinctiveness of Church schools.

Members: Catherine Allard (Chair), Rev Nicholas Pye, Zoe Vickerman, Ann George, Alero Abbey

The City & Diocese Grants Fund Panel makes grants to young people under the age of 25 who have attended a Church of England School in the Diocese for at least 2 years for educational purposes. It meets three times each year and reports to the Education Committee.

Members: Catherine Allard (Chair), Rev Nicholas Pye, Zoe Vickerman, David Richards, Rebecca Anson

6.8.2. Governance Committee

The Governance Committee was established in January 2022 in recognition of the significant role that LDBS plays in developing the quality of governance in Church schools. The committee meets three times each year to determine and monitor governance policy. Governance Committee members also serve on the Governor Appointment Panel. The Panel meets monthly to make LDBS appointments to governing bodies, trust boards, SACRE committees and other bodies to which the LDBS appoints.

Members: Paula Aitcheson-Walker (Chair), Fr Simon Clark, Rev Stephen Coleman, David Richards, Carla Muñoz Slaughter

6.8.3. Operations Committee

The Operations Committee was established in January 2022 and replaces the previous Finance and Executive Committee. It meets three times each year to determine policy and monitor financial, property and HR matters.

Members: Andrew Garwood Watkins (Chair), Stephani Ajayi, Richard Brown, Anthony David, Rev William Rogers

6.8.4. Audit and Risk Committee

The Audit Committee provides an independent view of the Board's financial affairs, internal controls and risk management. It meets two or three times each year.

Members: Simon Judge (Chair), Adrian Barrett, Monica Duncan, Elizabeth Marshall

6.8.5. Standing Committee

The Committee Chairs, together with the Chair and Vice Chair of the Board, form a Standing Committee. Meetings of the Committee can be called to consider matters of an urgent nature which cannot wait for consideration by the Board, to ensure that decisions can be made in a timely manner. The Standing Committee did not meet in 2021-22.

6.8.6. Nominations Committee

The Nominations Committee meets between July and November of any year in which a Trustee vacancy is anticipated. The committee leads the recruitment process for new trustees and makes recommendations to the Bishop of London for her appointment. The committee met in 2021 but, unless a Trustee resigns during 2022, the committee will not meet again until 2023.

Members: Four LDBS Trustees (usually the committee chairs) and two representatives of the Diocesan Synod (the Chairs of the Houses of Laity and Clergy or their representatives).

6.8.7. GROW Education Partners Ltd

The GROW board meets three times each year to review the activities of Grow Education Partners Ltd. GROW is a wholly-owned subsidiary of LDBS.

Directors: Inigo Woolf, Penny Roberts, Helen Ridding, Andrew Garwood-Watkins, Adeola Olededejo

6.8.8. Working Groups

The Board periodically establishes task-and-finish groups to enable rapid progress on specific issues, or careful monitoring of specific projects. These groups have no delegated authority to make decisions; any recommendations are reported back to the Board for consideration. In 2021 there were three such groups, relating to LDBS Communications, LDBS HR, and the issue of falling pupil rolls in schools. These groups were time-limited and reported back to the LDBS Board upon completion of their work.

In 2022 the LDBS Board has set up a group to develop and advise on strategy in relation to the academisation of Church schools in the diocese. Group membership includes Board members, LDBS staff and co-opted Headteachers.

6.9. LDBS Leadership

In January 2022, Penny Roberts was appointed as Diocesan Director of Education. Penny is working alongside Inigo Woolf, Chief Executive Officer, until he retires in August 2022.

They are supported by the Head of HR (Terri Patterson) and Managing Director of Grow Education Partners (Helen Ridding).

7 PUBLIC BENEFIT

The trustees of the LDBS have considered the guidance provided by the Charity Commission and believe that the Charity provides identifiable public benefits.

The Charity's activities are directed towards the promotion of Christian education and in particular the promotion of Church of England Schools within the Diocese of London. All these schools provide free public education and are themselves recognised charitable bodies. 59,000 children and young people are educated in these schools with pupils drawn from a wide variety of backgrounds and faiths. Around 55% of pupils are drawn from global majority backgrounds, 24% are registered as being entitled to free school meals and 2.9% have an Education Health Care Plan.

The Church of England attaches great importance to inclusivity and improving cohesion within the local communities in which schools are located and Ofsted inspections show that schools are making a very strong contribution to community cohesion with 91% assessed as good or outstanding.

The account of the Board's activities for the year shows that its resources and staffing are directed towards supporting and developing Church of England schools so that they provide a high quality of education for their pupils. Headteachers, staff and governors of these schools report that they believe the supportive activities of the LDBS are extremely helpful to them in enabling them to manage their schools well and our assessment is that schools where children are making the best progress in reading are those which have increased the support they buy from GROW. Where a school encounters difficulty or is vulnerable, the LDBS is proactive in supporting that school.

The LDBS is a member of the academy trusts it sponsors and the CEO is a non-executive director of three academy trusts.

8 RELATIONSHIPS WITH OTHER BODIES

8.1 Related Parties

8.1.1 Voluntary Aided and Voluntary Controlled Schools

Each voluntary aided school and voluntary controlled school has its own governing body with separate charitable status. The LDBS appoints a minority of the governors to the governing body of any school and as such these schools are not related parties.

8.1.2 Academies

For any Single or Multi-Academy Trust where LDBS is a Member, the LDBS is treated by ESFA as a related party. Services that can only be delivered by the diocese are deemed as meeting the 'at-cost' requirement and delivered through the Core Service. These transactions need to be declared but do not require prior approval from ESFA. Transactions which include elements of traded service require the Trust to seek prior approval from ESFA when the relevant financial thresholds are reached.

8.1.3 The Diocese of London

The LDBS is an independent charity but we share the 2030 Vision and work closely with the wider Diocese. In 2021-22 the LDBS has collaborated and strengthened links with the Compassionate Communities and the Growing Younger teams.

The London Diocesan Fund (LDF) is the body corporate for the Diocese and as such is a related party to the LDBS. Some LDBS Trustees are employed by LDF or serve on the Bishop's Council, Diocesan Synod or another diocesan committee.

The LDF makes an annual grant and provides LDBS with accommodation at London Diocesan House. The provision of accommodation and other support for payroll and information technology is treated in the financial statements as a donation in kind. Total support from the Diocese amounted to £456,000 (2021: £429,000) with a cash element of £117k (2021: £142,000).

8.2 Relationships with other stakeholders

The LDBS takes seriously its responsibility to co-operate with other bodies concerned with education in the Diocese and beyond. In particular, it will be especially important for LDBS to be communicating clearly with the wider group of stakeholders as we develop our response to the 2022 Schools White Paper: *'Opportunity for all'*. To this end, LDBS is in communication, dialogue or partnership with:

- The Church of England Education Office and other Diocesan Boards of Education across the country
- Directors of Education in the 18 Boroughs in which there are Church schools in the London Diocese
- The main Unions representing school staff
- Regional Directors, and in particular Clare Burton, Regional Director of the newly formed London Region (replacing the Regional Schools Commissioners who previously covered the diocese)

9 POLICIES

With new leadership in place from September 2022, 2022-23 will see the review of LDBS policy in a range of areas. All policies will be reviewed periodically for content, effectiveness and compliance, according to a schedule to be approved by trustees or sooner if there are changes to the statutory or advisory frameworks in which LDBS operates.

9.1 HR Policies including remuneration

This suite of policies was updated in 2021. The LDBS employs staff on terms comparable to those working in schools; in particular, the national teachers' pay scale and the pay scales used in schools for non-teaching staff.

9.2 Safeguarding Policy

The LDBS Board approved a new Safeguarding Policy in March 2022, having regard to the 2022 Guidance from the House of Bishop's *'Guidance for Diocesan Boards of Education: Identifying Safeguarding Serious Incidents and Reporting to the Charity Commission'*.

9.3 Reserves Policy

The unrestricted Education Fund reserves are held to provide working capital for the activities of LDBS. The trustees review the policy annually and consider that it remains appropriate to hold an unrestricted reserve equivalent to between three- and six-months payroll and administrative costs; it is estimated that a reserve of between £400,000 and £600,000 should suffice. During the year ending on 31 March 2022 the unrestricted reserve fell by £4k to £559k.

9.4 Investment Policy

The investment policy is reviewed annually in May and it was agreed to continue with a total return target of 7% per annum for investments with approximately 10% of net capital resources held in cash.

The total return on pooled investment funds was positive at 12.4% with income providing 4.2% and capital appreciation 8.2% (2021: 22.2% with income providing 4.5% and capital appreciation 17.7%). With investment properties valued every five years, total return for each year is not calculated.

The policy favours income producing assets as there are restrictions placed on how each trust fund can spend its capital.

At 31 March 2021 all properties were let with the exception of Archer Street in Soho.

10 MANAGEMENT OF RISK

The LDBS holds a comprehensive register of risks which is reviewed each year in March by the Audit Committee. The purpose of the review is to highlight the impact and probability of events and the management action required. Regular reports from officers to the Board and the Education, Operations and Governance Committees include updates in relation to the key risks faced by LDBS and the schools we serve.

With a relatively inexperienced Board and leadership team it is especially important that there are robust processes for understanding, planning for and reporting on risk. Strong institutional management of risk will be crucial if the LDBS is to be in a position to take the bold and creative decisions that may be needed in the future, so the leadership team is planning a review of the overall approach to risk management in 2022-23.

10.1 Strategic risk

10.1.1 Responding to political expectations

Our schools are publicly funded and our Diocesan Board of Education functions are set by parliament therefore the LDBS will always need to respond to the political climate. If the March 2022 White Paper *'Opportunity for all'* and the subsequent Schools' Bill published in May 2022 it will lead to a significant reshaping of the education landscape in England over the next decade. At the moment there are 120+ maintained Church schools in the Diocese of London. The way the LDBS leads the academisation of these schools, and the way the LDBS supports the 30+ Church academies either to grow rapidly or to amalgamate with existing or new trusts, will have a generational impact on the effectiveness of the mission of the church to the children and young people of London.

- An extensive consultation process is designed to enable the maximum possible engagement with schools and churches so as to generate the most effective solutions.
- Clear communications are being supported by a communications audit and review.
- Engagement with wider stakeholders (e.g., local authorities and other diocesan boards of education) is designed to promote collaboration wherever that is in the best interests of the children and communities we serve.
- Our objective to support the strengthening of relationships between churches, schools and families will be even more important as schools look for ways to remain rooted in their communities even as part of large academy trusts.

10.1.2 Responding to demographic changes

The number of children living in London is still reducing year-on-year, and demographic projections indicate that numbers will fall further before they stabilise. Schools are mainly funded on a per-pupil basis so schools with a falling pupil roll often find it difficult to balance their budget. Schools will need to show that they are viable as part of the due diligence process for academy conversion. Sadly, two schools in the diocese closed in August 2021 as a result of low pupil roll and one is planned to close in August 2022.

- LDBS has adapted our support offer to schools struggling with a falling roll e.g., additional support is available for financial planning and staff restructures
- Core income to LDBS is also received on a per-pupil basis, so LDBS is also looking for ways to cut costs without jeopardising our service to schools

Many schools are reporting changes in the needs of their pupil cohort as a result of the disruption caused by Covid-19. Schools are adapting to changing patterns of special educational needs, learning delays and challenging behaviour. A number of LDBS schools took in around 200 Afghan refugees and more have and continue to take in Ukrainian refugees, many suffering trauma of various kinds in addition to financial hardship and learning needs such as adjusting to an English curriculum taught in English.

- LDBS will continue to respond according to the needs that our schools tell us that they have
- Funding challenges mean that schools often cannot meet needs in the way they would wish to; support for the children with the most significant needs can jeopardise the overall efficient education of all the children on roll.

10.1.3 Appointment of governors

The LDBS is responsible for making significant numbers of appointments of volunteers to serve as Directors, Governors, Trustees and committee members of various kinds. Foundation governors are responsible for supporting and promoting the Christian distinctiveness of schools, academies and trusts. Those who serve often tell us how much they benefit from and enjoy their service but recruiting people with the commitment to serve and the skills to make a positive difference is a challenge.

- The Governance Committee is monitoring with care the proportion of appointments that are made by exception to the appointment criteria.
- LDBS officers are increasingly engaging with deaneries, churches and their communities to raise the profile of these opportunities to serve.
- The recruitment of Foundation governors remains a challenge.

10.2 Compliance risk

A refreshed approach to policy setting, monitoring and compliance (section 9) will support the management of compliance risks. This will include a review of the policy for making grants from the City & Diocese Grants Fund Panel to ensure that policy and practice are fully compliant with the terms of the trust.

A minor data breach in 2020-21 led to a review of the data protection policy in 2021-22 and ongoing monitoring by the Audit Committee to ensure that new actions and processes are embedded after initial changes.

A refreshed safeguarding policy has been approved with due regard to the guidance of the House of Bishops.

10.3 Operational risk

The LDBS relies on the LDF to provide IT support including the provision of servers. Contingency arrangements have been drawn up by the LDF if the Diocesan server is not available. These arrangements have been tested by the Diocese but not by the LDBS. Covid-19 lockdowns showed that LDBS can operate without office accommodation.

- LDBS is undertaking a review of Disaster Recovery processes to include operational continuity, communications and management of reputation in the event of a major incident.

The LDBS is in a period of transition, which brings a range of transitional risks. Several key staff, including the CEO, have recently or will soon be retiring. Both the Board and the new leadership team are relatively inexperienced in their current positions with weighty strategic risks to navigate.

- A hand-over period between the CEO and DDE is supporting the transfer of knowledge.
- A renewed culture of trust, transparency and learning should enable new teams to develop a strong sense of purpose and effective work habits.
- The Head of HR is leading the process to develop clear staff structures and role responsibilities.
- The new Board has been inducted and is taking care over its own training and development.

10.4 Financial risk

10.4.1 Funding and liquidity risks

LDBS maintains a high level of liquidity so as to be able to pay contractors in accordance with the terms of their building contracts should the Education and Skills Funding Agency, local authorities or school governors fail to provide funding within the appropriate timescale.

For routine maintenance projects for school buildings The Education and Skills Funding Agency provides grant funding in advance of payments made to contractors; for new schools or school expansions, the Local Authorities and the Education and Skills Funding Agency reimburse expenditure as it is incurred. Local Authorities do not always pay within the agreed number of days and short-term deposits need to be drawn down so that contractual payments are made on time. Consequently, there is an active management of surplus balances.

The loss of income from renting Archer Street has impacted income for 2021/22 but in 2022/23 additional sources of income should cover the shortfall within the Uniform Schools Trust..

10.4.2 Banking and Interest rate risks

LDBS invests surplus monies in short-term variable rate deposits and is thus exposed to counterparty risks; The Central Board of Finance of the Church of England which holds most of the LDBS's surplus funds adopts a conservative policy in this regard.

The LDBS has benefited from taking out, in March 2006, an unsecured 30-year fixed rate £3m loan at 5.46% per annum. Although current short term interest rates are lower, the cost is competitive for unsecured lending with a similar repayment profile; interest payments are covered by rental income.

10.4.3 Market price risk

The LDBS invests a portion of its long term capital in pooled investment funds and in property investments. It is recognised that this exposes the LDBS to market price risks and investment decisions are made with a five year time horizon such that realizations in the short term, when prices might be exceptionally low, would not need to take place.

10.5 Reputational risk

The LDBS will always be at risk of reputational damage because ultimately Church of England schools are responsible for their own decisions and actions despite. By monitoring the risks that schools face as well as the risks faced by LDBS we hope to intervene and support wherever possible to ensure that, for example, schools have good or better Ofsted and SIAMS outcomes.

11 TAXATION STATUS

LDBS is a registered charity and as such can take advantage of exemptions granted under The Corporation Tax Act 2010. It is not liable to corporation tax on charitable income or income from charitable activities.

12 ULTIMATE UNDERTAKING

The accounts accompanying this report have been prepared on the basis that the LDBS is the ultimate undertaking. However, attention is drawn to the relationship with the Diocese of London mentioned above.

13 STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of London Diocesan Board for Schools for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS102 in the United Kingdom 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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 company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that in so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

It is the view of the trustees that the company is a going concern as the assets are available and adequate to fulfil the obligations of the charity and that the accompanying financial statements comply with the Companies Act 2006, the Charities Act 2011, and the Charities SORP FRS (102).

Auditor

Hays Macintyre LLP has expressed willingness to continue in office. In accordance with Section 487(2) of the Companies Act 2006 a resolution to reappoint Hays Macintyre LLP was passed at the Trustees' meeting held on 13 July 2022.

The Trustees' Annual Report (including the Strategic Report) was approved by the Board on 13 July 2022.

On behalf of the Board



Rt Revd Rob Wickham, Bishop of Edmonton
Chair of LDBS Board
London Diocesan Board for Schools
Company number 00198131
Registered Office: 36 Causton Street, London SW1P 4AU

13 July 2022

Independent auditor's report to the members of London Diocesan Board for Schools

Opinion

We have audited the financial statements of London Diocesan Board for Schools for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows, 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 group's and the parent charitable company's affairs as at 31 March 2022 and of the group'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 group'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 Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 information given in the Trustees' 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 Trustees' 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 Trustees' 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 parent charitable company; or
- the parent 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 24, 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 noncompliance 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
- 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

10 Queen Street Place
London, EC4R 1AG

Date: 20 July 2022

LONDON DIOCESAN BOARD FOR SCHOOLS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted Funds 2022 £000's	Restricted Funds 2022 £000's	Endowment Funds 2022 £000's	Total 2022 £000's	Total 2021 £000's
<u>Income from:</u>	Notes					
Donations and grants	3a	456	20	-	476	431
Charitable activities	3b	1,535	8,950	-	10,485	18,452
Other trading activities	4	1,117	-	-	1,117	1,071
Investments	3c	-	1,087	-	1,087	1,055
Other income		-	-	-	-	-
Total		3,108	10,057	-	13,165	21,009
<u>Expenditure on:</u>						
Raising funds and investment management	5a	-	(335)	-	(335)	(610)
Commercial trading operations	4	(703)	-	-	(703)	(636)
Charitable activities	5b	(2,872)	(9,351)	-	(12,223)	(20,132)
Total		(3,575)	(9,686)	-	(13,261)	(21,378)
Net gains/(losses) on investments		(1)	4,364	70	4,433	(639)
Net income/(expenditure) before transfers		(468)	4,735	70	4,337	(1,008)
Transfers between funds	7	464	(464)	-	-	-
Net income		(4)	4,271	70	4,337	(1,008)
Other recognised gains						
Change in fair value provision of debtors	11	-	91	-	91	(23)
Net movement in funds		(4)	4,362	70	4,428	(1,031)
Reconciliation of Funds						
Fund balances at the beginning of the year		563	37,220	1,301	39,084	40,115
Net movement in funds for year		(4)	4,362	70	4,428	(1,031)
Fund balances at the end of the year		559	41,582	1,371	43,512	39,084

All incoming resources and resources expended have been derived from continuing activities. There were no other gains and losses in the year.

The accompanying accounting policies and notes on pages 34 to 44 form an integral part of these financial statements.

LONDON DIOCESAN BOARD FOR SCHOOLS

CONSOLIDATED BALANCE SHEET AT 31 MARCH 2022

	Notes	Unrestricted Funds 2022 £000's	Restricted Funds 2022 £000's	Endowment Funds 2022 £000's	Group 2022 £000's	Group 2021 £000's
Fixed assets						
Tangible fixed assets	8	16	-	-	16	22
Investments	9	-	40,969	1,371	42,340	37,954
		16	40,969	1,371	42,356	37,976
Current assets						
Finance lease receivable after more than one year	10	-	1,305	-	1,305	1,377
Finance lease receivable within one year	10	-	72	-	72	69
Trade and other debtors	11	66	261	-	327	906
Cash at bank and in hand		1,523	5,933	-	7,456	7,515
		1,589	7,571	-	9,160	9,867
Liabilities						
Creditors falling due within one year	12a	(1,046)	(4,991)	-	(6,037)	(6,673)
Net current assets		543	2,580	-	3,123	3,194
Total assets less current liabilities		559	43,549	1,371	45,479	41,170
Creditors falling due after more than one year	12b	-	(1,967)	-	(1,967)	(2,086)
Total assets		559	41,582	1,371	43,512	39,084
Funds						
Unrestricted		559	-	-	559	563
Expendable capital	15	-	41,582	-	41,582	37,220
Permanent capital	16b	-	-	1,371	1,371	1,301
Total Funds		559	41,582	1,371	43,512	39,084

These financial statements were approved and authorised for issue by the directors on 13 July 2022

Simon Judge, Director

13 July 2022

Bishop of Edmonton, Director

The accompanying accounting policies and notes on pages 34 to 44 form an integral part of these financial statements.

LONDON DIOCESAN BOARD FOR SCHOOLS

CHARITABLE COMPANY BALANCE SHEET AT 31 MARCH 2022

	Notes	Unrestricted Funds 2022 £000's	Restricted Funds 2022 £000's	Endowment Funds 2022 £000's	Total 2022 £000's	Total 2021 £000's
Fixed Assets						
Tangible fixed assets	8	16	-	-	16	22
Investments	9	-	40,969	1,371	42,340	37,954
		16	40,969	1,371	42,356	37,976
Current assets						
Finance lease receivable after more than one year	10	-	1,305	-	1,305	1,377
Finance lease receivable within one year	10	-	72	-	72	69
Trade and other debtors	11	33	261	-	294	883
Cash at bank and in hand		1,318	5,933	-	7,251	7,316
		1,351	7,571	-	8,922	9,645
Liabilities						
Creditors falling due within one year	12a	(808)	(4,991)	-	(5,799)	(6,451)
Net current assets		543	2,580	-	3,123	3,194
Total assets less current liabilities		559	43,549	1,371	45,479	41,170
Creditors falling due after more than one year	12b	-	(1,967)	-	(1,967)	(2,086)
Total assets		559	41,582	1,371	43,512	39,084
Funds						
Reserves		559	-	-	559	563
Expendable capital	15	-	41,582	-	41,582	37,220
Permanent capital	16b	-	-	1,371	1,371	1,301
Total Funds		559	41,582	1,371	43,512	39,084

These financial statements were approved and authorised for issue by the directors on 13 July 2022



Simon Judge, Director

13 July 2022



Bishop of Edmonton, Director

The accompanying accounting policies and notes on pages 34 to 44 form an integral part of these financial statements.

LONDON DIOCESAN BOARD FOR SCHOOLS

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £000's	2021 £000's
Cash flows from operating activities			
Net cash provided by operating activities	13	(1,010)	334
Cash flows from investing activities			
Dividends, interest and rents from investments		1,087	1,055
Purchase of property, plant and equipment		(6)	(10)
Proceeds from sale of investments		24	-
Net cash provided by investing activities		<u>1,105</u>	<u>1,045</u>
Cash flows from financing activities			
Repayment of borrowings		(113)	(108)
Finance lease drawdown		-	-
Interest paid		(111)	(116)
Finance lease repayments		70	67
Net cash (used in) financing activities		<u>(154)</u>	<u>(157)</u>
Net increase in cash and cash equivalents		(59)	1,222
Cash and cash equivalents at the beginning of the year		7,515	6,293
Cash and cash equivalents at the end of the year		<u>7,456</u>	<u>7,515</u>

The accompanying accounting policies and notes on pages 34 to 44 form an integral part of these financial statements.

LONDON DIOCESAN BOARD FOR SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. PRINCIPAL ACCOUNTING POLICIES

The Trustees' report and the accompanying financial statements of the charitable company limited by guarantee have been prepared in accordance with applicable Accounting Standards in the United Kingdom and the Statement of Recommended Practice, Accounting and Reporting by Charities (FRS 102).

The Accounts comply with the Charities Act 2011 and the Companies Act 2006. A summary of the principal accounting policies which have been applied consistently except as stated, is set out below.

1.1 Basis of Preparation

The Financial Statements have been prepared under the historical cost convention, as adjusted for the revaluation of investments and investment properties. The Statements are presented in Sterling (£). As discussed in the trustees' report, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts. The LDBS meets the definition of a public benefit entity.

1.2 Significant judgements and estimates

The only material judgements or estimations applied in the preparation of the financial statements relate to the depreciation on freehold property held in tangible fixed assets (note 8), investment properties which are formally valued every five years and it has been assessed that their aggregate fair value remains materially correct (Note 9a) and to the calculation of the fair value provision in debtors (Note 11). There are no other material judgements or estimates in the preparation of these financial statements.

1.3 Basis of Consolidation

The financial statements aggregate the Statements of Financial Activities and Balance Sheets of the Funds held under the LDBS's control namely:

Education Fund	unrestricted fund
Grow Education Partners Limited	wholly owned trading company
Uniform Schools Trust	restricted fund
Uniform Schools Trust - Schools Building Projects	restricted fund
School Centred Initial Teacher Training Course	restricted fund
Schools Buildings' Maintenance Scheme	restricted fund
City and Diocese of London Voluntary Schools Fund	sole trustee of a permanent endowment
David Greig 1949 Trust	sole trustee of a permanent endowment
Uxbridge Lecturers House Fund	sole trustee of a permanent endowment
St John's CofE School, Bethnal Green - Mrs May Hollings Fund	sole trustee
St Jude and St Paul Mildmay Park Trust	sole trustee
St Matthias School, Bethnal Green (a closed school)	sole trustee

The LDBS is Trustee for a number of schools; the assets of the schools concerned are not included in the financial statements until such time as the school is closed and the site is available for sale.

1.4 The Charity and its Subsidiary Undertakings

The Group financial statements consolidate the financial statements of the Charity and its wholly owned subsidiary undertaking, Grow Education Partners Limited (Company No: 2874636) drawn up to 31 March each year.

The Charity balance sheet excludes the assets and liabilities of Grow Education Partners Ltd but does include the investment in Grow Education partners Ltd which is held at cost (£100).

1.5 Tangible Fixed Assets and Depreciation

Depreciation is calculated on a straight-line basis and aims to write down the cost of tangible fixed assets other than freehold property over their expected useful economic lives of four years. Following a re-organisation of property assets that took place on 31 March 2020, the freehold property was transferred to investment property, to better reflect its on-going useage. It had previously been held at its 2015 fair value within tangible fixed assets.

LONDON DIOCESAN BOARD FOR SCHOOLS

Items are capitalised at historical cost except those costing less than £250 except for the PGCE SCITT course where expenditure is written off against specific capital grants received.

1.6 Receivables due from Schools

Where schools require more than twelve months to pay off building project balances, an estimate is made of the realistic timescale for repayment; a fair value adjustment is calculated based on the present value of estimated future cash flows discounted at the gross redemption yield of a government stock with a similar repayment date.

1.7 Fixed Asset Investments

The Uniform Schools Trust holds investment property originally vested in it in respect of schemes created under various Education Acts. Investment property held in this and in sole trustee funds is included in the financial statements at estimated open market value in accordance with FRS102. Depreciation is not provided in respect of freehold investment properties. This treatment is contrary to the Companies Act 2006, which states that fixed assets should be depreciated, but is, in the opinion of the trustees, necessary in order to give a true and fair view of the financial position of the Company and Group. All investment property is held at fair value at each balance sheet date.

Investments are included at market value and the original cost is shown in a note to the accounts. All changes in value are reported in the Statement of Financial Activities.

A lease held as an operating lease has been classified as a finance lease. Interest has been calculated and is being paid on the premise that the lease is cancelled at end of October 2036.

1.8 Finance Leases

Finance leases are leases in which substantially all the risks and rewards of ownership other than legal title, are transferred to the lessee. Assets acquired and held for use under finance leases are presented as a debtor at an amount equal to the investment in the lease. Finance income is subsequently recognized at a constant periodic rate of return on that net investment.

1.9 Financial Instruments

All financial assets and liabilities are of a kind that qualify as basic financial instruments; these instruments are initially recognized at transaction and subsequently measured at their settlement value.

1.10 Incoming Resources

(a) Donations and grants

Donations, other than grants from charitable organisations, are recognised when received.

Donated services from the London Diocesan Fund are included in income at a valuation, which is an estimate of the financial cost borne by the donor, with a quantifiable and measurable value to the charity. An equivalent amount is charged as expenditure.

All the trustees of the Charity are volunteers and the value of the time they spend supporting the Charity is not measured.

(b) Charitable activities

Grants receivable from the Education and Skills Funding Agency and Local Authorities are credited to income in the year in which the related expenditure is incurred; an estimated sum is included in the financial statements for grants not agreed at the end of the financial year. Contributions due from school governors and other grants are treated in the same way.

An estimate of future income is included in the financial statements for claims not able to be made prior to the year-end, but relating to expenditure which was incurred before the year-end.

Other grants received for specific activities includes unspent capital held for voluntary aided schools devolved by the Department for Education. These grants have been pooled by schools within the Schools' Buildings Maintenance Scheme. Policy guidance issued by the Education and Skills Funding Agency indicates that the grants are repayable if not used within three years. Grants received in excess of expenditure incurred in the year are treated as deferred income. These grants are accounted for on a first in first out basis.

LONDON DIOCESAN BOARD FOR SCHOOLS

(c) Other trading activities

Subscriptions received by Grow Education Partners Limited for the academic year beginning 1 September are recognised as income evenly over three terms.

(d) Investments

Investment income includes rental income, receivable during the year, and dividends and interest when received.

1.11 Expenditure

Resources expended, including grants, are included in the Statement of Financial Activities on an accruals basis. The LDBS is not registered for VAT whereas Grow Education Partners Limited and the City & Diocese of London Voluntary Schools Fund are registered for VAT.

- Raising funds and investment management funds

The cost of generating funds includes all costs relating to the raising of funds and the management of the properties included in these financial statements and professional fees incurred as trustee of a number of schools.

- Charitable activities

Grants made to schools/individuals are recognised only when the conditions attaching to the grants have been met.

Overheads are allocated where possible to the relevant charitable funds. Where expenditure cannot be specifically allocated, costs are apportioned between funds based on estimated time spent by staff. No administrative charges are levied on the subsidiary company, Grow Education Partners Limited or on the sole trustee funds including the City & Diocese of London Voluntary Schools Fund.

Costs include those incurred by Trustees in connection with the administration of the charity including audit costs. Staff costs relating to the preparation of reports for meetings of Trustees and the statutory accounts are apportioned on a time basis.

The value of accrued holiday pay at the year end is calculated but no provision is made as the amount is immaterial.

1.12 Pensions

- Defined benefit scheme

All eligible permanent employees are given the opportunity to join the Church of England Defined Benefits Scheme, which is administered by the Church of England Pensions Board. The contribution rate paid by the LDBS in 2022 was 30% up to 31 December 2021 and 35.2% from 1 January 2022 (2021: 30%) of salary plus expenses of £9,500 (2021: £8,600).

Due to the nature of this scheme, the LDBS is unable to identify its share of the underlying assets and liabilities. In accordance with the provisions of Section 28 of FRS 102 the scheme is treated as a defined contribution scheme. As a result the pension costs charged to the Consolidated SOFA in the year are contributions payable towards the benefits and expenses accrued in that year, plus any impact of deficit contributions. There are no deficit recovery payments which need to be recognized as a liability in the financial statements.

- Other

Some staff have reached agreement to join or remain in alternative pension schemes to which LDBS contributes.

1.13 Restricted Funds

Restricted funds are to be used for specified purposes laid down by the donor / granting body. Expenditure for those purposes is charged to the fund together with a fair allocation of overheads and support costs.

1.14 Transfers

Grants between funds for internal purposes are treated as transfers in the Statement of Financial Activities (SOFA). Other grants are included in charitable activities in the SOFA.

LONDON DIOCESAN BOARD FOR SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2 NET INCOME/(EXPENDITURE) FOR THE YEAR IS STATED AFTER CHARGING:

	Unrestricted	Restricted	2022 Total	Unrestricted	Restricted	2021 Total
	£000's	£000's	£000's	£000's	£000's	£000's
Auditor's remuneration:						
- the statutory audit - LDBS	26	1	27	28	1	29
- the statutory audit - trading subsidiary	4	-	4	4	-	4
- non-audit services	-	-	-	-	-	-
Depreciation on freehold and leasehold properties	-	24	24	-	24	24
Depreciation on fixtures, fittings and equipment	11	-	11	13	-	13

3 INCOME FROM:

	Unrestricted	Restricted	2022 Total	Unrestricted	Restricted	2021 Total
	£000's	£000's	£000's	£000's	£000's	£000's
(a) Donations and grants						
Grant from London Diocesan Fund (see note 14)	456	-	456	429	-	429
Spelthorne Gymnastics	-	19	19	-	1	1
HMRC tax relief on gift aid donations	-	1	1	-	1	1
	456	20	476	429	2	431

(b) Charitable activities

Grants and contributions receivable from Education & Skills Funding Agency, Local Authorities and other public bodies	-	7,903	7,903	18	15,725	15,743
Sales, fees and subscriptions	1,315	925	2,240	567	975	1,542
Reimbursement from schools	220	122	342	211	956	1,167
	1,535	8,950	10,485	796	17,656	18,452

(c) Investments

Distributions from unlisted pooled investment funds	-	195	195	-	176	176
Rental income from investment properties	-	849	849	-	824	824
Interest on cash deposits	-	43	43	1	54	55
	-	1,087	1,087	1	1,054	1,055

4 NET INCOME FROM NON CHARITABLE TRADING ACTIVITIES OF SUBSIDIARIES

The Charitable Company owns the entire issued ordinary share capital of £100 of Grow Education Partners Limited, a company registered in England & Wales (Company No:2874636). The principal activity is the provision of consultancy services to schools.

	2022 £000's	2021 £000's
Turnover	1,117	1,071
Cost of sales	(699)	(632)
Gross profit	418	439
Administrative expenses	(4)	(4)
Net profit	414	435
Gift Aid to LDBS	(414)	(435)
Balance added to reserves	-	-

Aggregate total liabilities and aggregate total assets are both £236k (2021: £217k)

LONDON DIOCESAN BOARD FOR SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

5 EXPENDITURE ON:

	Unrestricted	Restricted	2022 Total	Unrestricted	Restricted	2021 Total
	£000's	£000's	£000's	£000's	£000's	£000's
(a) Raising funds and investment management						
Investment property expenses	-	153	153	-	368	368
Professional fees for investment and trust properties	-	71	71	-	126	126
Bank loan interest	-	111	111	-	116	116
	-	335	335	-	610	610
(b) Charitable activities						
Grants to schools (see details in Note 5(c))	-	211	211	-	230	230
Grants to individuals through the City & Diocese of London Voluntary Schools Fund (see Note 16)	-	30	30	-	5	5
School building works and repairs	-	8,863	8,863	-	16,975	16,975
Salaries, social security and pension costs (see note 6)	1,984	82	2,066	1,757	267	2,024
PGCE SCITT course delivery costs	371	-	371	-	449	449
Depreciation -investment assets	-	24	24	-	24	24
Support costs:						
Depreciation -fixed assets	11	-	11	13	-	13
Occupancy costs	295	-	295	287	21	308
Audit fees	30	1	31	32	1	33
Other costs	181	140	321	1	70	71
	2,872	9,351	12,223	2,090	18,042	20,132
(c) Grants made to Schools						
St Jude & St Paul's School, Mildmay Park	-	96	96	-	127	127
Greig City Academy	-	-	-	-	-	-
Holy Trinity School, Dalston	-	77	77	-	72	72
St John's School, Bethnal Green	-	31	31	-	24	24
St George the Martyr School, Holborn	-	7	7	-	7	7
	-	211	211	-	230	230

(d) Trustees' expenses

Travel expenses of £54 were reimbursed to Trustees (2021: Nil).

As permitted by LDBS's Articles and Memorandum of Association the resources expended by the charity include £36,590 (2021: £33,264) in respect of indemnity insurance for the trustees and officers.

	2022 £000's	2021 £000's
6 STAFF COSTS		
Wages and salaries	1,797	1,717
Social security costs	211	195
Pension costs	389	391
	2,397	2,303

The average number of staff employed by the company, including contracted part time staff on a full time equivalent basis was:

Statutory advice and corporate	16	16
Primary trading and non statutory support	15	15
	31	31
Average number of employees	46	47

The number of employees whose gross salary for the year exceeded £60,000 are as follows:

£60,001 - £ 70,000	2	3
£70,001 - £ 80,000	2	1
£80,001 - £ 90,000	6	5
£90,001 - £100,000	3	4

Aggregate employer pension contributions for the employees above were £192,300 (2021: £209,600), payable to defined benefit schemes, Church Workers Pension Fund for two (2021: three) employees and Teachers' Pension Scheme for seven employees.

£411k of staff costs allocated to trading activities (2021: £339k) and £1,986k allocated to charitable activities (2021: £1,964k).

The total amount of employee benefits, including health insurance, received by the Leadership team was £365k. (2021: £324k).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

7 TRANSFERS BETWEEN FUNDS

The Uniform Schools Trust (Restricted Fund) made a grant to the Education Fund (Unrestricted) of £450k (2021:£400k). The restricted SCITT fund was wound up and the accumulated balance of £14k transferred to unrestricted funds.

8 TANGIBLE FIXED ASSETS

Group and Charity	Fixtures, Fittings & Equipment			Total
	1 April 2021	Additions	Disposals	31 March 2022
	£000s	£000s	£000s	£000s
Cost	128	6	(37)	97
Depreciation	(106)	(11)	36	(81)
Net book value	22	(5)	(1)	16

Group and Charity	1 April 2020			31 March 2021
	£000s	Additions	Disposals	£000s
	£000s	£000s	£000s	£000s
Cost	140	10	(22)	128
Depreciation	(113)	(13)	20	(106)
Net book value	27	(3)	(2)	22

9(a) INVESTMENTS AT MARKET VALUE

	Restricted Funds	Endowment Funds	2022 Total	Restricted Funds	Endowment Funds	2021 Total
	£000's	£000's	£000's	£000's	£000's	£000's
Unlisted						
Central Board of Finance of the Church of England (CBF)						
- Investment fund	1,128	608	1,736	1,062	561	1,623
- Property fund	729	104	833	634	91	725
- Global Equity Income fund	-	121	121	-	111	111
M&G Charifund	2,291	-	2,291	2,135	-	2,135
	4,148	833	4,981	3,831	763	4,594
Freehold Properties						
Moreton Street SW1	2,450	-	2,450	2,450	-	2,450
School House, Johns Mews WC1	2,420	-	2,420	2,420	-	2,420
Half Acre, Brentford TW8	1,070	-	1,070	1,070	-	1,070
Bishops Avenue SW6	11,600	-	11,600	11,600	-	11,600
Fulham High Street, SW6	3,400	-	3,400	3,400	-	3,400
West End Lane NW3	2,800	-	2,800	2,800	-	2,800
35 Treadgold Street, W11	581	-	581	581	-	581
Friern Barnet Scout Hut NW11	340	-	340	340	-	340
St Jude's School, King Henry's Walk N1	1,500	-	1,500	1,500	-	1,500
St Jude's Cottages, King Henry's Walk N1	926	-	926	926	-	926
St Matthias School, Bethnal Green (closed school)	4,024	-	4,024			
13/14 Archer Street W1	3,562	538	4,100	3,562	538	4,100
	34,673	538	35,211	30,649	538	31,187
Leasehold Property						
Long lease of land at Sunbury	90	-	90	90	-	90
Gymnasium at Sunbury	2,174	-	2,174	2,174	-	2,174
Less depreciation	(116)	-	(116)	(91)	-	(91)
	2,148	-	2,148	2,173	-	2,173
Investments at Market Value	40,969	1,371	42,340	36,653	1,301	37,954

The former St Matthias School, Bethnal Green was valued by Dalton Warner Davis LLP, Chartered Surveyors on 31 March 2022. The other freehold investment properties and the freehold operational property were valued on an open market basis as at 31 March 2020 by Dalton Warner Davis LLP, Chartered Surveyors. The leasehold property is stated at cost less depreciation.

The property at 13/14 Archer Street, acquired with vacant possession in June 2004, and the land and gymnasium at Sunbury are held by the City & Diocese of London Voluntary Schools Fund, which has given a mortgage to the Uniform Schools Trust as security for inter-fund indebtedness. The amount outstanding at 31 March 2022 is £3.575m (2021: £3.575m).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

9(b) INVESTMENTS AT COST			2022			2021
	Restricted Funds	Endowment Funds	Total	Restricted Funds	Endowment Funds	Total
	£000's	£000's	£000's	£000's	£000's	£000's
Unlisted						
Central Board of Finance of the Church of England (CBF)						
- Investment fund	367	50	417	386	50	436
- Property fund	526	75	601	526	75	601
- Global Equity Income fund	-	53	53	-	53	53
M&G Charifund units	2,083	-	2,083	2,083	-	2,083
	2,976	178	3,154	2,995	178	3,173
Property	6,823	262	7,085	6,823	262	7,085
All investments are held in the United Kingdom.	9,799	440	10,239	9,818	440	10,258

10 FINANCE LEASE RECEIVABLES

A finance lease was provided to Wren Academy for the construction of a sixth form centre with an anticipated redemption date of 31 October 2036. Amount drawn down £1.25m

A finance lease was provided to Spelthorne Gymnastics for the provision of mechanical and electrical works with an anticipated redemption date of 31 March 2037. Amount drawn down £200k

A second finance lease was provided to Spelthorne Gymnastics for fitting out works with an anticipated redemption date of 31 March 2038. Amount drawn down £250k.

Group and Charity repayments	2022	2021
	£000's	£000's
under one year	71	70
one to five years	310	299
later than five years	995	1,147
	1,376	1,516

11 TRADE AND OTHER DEBTORS	Group	Charity	Group	Charity
	2022	2022	2021	2021
	£000's	£000's	£000's	£000's
Outstanding claims				
- Department for Education & local authorities	6	6	102	102
Amounts due from schools	144	111	718	695
Trade debtors	173	173	86	86
Other debtors (comprise loans to employees)	4	4	-	-
	327	294	906	883

In 2021 there was a fair value provision of £91k set against a school debtor of £809k; the amount due was repaid in 2022.

12 CREDITORS	Group	Charity	Group	Charity
	2022	2022	2021	2021
	£000's	£000's	£000's	£000's
12(a)- Amounts falling due within one year				
Trade creditors	1,818	1,802	2,921	2,893
Other creditors	19	19	29	29
Loan repayments	118	118	113	113
Accruals and deferred income	4,082	3,860	3,610	3,416
	6,037	5,799	6,673	6,451

Accruals and deferred income include amounts of £4.1m (2021: £3.9m) in respect of grants and contributions received in advance of related expenditure being incurred. £2.2m (2021: £2.3m) of the preceding year balance was released in the current year.

LONDON DIOCESAN BOARD FOR SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

12 CREDITORS continued

	Group 2022 £000's	Charity 2022 £000's	Group 2021 £000's	Charity 2021 £000's
12(b)- Amounts falling due after one year				
Loan repayments				
due within 1 to 2 years	124	124	119	119
due within 2 to 5 years	407	407	389	389
due thereafter	1,436	1,436	1,578	1,578
	1,967	1,967	2,086	2,086

- A term loan from Barclays forms part of the liabilities of the restricted Uniform Schools Trust fund- final repayment 2036.
- An interest free loan of £200,000 was provided by the London Marathon Trust to City & Diocese of London Voluntary Schools Fund in 2016-17 repayable in 114 equal monthly instalments from 31 May 2017.

13 NOTES TO THE CASH FLOW STATEMENT

Reconciliation of net income/(expenditure) to net cash flow from operating cash activities	2022 £000's	2021 £000's
Net income for the year as per the Statement of Financial Activities	4,337	(1,008)
Depreciation charges	35	37
Losses/(Gains) on investments	(4,434)	640
Dividends, interest and rents from investments	(1,087)	(1,055)
Interest paid	111	116
(Increase)/ Decrease in debtors	670	2,069
Increase/ (Decrease) in creditors	(642)	(465)
Net cash inflow/(outflow) from operating activities	(1,010)	334

14 TRANSACTIONS WITH RELATED PARTIES

The London Diocesan Fund and the London Diocesan Board for Schools are separate charities but various diocesan bodies appoint the majority of the directors of the two companies. A number of members are directors of both charities. In addition Inigo Woolf, acting in a personal capacity, is a director of the London Diocesan Fund.

A number of directors are governors and/or employees of schools which buy services from LDBS and its subsidiary, Grow Educational Partners. There are no significant purchases or sales which require disclosure.

The London Diocesan Fund provides office, computer support and payroll facilities to the LDBS. Although no charge is made for this support, the financial statements reflect the value of the donation under the heading London Diocesan Fund grant with an equivalent cost shown under the cost of charitable activities. The amount included in the Accounts is £339,000 (2021: £287,000). In addition the London Diocesan Fund employed the Chair of the Board from 1 September 2020 until 31 December 2021 and during this period reduced the cash grant paid to the London Diocesan Board for Schools.

The cash grant provided by The London Diocesan Fund during the year was £117,064 (2021: £141,964). In addition the Fund reimbursed LDBS 11,886 (2021: £15,265) and recharged expenses of £2,039,000 (2021: £1,925,000). The balance owed to London Diocesan Fund at 31 March 2022 was £nil (2021: nil).

The LDBS has taken advantage of the exemptions available under FRS 102 "Related Party Disclosures" not to disclose transactions between it and its trading subsidiary, Grow Education Partners Limited, registered address 36 Causton Street, London SW1P 4AP.

The accounts have been prepared on the basis that the LDBS is the ultimate undertaking.

The LDBS received £10,486 (2021: £10,486) from LDBS Academies Trust; Nil (2021: Nil) was paid to the LDBS Academies Trust. In addition LDBS Academies Trust paid £13,677 (2021: £16,726) to Grow Education Partners Limited and received nil (2021: Nil). LDBS Academies Trust 2 paid nil to Grow Education Partners Limited (2021: £3,375). No balances were outstanding at the year end.

St Michael's School, Camden Town sponsors the LDBS SCITT PGCE Course and receives grants for students from the Education and Skills Funding Agency and Student Loans Company. The LDBS drew down £580,000 from St Michael's SCITT Account (2021: £510,000) as and when funds are needed/become available. In addition the sponsor paid rent to the Uniform Schools Trust of £100,000 (2021: £120,000).

LONDON DIOCESAN BOARD FOR SCHOOLS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

15 RESTRICTED FUNDS

	Balance 1 April 2021	Incoming Resources	Resources Expended	Transfers	Recognised gains/(losses)	Balance 31 March 2022
	£000's	£000's	£000's	£000's	£000's	£000's
Schools Building Maintenance Fund	720	1,915	(151)	(1,755)	-	729
PGCE SCITT/School Direct Course	14	-	-	(14)	-	-
Sole Trustee Funds -see note 16(a)	36,486	8,141	(9,535)	1,306	4,455	40,853
	37,220	10,056	(9,686)	(463)	4,455	41,582
Balance 1 April 2020	854	2,821	(142)	(2,814)	-	720
Schools Building Maintenance Fund	30	560	(576)	-	-	14
PGCE SCITT/School Direct Course	37,284	15,269	(17,873)	2,414	608	36,486
Sole Trustee Funds (see note 16)	38,168	18,650	(18,591)	(400)	608	37,220

16 SOLE TRUSTEE FUNDS

16(a) Restricted Funds

	Balance 1 April 2021	Incoming Resources	Resources Expended	Transfers	Recognised gains/(losses) & fair value adjustments	Balance 31 March 2022
	£000's	£000's	£000's	£000's	£000's	£000's
Uniform Schools Trust	31,383	7,880	(9,233)	1,337	398	31,765
City & Diocese of London	-	-	-	-	-	-
Voluntary Schools Fund	2,120	112	(121)	(28)	-	2,083
David Greig Trust 1949	-	3	-	(3)	-	-
Uxbridge Lecturer's Fund	3	1	-	-	-	4
St John's School, Bethnal Green	388	11	(31)	-	32	400
St Jude & St Paul Mildmay Park	2,592	110	(111)	-	-	2,591
St Matthias's School Bethnal Green	-	24	(39)	-	4,025	4,010
	36,486	8,141	(9,535)	1,306	4,455	40,853
Balance 1 April 2020	31,004	14,864	(17,556)	2,591	480	31,383
Uniform Schools Trust	3,329	280	(160)	(174)	(1,155)	2,120
City & Diocese of London	-	3	-	(3)	-	-
Voluntary Schools Fund	2	1	-	-	-	3
David Greig Trust 1949	335	11	(25)	-	67	388
Uxbridge Lecturer's Fund	2,614	110	(132)	-	-	2,592
St John's School, Bethnal Green	37,284	15,269	(17,873)	2,414	(608)	36,486
St Jude & St Paul Mildmay Park						

Transfers to/(from) Uniform Schools Trust comprise

	2022	2021
Transfer of subscriptions from Schools Building Maintenance Fund	766	950
Transfer of devolved capital from Schools Building Maintenance Fund	989	1,864
Transfers from other sole trustee funds	32	177
Transfer from Uniform Schools Trust to unrestricted funds	(450)	(400)
	1,337	2,591

16(b) Permanent endowment funds:	Balance 1 April 2020	Recognised gains/(losses)	Balance 31 March 2021	Balance 1 April 2021	Recognised gains/(losses)	Balance 31 March 2022
	£000's	£000's	£000's	£000's	£000's	£000's
City & Diocese of London	1,254	(84)	1,170	1,170	59	1,229
Voluntary Schools Fund	16	4	20	20	2	22
Uxbridge Lecturer's Fund	85	26	111	111	9	120
David Greig trust 1949	1,355	(54)	1,301	1,301	70	1,371

The balance on the City & Diocese of London Voluntary Schools Fund includes a 13.125% interest in the property at 13/14 Archer Street (see note 9a).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

16 SOLE TRUSTEE FUNDS continued

Uniform Schools Trust (Established 1996)

The Trust was established under Section 557 of the 1996 Education Act. The Trustee may apply capital and income in expenditure on school sites and buildings. The Trustee may also apply income in or towards the provision of advice, guidance and resources (including materials) in connection with any matter related to the management of, or education provided at, any relevant school in the Diocese.

The City & Diocese of London Voluntary Schools Fund (Established 1813)

This charity (registered no 312259) may provide grants to schools for maintenance of school premises and to young persons under the age of 25 years who have for at least two years at any time attended a Church of England Voluntary School in the Diocese of London (Accounts are available from the Registered Office).

David Greig Trust 1949

The charity benefits pupils of Greig City Academy. In 2020 the Uniform Schools Trust granted the Academy £60,000 towards the cost of a STEM centre. The David Greig Trust 1949 is reimbursing the Uniform School Trust from investment income over a period of years to 2036.

The Uxbridge Lecturer's House Fund (Established 1721)

This charity provides grants to Church of England schools in the Parish of Uxbridge.

St John's School, Bethnal Green - the Mrs May Hollings Fund incorporating the Sir Daniel Keymer Memorial Fund

The LDBS became sole trustee of this fund in 2020 which provides grants to St John's School.

The St Jude's, Mildmay Park, Church of England Primary School Foundation (Established 1857)

This charity owns land and buildings which were formerly used by St Jude & St Paul Church of England School. The Foundation is for the sole benefit of this School.

Former St Matthias School, Bethnal Green closed in summer 2021

The land and buildings have been let to a provider of special needs education. The funds are held in trust until the DfE gives direction as to how the funds can be used for the benefit of other Church of England schools.

The London Diocesan Board for Schools Trust Property (Established 2008)

This charity was set up to administer and hold land to the west of Warnham Road and to the north-west, north and east of Hilton

17 TRUST FUNDS

In its capacity as trustee of a number of schools the LDBS is the owner of a number of school sites. No value is ascribed to these sites

		2022	2021
		£000's	£000's
The LDBS is custodian trustee for:	Investments at Market Value		
Bartlett Legacy - St Saviours School, Poplar	CBF Investment Fund	3	3
St Paul's with St Michael's School, Haggerston	CBF Deposit Fund	2	2
Latymer & All Saints School, Edmonton	CBF Investment Fund	22	20
Latymer & All Saints School, Edmonton	CBF Deposit Fund	1	1
Holy Trinity School, Tottenham - Girls Green School Fund	COIF Charities Investment Fund	60	55
		88	81

18 CONTINGENT LIABILITIES

At 31 March 2022 there were no contingent liabilities

19 CAPITAL COMMITMENTS

At 31 March 2022 there were capital commitments of £nil (2020: nil).

20 PENSIONS - Defined Benefit Scheme

London Diocesan Board for Schools (LDBS) participates in the Defined Benefits Scheme section of Church Workers Pension Fund (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 Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, the 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

20 PENSIONS - Defined Benefit Scheme continued

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do 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 FRS102. It is not possible to attribute the scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. This means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the consolidated SOFA in the year are contributions payable towards benefits and expenses accrued in that year plus any impact of deficit contributions (see below).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, 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 on the advice of the Actuary.

A valuation of the DBS is carried out once every three years, the most recent having been 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 Pool- the LDBS notional share was £172k. This increased the Employer contributions that would otherwise have been payable.

Following the valuation, the Employer has entered into an agreement with the Church Workers Pension Fund to pay a contribution rate of 30% of pensionable salary and expenses of £9,500 from 1 April 2021 (£8,600 from 1 April 2020). The contribution rate increased to 35.2% on 1 January 2022. There are 27 active and 20 deferred members as at 31 March 2022.

The completed service section of the DBS (active and deferred members) for the LDBS sub-pool had a surplus of £483k at 31st December 2019.

9 employees (7 full time and 2 part-time) are members of the Teachers' Pension Scheme with the LDBS making a contribution of 23.68% (2020: 23.68%) of their salary.

21 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total
	£000's	£000's	£000's	£000's
Income from:				
Donations and grants	429	2	-	431
Charitable activities	796	17,656	-	18,452
Other trading activities	1,071	-	-	1,071
Investments	1	1,054	-	1,055
Other	-	-	-	-
Total	2,297	18,712	-	21,009
Expenditure on:				
Raising funds and investment management	-	(610)	-	(610)
Commercial trading operations	(636)	-	-	(636)
Charitable activities	(2,090)	(18,042)	-	(20,132)
Total	(2,726)	(18,652)	-	(21,378)
Net gains on investments	-	(585)	(54)	(639)
Net income/(expenditure) before transfers	(429)	(525)	(54)	(1,008)
Transfers between funds	400	(400)	-	-
Net income	(29)	(925)	(54)	(1,008)
Other recognised gains				
Change in fair value provision of debtors	-	(23)	-	(23)
Net movement in funds	(29)	(948)	(54)	(1,031)
Reconciliation of Funds				
Fund balances at the beginning of the year	592	38,168	1,355	40,115
Net movement in funds for year	(29)	(948)	(54)	(1,031)
Fund balances at the end of the year	563	37,220	1,301	39,084