



OXFORD DIOCESAN BOARD OF EDUCATION

Directors' Report and Financial Statements

for the year ended 31 December 2013

Company Registration Number 07071809
Charity Registration Number 1133586

REGISTERED & PRINCIPAL OFFICE:

DIOCESAN CHURCH HOUSE
NORTH HINKSEY LANE
OXFORD OX2 0NB

OXFORD DIOCESAN BOARD OF EDUCATION
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GLOSSARY

CBF	Central Board of Finance of the Church of England
CCLA	CCLA Investment Management Ltd
CSUST	Church Schools Uniform Statutory Trust
DfE	Department for Education
DFC	Devolved Formula Capital
DT(O)L	Diocesan Trustees (Oxford) Limited
LA	Local Authority
LCVAP	Locally Co-ordinated Voluntary Aided Programme
ODBE	Oxford Diocesan Board of Education
ODBF	Oxford Diocesan Board of Finance
ODES	Oxford Diocesan Education Services Limited
ODST	Oxford Diocesan Schools Trust
SACRE	Standing Advisory Council on Religious Education
SIAS	Statutory Inspection of Anglican Schools
SOFA	Statement of Financial Activities

BANKERS, AUDITORS AND ADVISERS

Bankers

National Westminster Bank plc
32 Cornmarket Street
Oxford
OX1 3EZ

Auditors

Critchleys LLP
Greyfriars Court
Paradise Square
Oxford
OX1 1BE

Insurers

Ecclesiastical Insurance Office plc
Beaufort House
Brunswick Road
Gloucester
GL1 1JZ

Solicitors and Diocesan Registrars

Winckworth Sherwood LLP
16 Beaumont Street
Oxford
OX1 2LZ

OXFORD DIOCESAN BOARD OF EDUCATION
Directors' Report and Financial Statements for the year ended 31 December 2013

DIRECTORS' REPORT 2013

The directors present their report together with the audited Financial Statements for the year ended 31 December 2013.

DIRECTORS OF THE BOARD

The following were the directors and members of the Oxford Diocesan Board of Education at the date of this report. All have served throughout the year except where indicated otherwise:

Member	Basis of appointment
The Right Reverend J L Pritchard	Ex officio, Bishop of Oxford
The Right Reverend A Wilson (Chair)	Nominated by the Bishop of Oxford
The Right Reverend C Fletcher	Nominated by the Bishop of Oxford
The Revd M A Harwood (Vice Chair)	Synod elected for Berkshire Archdeaconry
Mr G S Anderson	Synod elected for Berkshire Archdeaconry
The Revd M D Bennet	Synod elected for Berkshire Archdeaconry
The Revd Dr M Griffiths	Synod elected for Berkshire Archdeaconry
Mrs J K Hunt	Synod elected for Berkshire Archdeaconry
Ms J Moriarty	Synod elected for Berkshire Archdeaconry
Mrs J A Babb	Synod elected for Buckingham Archdeaconry
The Revd T J L Harper	Synod elected for Buckingham Archdeaconry
Mrs M E Lomas	Synod elected for Buckingham Archdeaconry
Mr G Strutt	Synod elected for Buckingham Archdeaconry
The Revd Canon A M Daffern	Synod elected for Oxford Archdeaconry
Mr D Exham	Synod elected for Oxford Archdeaconry
Mr P B Godwin	Synod elected for Oxford Archdeaconry
The Revd Dr A J Price	Synod elected for Oxford Archdeaconry
Mrs J Reece	Synod elected for Oxford Archdeaconry
The Revd S E Sharp	Synod elected for Oxford Archdeaconry
The Revd Dr J D Gay	Nominated by the Bishop of Oxford
Mrs K Winrow	Nominated by the Bishop of Oxford
Mr D Booth (from 27/03/2013)	Co-opted
Ms A Butler (from 05/04/2013)	Co-opted
Ms F Gunn	Co-opted
Mr P R Norman (from 27/03/2013)	Co-opted
Mr K P Salter	Co-opted
Directors who resigned during the year or whose term of office came to an end by the date of this report:	
The Revd L J Holt (to 26.03.2013)	Synod elected for Buckingham Archdeaconry
The Revd S G L Wood (to 27.08.2013)	Synod elected for Buckingham Archdeaconry

There are currently vacancies on the Board for two representatives from Buckingham Archdeaconry.

The Director of Education, Mrs Anne Davey, is responsible for the day-to-day management of the Charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Diocese of Oxford

Although the Oxford Diocesan Board of Education is a separate registered charity, it is an integral part of the Diocese of Oxford, fulfilling its statutory duties in respect of children's education.

Corporate status

The Charity is registered with the Charity Commission (No. 1133586) and it is a company limited by guarantee (No.07071809). Its governing document is the Diocesan Boards of Education Measure 1991 (as amended). Activities commenced on 1st January 2011, when the activities and assets of Oxford Diocesan Education Services Ltd and the previous Oxford Diocesan Board of Education (charity number 307913) were transferred to the new ODBE charitable company.

Board and Committee structure

The Charity's main Board meets three times a year. It has an Executive Committee which meets more frequently, comprising of the Charity's Chairman with other key directors and the Board's senior officers. The Charity's Board also has three committees:

Finance Committee
Schools Effectiveness Committee
Development Committee

Appointment of directors

The Bishop of Oxford is a director by virtue of his office. The Bishop of Oxford is nominally the chairman but has delegated that responsibility to The Bishop of Buckingham. The Bishop of Oxford may also nominate two directors who are either area bishops or archdeacons. He may also appoint two further people, either clergy or lay, as directors.

Up to six people for each archdeaconry are elected to serve as directors by the Diocesan Synod. At least four directors, with a maximum of eight, are co-opted by the Board. Co-opted members have to have experience of church schools in the diocese or have experience of other areas of work with which the Board is concerned.

New directors receive induction training. All directors receive ongoing training and briefings on current issues.

Directors normally serve for a three year term linked to Synodical elections.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors 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 company and of the net incoming or outgoing resources of the company for that period.

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Related parties

The directors consider the following to be related parties:

- (i) Oxford Diocesan Board of Finance (ODBF) – a company with charitable status, which is the principal vehicle for dealing with the financial business of the Diocese of Oxford.

ODBF and the Church Schools Uniform Statutory Trust (CSUST) together supply a significant amount of the financial resources and ODBF partly supplies the administrative resources under which the company operates.

The company is accountable to the Oxford Diocesan Synod for the efficient use of these resources.

- (ii) Diocesan Trustees (Oxford) Limited (DT(O)L) – a company with charitable status which is responsible for ensuring that trust funds are used in accordance with the terms of the trust deed. DT(O)L acts as sole trustee of CSUST funds.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Subsidiary Companies

At 31 December 2013 ODBE had one wholly owned subsidiary, not currently trading, Oxford Diocesan Education Services Limited (ODES).

Risk Management

The directors confirm that the major risks, to which the Charity is exposed, have been identified and reviewed and that systems have been established to manage those risks.

Directors have delegated to the Director of Education the task of carrying out reviews of risks and the management and monitoring of risks. Procedures have been designed to minimise any potential impact on the Charity should any of the risks materialise. Directors review the risk register at least annually as part of corporate risk management.

The major risks are the risk of schools not joining or continuing with the Service Level Agreement or buying other services, that the cost of schools building projects administered for school governors may not be fully funded, the risk to the Board's reputation should an academy or other school project not be successful and the risk that it may not be possible to recruit and retain staff. Other risks include the risk that a stand-alone sponsored academy or a school within the Oxford Diocesan Schools Trust may underperform and require significant support.

OBJECTIVES AND ACTIVITIES

Background

The charity exists to fulfil the statutory duties of the Diocese of Oxford for the education of children, as updated by the Diocesan Boards of Education Measure 1991 and it currently advises and assists 282 schools and academies, educating 55,000 children and young people. There have been schools in the diocese run by the Church for many hundreds of years, whose trusts were established to provide education, usually for the poor of the parish, with teaching in accordance with the principles of the Church of England. From 1833 onwards the government began to provide funding to support this work and in 1870, Parliament allowed for the establishment of board and later county schools to provide free education. The 1944 Education Act brought into legislation the dual system of church and state working together in education which the work of this charity enables and supports. Further changes to legislation in the 2010 Academies Act and the 2011 Education Act bring fresh challenges and accountabilities, and the charity now also works with its academies as well as the voluntary controlled and voluntary aided schools to provide advice and in the maintenance and development of a distinctively Christian ethos in schools which remain inclusive and are intended to serve their local community.

OBJECTIVES AND ACTIVITIES (continued)

Objectives

The Charity continues to achieve its objectives by offering pastoral and professional support to its schools and pupils.

The functions of the Charity are set out in the Diocesan Boards of Education Measure 1991 (as amended), which is the Charity's governing document. The Charity is therefore responsible for promoting and assisting:

- Education in the Diocese consistent with the faith and practice of the Church of England;
- Religious education and worship in schools

The Charity advises governors of church schools, trustees of church educational endowments and any other body or person concerned on any matter affecting church schools in the Diocese, and specifically:

- Gives advice in relation to any proposed changes to the status, viability and future of all church schools;
- Approves all new building, alterations and refurbishment to Aided School buildings;
- Gives advice to the trustees of Church of England education trusts before any changes are made to their trust property or governing documents (trust deed, charity commission scheme, etc)
- Appoints and supports Foundation governors for all church schools;
- Improves the effectiveness of our schools by providing services to support school improvement, professional development of teachers, training for staff and governors , professional advice and pastoral care
- Advises and supports governing bodies on the appointment of Headteachers and senior staff
- Receives and considers the reports of all formal inspections (Ofsted and SIAMS) at all church schools, which are required to be carried out under the Education Act 2005.

Public benefit

The directors have complied with section 4 of the 2011 Charities Act having due regard to guidance published by the Charity Commission. The Directors are aware of the Charity Commission's requirement that the aims, objectives and activities of the Charity should provide a clear public benefit. The public benefits from the provision of inclusive church schools, for over 50,000 pupils through the achievement of the above objectives.

OBJECTIVES AND ACTIVITIES (continued)

Trusts

These consist of funds held mainly under specific trusts. The capital of endowment trust funds cannot be used. In the case of all other funds, both the capital and income may be applied for the provision or maintenance of church school sites, buildings and schoolhouses.

CSUST income may also be used for:

- (a) the provision of advice, guidance and resources in connection with management of or education provided at voluntary aided, controlled and foundation schools;
- (b) the inspection of church schools; and
- (c) the cost of employing staff in connection with any of these purposes.

DT(O)L is required to consult the Charity on the uses of CSUST funds. These funds arise from the proceeds of sale of land and buildings of closed schools vested in CSUST under Statutory Instruments.

At 31 December 2013 these funds had a total value of £7,207,213 (2012: £7,111,002) of which £5,278,334 (2012: £4,701,333) were capital funds and £1,928,879 (2012: £2,409,669) accumulated income funds.

In addition, the buildings and land of a number of closed schools are vested in CSUST. The CSUST funds are included in the accounts of DT(O)L.

The policy for the use of these funds is generally to restrict expenditure to the level of annual income of CSUST.

Schedule 36 of the 1996 Education Act consolidated the 1993 Education Act in identifying the financial activity of CSUST funds as being for the work of Diocesan Boards of Education and the support of building work in schools. In the Oxford Diocese the support of building work has been directed towards aided schools due to the statutory responsibilities of Governing Bodies.

Loans from CSUST are used to provide working capital for building work where expenditure is incurred but subsequently reimbursed by the DfE or local authority.

Investment management

The principal aim of the Charity's investments is to raise income without diminishing the capital invested. The Charity has an ethical investment policy.

OBJECTIVES AND ACTIVITIES (continued)

Investment management (continued)

The charity has general, restricted and endowment funds. The endowment funds and restricted funds have the majority of their capital invested in the CBF Investment Fund. In the past this has ensured that the capital value was fully maintained. The directors seek professional investment advice as and when they consider it to be necessary.

The yield on investments during 2013 was 4.1% (2012: 4.5%). During the year the market value of investments increased by 10.4% (2012: increased by 9.04%).

Grant making policy

The charity makes grant payments as managing trustee in accordance with the terms of each trust.

ACHIEVEMENTS AND PERFORMANCE

During 2013 we launched a new three year service level agreement with our 282 schools, which resulted in more than eighty percent of our church schools choosing to use our services, more than ever before. This agreement offered enhanced support for school effectiveness as well as continuing to offer support for headteacher recruitment, governor training, admissions advice, premises issues and support for RE and collective worship. It now includes a service tailored for academies as well as maintained schools.

We have once again funded specialist education officers to support and chair Interim Education Boards (IEBs) for schools in Special Measures, and we are delighted that both schools where our officers chaired IEBs came out of special measures towards the end of the year. We then work to effect a sustainable transition back to a locally appointed governing body.

We have invested in a new database which holds pupil progress and attainment data alongside other information, ensuring all visits to schools are recorded and actions followed up. It also enables us to monitor our work more effectively across the whole team and lets education team officers access and input information easily when working away from the office.

The diocese gained two new primary schools in September 2013 – both as part of existing church school academy companies: the Charvil School in Wokingham and Berryfields Primary in Aylesbury.

Using the grant we received from the Extra Mission and Ministry Support fund, we now work strategically in each area of the diocese with senior clergy to plan our support of schools and parishes. We worked with the Diocese's Department of Mission to run a major series of workshops and conversational encounters with headteachers, local clergy, lay ministers and school governors to enable parishes and church schools to work together better. This is intended to enhance their effectiveness in the provision of spiritual and moral development of pupils, to improve the quantity and quality of prospective governors coming forward, and to help schools and communities support each other fully.

We provided more training courses and professional development programmes for teachers and school leaders than ever before this year, and we also now provide more training for governors

ACHIEVEMENTS AND PERFORMANCE (continued)

and academy directors. We also continue to provide a full admissions appeals service, which in 2013 heard 285 appeals relating to 58 different schools.

A total of £3.2m grant funding was allocated to Church of England VA school capital projects for the financial year 2013/14 and this was negotiated with Local Authorities, via the annual Locally Co-ordinated Voluntary Aided Programme (LCVAP.) The criteria, determined by the DfE and accepted by DBE, was again for basic need and urgent condition work only.

We were able to continue to support governing bodies to appoint new Headteachers to schools, and assisted 9 schools to convert to academy status. Additionally in 2013, we supported two groups of local church schools and community schools to come together in multi-academy trusts, run locally, with diocesan support, protecting and developing the Christian character of church schools, whilst enabling effective local collaboration with community schools.

FINANCIAL REVIEW

General Funds

Overall total incoming unrestricted resources were £1,155K, with a £104K (9%) general funds surplus for the year. £70K of the general funds surplus has been set aside by the trustees into a designated fund for activities in 2017, when a one off decrease in the CSUST grant funding is anticipated. A significant proportion of income came from grants: grant income from CSUST totalled £365K for the year, and grant income from ODBF totalled £295K, 32% and 26% of total incoming resources respectively. Incoming resources from charitable activities included school service agreement income £242K (21%), premises related income £71K (6%), Admissions appeals income £61K (5%) and training and consultancy income £121K (10%).

Costs have been attributed to three categories with support for schools, with staff and overhead costs apportioned between these categories.

Restricted Funds – Buildings Fund

The Charity acts as agent for school governors in relation to school building works and the purchase of IT equipment for schools. It acts as the agent of school governors in helping to arrange funding through the DfE and local authorities and in paying professional fees and building costs on behalf of school governors.

This is a significant activity of the Charity but is not reflected in the Statement of Financial Activities as the transactions are those of the school governors rather than the Charity. During the year, the total value of this work amounted to £4.2million (2012: £7.0 million).

Restricted Trust Funds

No grants were made from the restricted trust funds in 2013. The balance remaining on the income restricted funds at 31 December 2013 is £89K (2012 £81K).

FINANCIAL REVIEW (continued)

Reserves Policy

During the third year of activities the charity continued to build up general funds reserves, achieving £34K this year in addition to £55K in 2012. The directors aim to continue to make a general funds surplus of at least £20K per annum to build up reserves. ODBE is supported by CSUST funds which amount to £5,278,334 capital and £1,928,879 income at 31 December 2013. DT(O)L is the sole trustee of this fund. Both capital and income are restricted funds which can only be used for educational purposes (see CSUST section on page 8 for further details).

PLANS FOR THE FUTURE

We intend to continue to develop our school improvement capacity, with plans to recruit a number of additional school link advisers in 2014. We aim to ensure we can support vulnerable schools, including those in danger of going into an Ofsted category. We will support school leadership and governance with a range of services from training courses to materials, to one-to-one tailored support packages and we seek to expand our capacity to enable facilitated sharing of best practice across our schools, thereby improving the outcomes for the children and young people in them.

Strategic plans include developing our engagement with parishes, schools and clergy, working together to improve the quality of experience for children, with a specific focus in 2014 on Collective Worship and the recruitment and support of foundation governors. We also aim to focus on the increasing number of academies in the Diocese, providing services so we can support them, ensuring their continued religious character and supporting them to move into academy clusters where that is appropriate. We are working to identify and put in place local solutions to sponsor church academies, where the Oxford Diocesan Schools Trust is not the preferred sponsor.

We also intend to recruit an additional RE adviser to increase our support for teachers of Religious Education in schools across the Diocese, to improve our administration and support function, helping to make the whole organisation more effective, and to develop additional services to schools and academies.

We also intend to support local communities in securing new church schools in areas of housing and population growth, by bidding for new schools, either directly, or through suitable multi-academy trust partners.

BASIS OF PREPARATION

**This report has been prepared in accordance with the small company regime
(section 419(2) of the Companies Act 2006).**

OXFORD DIOCESAN BOARD OF EDUCATION
Directors' Report and Financial Statements for the year ended 31 December 2013

STATEMENT OF DISCLOSURE TO AUDITORS

As far as the directors are aware, there is no relevant audit information of which the Charity's auditors are unaware.

The directors have taken all the steps they ought to have taken as directors in order to make themselves aware of any relevant information and to establish that the Charity's auditors are aware of that information.

AUDITORS

A resolution to reappoint Critchleys LLP as auditors to the Company and to authorise the directors to fix their remuneration will be proposed at the Annual General Meeting.

Signed on behalf of the directors

The Right Revd Dr A T L Wilson
Chairman

1 April 2014

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

We have audited the financial statements of Oxford Diocesan Board of Education for the year ended 31 December 2013, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and The Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 its members as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Robert Kirtland
Senior Statutory Auditor
For and on behalf of Critchleys LLP
Statutory Auditor

Date:

Critchleys LLP
Greyfriars Court
Paradise Square
Oxford
OX1 1BE

OXFORD DIOCESAN BOARD OF EDUCATION
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STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	General Funds £000	Desig- nated Funds £000	Restricted Funds £000	Endow- ment Funds £000	2013 Total £000	2012 Total £000
INCOMING RESOURCES							
Incoming resources from generated funds:							
Voluntary income	2.1	365	-	170	-	535	384
Investment income	2.2	-	-	8	-	8	8
Incoming resources from charitable activities	2.3	790	-	52	-	842	620
Total incoming resources		1,155	-	230	-	1,385	1,012
RESOURCES EXPENDED							
Charitable activities:							
Support for the church schools in the Diocese	3.1	1,036	-	17	-	1,053	943
Grants payable	3.2	-	-	170	-	170	25
Governance costs	3.3	15	-	-	-	15	15
Total resources expended		1,051	-	187	-	1,238	983
Net incoming resources before transfers		104	-	43	-	147	29
Gross transfers between funds		(70)	70	-	-	-	-
Net incoming resources before other gains and losses		34	70	43	-	147	29
Gains/ (losses) on investments	7	-	-	-	20	20	16
Net movement in funds		34	70	43	20	167	45
Total funds brought forward		75	-	540	173	788	743
Total funds carried forward		109	70	583	193	955	788

OXFORD DIOCESAN BOARD OF EDUCATION
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BALANCE SHEET AS AT 31 DECEMBER 2013

Company number 07071809

	Note	2013 General £000	2013 Desig- nated	2013 Restricted £000	2013 Endow- ment £000	2013 Total £000	2012 Total £000
FIXED ASSETS							
Tangible assets	6	5	-	-	-	5	3
Investments	7	-	-	-	193	193	173
Total Fixed Assets		5	-	-	193	198	176
CURRENT ASSETS							
Debtors	8	68		706		774	561
Cash at bank	9	256	70	274	-	600	937
Total Current Assets		324	70	980	-	1,374	1,498
CREDITORS:							
Amounts falling due within one year	10	(220)	-	(297)	-	(517)	(666)
NET CURRENT ASSETS		104	70	683	-	857	832
TOTAL ASSETS LESS CURRENT LIABILITIES		109	70	683	193	1,055	1,008
CREDITORS: Amounts falling due after more than one year	10	-	-	(100)	-	(100)	(220)
NET ASSETS		109	70	583	193	955	788
THE FUNDS OF THE CHARITY:							
Endowment funds	11	-	-	-	193	193	173
Restricted funds	12	-	-	583	-	583	540
Designated funds		-	70	-	-	70	-
General funds		109	-	-	-	109	75
		109	70	583	193	955	788

The notes on pages 17 to 26 form part of these financial statements. Included in the above investments are unrealised gains amounting to £20K. See note 7.

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These Financial Statements were approved and authorised for issue by the directors on 1 April 2014 and signed on their behalf by:

The Right Revd Dr A T L Wilson
Chairman

The Revd M A Harwood
Director

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

a) Basis of accounting

The financial statements are prepared in accordance with applicable accounting standards, the Companies Act 2006, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice "Accounting and Reporting by Charities" (the Charities SORP 2005). They are prepared under the historical cost convention except that investments are included at market values.

b) Funds accounting

ODBE holds funds of the following types:

Endowment Funds - restricted funds, which must be held permanently, and the capital maintained.
Restricted Funds - funds that are subject to specific legally binding conditions imposed by the donor.

General Funds – funds that are available for any purpose within ODBE's objects.

c) Incoming resources

All income is accounted for on an accruals basis with the exception of dividends, which are recognised as income when received.

d) Resources expended

All expenditure is recognised when a liability is reasonably certain in terms of amount and payment.

Wherever possible, costs are charged directly to the activity concerned. Support costs are apportioned to the costs of the various activities on the basis of direct costs.

Governance costs are those costs that relate to compliance with regulations and good practice that enable ODBE to operate and to be publicly accountable. This includes external audit, legal advice for directors and the cost of board meetings.

e) Grants payable

All grants are made in accordance with the terms of the trust and are charged in the year when the trustees have agreed to make the grants.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (CONTINUED)

f) Liability recognition

Liabilities are recognised when the Charity is invoiced in respect of building works.

Funding received in advance of expenditure for building works is recognised as a liability until those funds are used to pay for the building works for which they were given.

Loans are recognised when received.

Grant payments are recognised as liabilities when the trustees have approved the grants.

g) Tangible Fixed Assets – Office Equipment

Depreciation is calculated to write off the office equipment to its residual value by equal instalments over 4 years, being its estimated useful life.

h) Investment assets

Investments are stated at closing mid-market price at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

i) Pensions

The pension costs charged in the financial statements represent the contributions payable by ODBE during the year to 3 pension schemes: the final salary scheme operated by the Pensions Trust, the Teachers Pension Scheme and the Church Workers Pension Funds hybrid defined contribution scheme. Full disclosure of the final salary pension scheme is included in the accounts of Oxford Diocesan Board of Finance, the participating employer.

OXFORD DIOCESAN BOARD OF EDUCATION
Directors' Report and Financial Statements for the year ended 31 December 2013

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ANALYSIS OF INCOMING RESOURCES

2.1 Voluntary income

	2013	2012
	£000	£000
Grants from CSUST - unrestricted	365	384
Grants from CSUST - restricted for ODST	170	-
	535	384

2.2. Investment Income

Interest	-	1
Dividends	8	7
	8	8

2.3 Income from Charitable Activities

Diocesan grant	295	230
Schools service agreement	242	185
School premises related income	71	70
Admissions appeals	61	80
Training and consultancy services to schools	121	55
Total Unrestricted Income from Charitable Activities	790	620
Training and consultancy income	52	-
Total Restricted Income from Charitable Activities	52	-

3. ANALYSIS OF TOTAL RESOURCES EXPENDED

3.1 Support for the Church Schools in the Diocese

Schools leadership and governance support	730	588
School premises related support	226	253
Admissions and appeals service	80	93
Total Unrestricted Expenditure	1,036	934
School leadership and governance support	17	-
School premises related expenditure	-	9
Total Restricted Expenditure	17	9

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NOTES TO THE FINANCIAL STATEMENTS (continued)

3. ANALYSIS OF TOTAL RESOURCES EXPENDED (continued)

3.2 Grants payable

	2013 £000	2012 £000
Oxford Diocesan Schools Trust	170	-
Dinton School	-	25
	170	25

3.3 Governance costs

Audit Fees	6	6
Statutory costs and legal fees	7	7
Committee costs	2	2
	15	15

4. SCHOOL BUILDING IMPROVEMENTS AND REPAIRS

The Charity assists voluntary aided schools with school building projects and the provision of IT equipment. It acts as the agent of school governors in helping to arrange funding through the DfE and local authorities and in paying professional fees and building costs on behalf of school governors. This is a significant activity of the Charity but is not reflected in the Statement of Financial Activities as the transactions are those of the school governors rather than the Charity. A summary of transactions during the year is set out below:

	2013 £000	2012 £000
Expenditure on school building improvements and IT equipment	4,222	6,980
Funded by:		
Department for Education (DfE)	3,598	5,998
Local Authorities (LAs)	347	224
School Governors	277	758
	4,222	6,980

Building improvements and repairs expenditure is accounted for based on invoice date, which denotes the legal or constructive obligation to pay. This excludes contractors' work in progress not invoiced prior to the year-end.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

5. DIRECTORS' REMUNERATION

No remuneration has been paid to any director during the year for acting as a director or trustee. 3 Directors were reimbursed for travel, subsistence and incidental costs amounting to £1K.

6. TANGIBLE FIXED ASSETS

	2013
	£000
Cost at 1 January 2013	6
Additions	3
Cost at 31 December 2013	<u>9</u>
Depreciation	
At 1 January 2013	3
Charge for the year	1
At 31 December 2013	<u>4</u>
Net book value at 31 December 2013	<u>5</u>

7. INVESTMENTS

	Endowment Funds £000
Market value at 1 January 2013	173
Disposals	-
Unrealised gains in market value in year	20
Market value at 31 December 2013	<u>193</u>
Historical cost of investments	<u>20</u>

All of the invested funds are held within the UK in CBF Investment Fund shares. Unrealised gains in the year are included in the Statement of Financial Activities.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

8. DEBTORS

	2013 £000	2012 £000
Due within one year:		
Debtors for school buildings work	706	388
Trade debtors	57	50
Prepayments and accrued income	11	3
	774	441
Due in more than one year:		
Loan to Oxford Diocesan Schools Trust	-	120
	-	120

Debtors arising from school building work are mainly due from the DfE and Local Authorities, with a small amount from school governors.

9. CASH AT BANK

	2013 £000	2012 £000
General deposit and current accounts	600	937

10. CREDITORS

	2013 £000	2012 £000
Due within one year:		
Funding for school building works received in advance	295	497
Trade creditors	9	57
Accruals and deferred income	213	112
	517	666
Due after more than one year:		
Loan from CSUST	100	100
Loan from CSUST for the Oxford Diocesan Schools Trust	-	120
	100	220

The loan from CSUST is interest-free with no fixed repayment date for cashflow purposes.

OXFORD DIOCESAN BOARD OF EDUCATION
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NOTES TO THE FINANCIAL STATEMENTS (continued)

11. ENDOWMENT FUNDS

	Balance at 1 January 2013 £000	Realised and unrealised gains £000	Balance as at 31 December 2013 £000
Hills Bequest for Schools	87	10	97
ODBE Thatcham & Newbury Charity	86	10	96
Total	173	20	193

Included in the funds at 31 December 2013 is £173,000 of unrealised gains. These funds are held in CBF Investment Fund shares.

12. RESTRICTED FUNDS

INCOME FUNDS	Balance as at 1 January 2013 £000	Incoming resources including unrealised gains £000	Expended resources £000	Balance as at 31 December 2013 £000
Building Improvement Scheme	459	-	-	459
Hills Bequest for Schools	18	4	-	22
ODBE Thatcham & Newbury Charity	63	4	-	67
RE Action Plan	-	52	(17)	35
ODST Support	-	170	(170)	-
	540	230	(187)	583

13. PURPOSES OF FUNDS

ODBE - Thatcham & Newbury Educational Charity

In May 1979 the old Thatcham Church of England school was sold and the Charity Commission provided that one third of the sale proceeds should be managed as a separate charity. This fund has perpetual capital, which is invested in CBF Investment Fund shares. The income from this fund is for furthering the religious, educational and other charitable work of the Church of England in Thatcham and Newbury and the neighbourhood thereof.

Building improvement scheme

The balance on this fund represents contributions from Local Authorities and school governors and a loan from CSUST that have not yet been applied to building projects in schools. Since 1 April 2000 the purpose of this fund has been for both improvements and repairs.

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. PURPOSES OF FUNDS (continued)

Hills Bequest for Schools

This trust has perpetual capital, which is invested in the CBF Investment Fund. The income is for the upkeep, maintenance and repair of Church Schools in the Diocese with preference being given to Shrivenham.

RE Action Plan

Grants have been received to fund the RE Action Plan project in 2013 and 2014.

ODST Support

CSUST awarded ODBE restricted grants of £170,000 in the year to enable ODBE to award grants of equal value to ODST.

14. RELATED PARTIES

ODBF is a related charity, which provides an annual grant to ODBE, £234,600 in 2013 (2012: £230,000). In addition ODBF made a grant of £60,000 to ODBE to support engagement between schools and parishes. The amount due to ODBF was £109,000 at 31 December 2013 (2012: £28,000).

DT(O)L holds the funds of CSUST and consults with the Charity on the use of CSUST funds (see Directors' Report). DT(O)L provided grants of £22K from CSUST funds to school governors. This is included in funding received from school governors in note 4. Such grants are paid from CSUST income to support voluntary aided Church of England Schools in the Diocese and helps governing bodies to fund their portion of repairs and improvements to school buildings. In addition, CSUST provides interest-free loans to the Charity which amounted to £100,000 on 31 December 2013 to finance cash flow. See note 10.

Oxford Diocesan Schools Trust (ODST) was formed in 2013 as a multi academy trust. Service charges from ODBE to ODST for project management and officer support during 2013 totalled £80K. The amount due to ODBE was £22K at 31 December 2013 (2012 £19K). Through the support of CSUST ODBE confirms the appointment of directors so as to ensure that the Trust Board comprises individuals who will uphold the Christian ethos of the schools and have the ability to run a chain of schools. Apart from confirming the appointments, ODBE plays no part in the day to day running of ODST, and ODST's primary accountability as a Multi Academy Trust is to the Secretary of State, thus there is no requirement to consolidate ODST accounts with ODBE.

Transactions with subsidiary companies

998 shares of Oxford Diocesan Education Services Ltd (ODES) held by ODBF were gifted on incorporation to ODBE with nil value. There were no transactions with the subsidiary company in 2013 and no balance due at the end of the year.

OXFORD DIOCESAN BOARD OF EDUCATION
Directors' Report and Financial Statements for the year ended 31 December 2013

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. CONNECTED PERSONS

The spouse of a director was paid £10K during the year for consultancy services, advising ODBE regarding admissions and appeals.

16. STAFF COSTS

The average staff numbers (excluding directors) based on full time equivalents were as follows:

	2013		2012	
	Full time	Part time	Full time	Part time
Support for charitable activities	11.1	1.0	8.3	1.3
Support and finance	0.3	0.7	1	-
Total	11.4	1.7	9.3	1.3

Part-time numbers are shown as full time equivalents.

Staff costs during the year amounted to:

	2013	2012
	£'000	£'000
Wages and salaries	540	457
Pension contributions	116	125
Social security costs	52	45
Total	708	627

The number of employees whose emoluments for the year exceeded £60,000 were as follows:

	2013	2012
£70,000 - £80,000	1	1

17. PENSION COSTS

Pension contributions were made in the year to three pension schemes: £64K for 4 staff to the final salary scheme operated by the Pensions Trust, £38K for 5 staff to the Teachers Pension Scheme and £15K for 4 staff to the Church Workers Pension Funds hybrid defined contribution scheme. Full disclosure of the final salary pension scheme is included in the accounts of Oxford Diocesan Board of Finance, the participating employer.

18. FINANCIAL COMMITMENTS

All future financial commitments for school projects are the responsibility of school governors and are funded by amounts contractually due from the DfE, LAs or school governors directly.

OXFORD DIOCESAN BOARD OF EDUCATION
Directors' Report and Financial Statements for the year ended 31 December 2013

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. POST BALANCE SHEET EVENTS

None.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets and Investments £000	Cash at bank £000	Debtors £000	Liabilities £000	Total £000
ENDOWMENT FUNDS					
Hills Bequest for Schools	97	-	-	-	97
ODBE Thatcham & Newbury Charity	96	-	-	-	96
TOTAL ENDOWMENT FUNDS	193	-	-	-	193
RESTRICTED FUNDS					
Building Improvement Scheme	-	149	706	(396)	459
Hills Bequest for Schools	-	22	-	-	22
ODBE Thatcham & Newbury Charity	-	68	-	(1)	67
RE Action Plan	-	35	-	-	35
ODST Support	-	-	-	-	-
TOTAL RESTRICTED INCOME FUNDS	-	274	706	(397)	583
GENERAL FUNDS	5	256	68	(220)	109
DESIGNATED FUNDS	-	70	-	-	70
TOTAL NET ASSETS 31 December 2013	198	600	774	(617)	955