

**CHESTER DIOCESAN BOARD
OF EDUCATION**

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

**Registered charity: no 525790
Company limited by guarantee: no 85176**



CHESTER DIOCESAN BOARD OF EDUCATION
ANNUAL REPORT
YEAR ENDED 31 DECEMBER 2002

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CHESTER DIOCESAN BOARD OF EDUCATION

MEMBERS OF THE BOARD OF EDUCATION DURING THE YEAR ENDED 31 DECEMBER 2002

EX-OFFICIO

The Rt Rev The Bishop of Chester * - Bishop's House, Abbey Square, Chester, CH1 2JD

ELECTED MEMBERS

1 Clergy and 1 Lay elected by Diocesan Synod, 1 Clerical or Lay elected by each Deanery Synod.

The Revd P D Baskerville
Mrs R I Campbell
Mr S Cottam
Mr A Edwards
Mr P A Edwards
The Revd J L Goode

8 Antons Road, Pensby, Wirral CH61 9PT
18 Eaglesfield, Hartford, Northwich CW8 1NQ
3 North Drive, Wallasey, Wirral CH45 OLZ
7 Dukes Way, Upton, Chester CH2 1RF (died in year)
25 Abington Road, Sale, Cheshire M33 3DL
Christ Church Vicarage, 30 Wash Lane, Latchford, Warrington WA4 1HT
(appointed in year)

The Revd R H Green
Mrs C J Hall
Mr I Johnson
Mrs S Jones
The Revd A A Long
Mrs D Nall
Mr I Roberts
Revd T J Owen

122 Cavendish Road, Hazel Grove, Stockport SK7 6JH
1 Rydal Mews, Manchester Road, Wilmslow SK9 2JH
24 High Meadow, Romiley, Stockport SK6 4PT
10 Fairview Avenue, Alsager, Stoke-on-Trent ST7 2NW
The Vicarage, Main Road, Wybunbury, Nantwich, CW5 7LS
3 Barnston Court, Farndon, Chester CH3 6PQ
18 St Lesmo Road, Cheadle Heath, Stockport SK3 0TX
St James' Vicarage, 14 Manx Road, Warrington WA4 6AJ
(resigned in year)

The Revd M L Ridley
The Revd D Taylor
Dr R Taylor
The Revd D M Wilson

The Vicarage, Church Street, Weaverham, Northwich CW8 3NJ
St John's Vicarage, 25 Wilwick Lane, Macclesfield SK11 8RS
Moor Lane House, Moor Lane, Wilmslow SK9 6DN
Christ Church Vicarage, 7 Palm Grove, Birkenhead CH43 8SP

CO-OPTED MEMBERS

Mr W Done *
The Revd D R Felix
The Revd D W Guest
Mr R Haigh

9 Allansford Avenue, Waverton, Chester CH3 7QH
The Vicarage, Daresbury, Warrington, Cheshire WA4 4AE
33 Kingsley Drive, Cheadle Hulme, Cheshire SK8 5JL
The Bishops' Blue Coat CE High School Vaughans Lane,
Great Boughton, Chester, CH3 5XF
44 High Street, The Rookery, Nr Kidsgrove, Staffordshire ST7 4RL
110 Shrewsbury Road, Oxton, Wirral, CH43 8SP
97 Park Road, Timperley, Altrincham WA15 6QG
Chester College, Parkgate Road, Chester CH1 4BJ

BISHOP'S NOMINEES

The Ven D S Allister *
The Ven C Hewetson *
Mrs C Stott
The Rt Rev Bishop of Birkenhead *

The Rectory, Chester Road, Delamere, Northwich CW8 2HS
(appointed in year)
8 Queen's Park Road, Queen's Park Chester, CH4 7AD (resigned in year)
13 Rock Farm Close, Little Neston, Wirral CH64 4DY
Bishop's Lodge, 67 Bidston Road, Oxton, Birkenhead CH43 6TR

SECRETARY

Mr J Turnbull

Church House, Lower Lane, Aldford, Chester, CH3 6HP

* Also Director of the company

CHESTER DIOCESAN BOARD OF EDUCATION

DIRECTORS AND PROFESSIONAL ADVISORS

YEAR ENDED 31 DECEMBER 2002

**NOMINATED DIRECTORS OF THE COMPANY,
LIMITED BY GUARANTEE**

The Rt Rev The Bishop of Chester
The Rt Rev The Bishop of Birkenhead
The Ven The Archdeacon of Chester
Mr W Done
Prof T Wheeler

SECRETARY AND REGISTERED ADDRESS

Mr J Turnbull
Church House, Lower Lane, Aldford, Chester, CH3 6HP

PROFESSIONAL ADVISORS

Bankers: National Westminster Bank plc
P O Box 8, 33 Eastgate Street, Chester, CH1 1XA

Solicitors: Hibbert Durrad Moxon
25 Barker Street, Nantwich, Cheshire, CW5 5EN

Registered Auditors: PKF
52 Mount Pleasant, Liverpool, L3 5UN

CHESTER DIOCESAN BOARD OF EDUCATION

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2002

The directors present their annual report, together with the audited financial statements of Chester Diocesan Board of Education for the year ended 31 December 2002.

CONSTITUTION AND AIMS

The Diocesan Board of Education is a registered charity, no 525790, and is established as a company limited by guarantee not having a share capital (company number 85176). The company acts as the Education Authority for the Church of England in the Diocese of Chester, in accordance with The Diocesan Boards of Education Measure 1991, and is governed in accordance with its Memorandum and Articles of Association.

The principal activity is the administration of grant claims in respect of building and maintenance work carried out on school properties together with all other related matters which promote the efficiency of or otherwise benefit the schools in the Diocese.

The company also acts as custodian trustee for a number of specific trusts (referred to as Specific Purpose Funds in the attached accounts).

Details of the directors (who also act as trustees for the charitable activities of Chester Diocesan Board of Education) of the company are given on page 2 and, as laid down in the Articles of Association, the directors (and all other members) may derive no benefit from the financial affairs of the company other than the reimbursement of out of pocket expenses incurred in attending meetings.

INVESTMENT POLICY

All investments are held in CBF Church of England Funds or in COIF Funds. The majority of the funds are held in investment shares that are intended to provide steadily growing income and capital appreciation to provide long-term protection from inflation. Just under 25% of the funds (excluding Specific Purpose fund investments) are held in Fixed Interest Securities that provide higher income but offer no protection from inflation.

RESERVES POLICY

The Restricted Trust Funds held relate to sale proceeds received in respect of former school properties and these funds may be reinvested in new schools or in capital expenditure on existing schools, as funding is required.

The Unrestricted General Funds held are historic funds and may be used for the general purposes of the Board in achieving its charitable objectives.

GRANT MAKING POLICY

The company make discretionary grants to Governors or Schools as financial assistance towards the cost of Specific Approved School Projects.

RISK MANAGEMENT

The directors have examined the major risks faced by the charity and confirm that systems have been established to mitigate the significant risks.

CHESTER DIOCESAN BOARD OF EDUCATION

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2002

REVIEW OF THE YEAR AND DEVELOPMENTS

The financial statements have been prepared according to the principles contained in the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2000)" issued by the Charity Commissioners for England and Wales and in accordance with the accounting policies detailed in note 1 to the accounts.

As detailed in note 4, the total cost of maintenance and other building work carried out at schools in the year amounted to £3,690,880, of which £3,270,824 was funded by DfES and LEA grants with the balance of £420,056 being funded by school governors.

As detailed in the Statement of Financial Activities, and in note 9, the company was acting as custodian trustee and holding Specific Purpose funds totalling £870,758 at 31 December 2002 compared to £661,794 at the beginning of the year. The increase is almost entirely due to the proceeds arising on the sale of the former Audlem school property in the year.

The summary income and expenditure account on page 8 shows a surplus, before unrealised investment gains and losses, for the year, of £21,429 (page 7 – net incoming resources of £24,489 plus £1,320 less realised loss on sale of investments of £(4,380).) which is after grants made of £25,862. It should be noted that this does not include further grants of approximately £147,000 as detailed in note 3.3 to the Financial Statements which have been approved but which will not be paid out until the related conditions have been met.

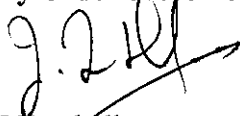
Following the quinquennial valuation of the investment properties held, the properties showed an unrealised gain on revaluation of £623,750 (note 5.1), but further unrealised losses of £(450,944) arose on the revaluation of investments (excluding Specific Purpose fund investments), to year end market value, in line with the general performance of investment markets in the period.

The overall result for the year has led to a total increase in funds held (excluding Specific Purpose funds) of £194,235, as shown on the Statement of Financial Activities on page 7 – Unrestricted General fund deficit of £(68,462) and Restricted Trust fund surplus of £262,697.

AUDITORS

PKF will be proposed for re-appointment as auditors at the Annual General Meeting.

By Order of the Board



J Turnbull

Secretary

14 March 2003

CHESTER DIOCESAN BOARD OF EDUCATION

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Law applicable to charities in England and Wales require the directors (trustees) to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity during the year and of its state of affairs at the end of the year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless this basis is not considered appropriate.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the applicable law and with the provisions of the company's Memorandum and Articles of Association. The directors are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for ensuring that the directors' report is prepared in accordance with company and other law in the United Kingdom.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHESTER DIOCESAN BOARD OF EDUCATION

We have audited the financial statements of Chester Diocesan Board of Education for the year ended 31 December 2002 which comprise the Statement of Financial Activities, Summary Income and Expenditure Account, Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the trustees, as a body, in accordance with Regulation 6 of the Charities (Accounts and Reports) Regulations 1995. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The responsibilities of the directors, who also act as trustees for the charitable activities of Chester Diocesan Board of Education, for preparing the annual report and financial statements in accordance with applicable law and United Kingdom accounting standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charitable company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the charitable company as at 31 December 2002 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Liverpool
17 March 2003


PKF
Registered Auditors

CHESTER DIOCESAN BOARD OF EDUCATION

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2002

	Note	Unrestricted General Funds £	Restricted Trust Funds £	Specific Purpose Funds £	Total 2002 £	Total 2001 £
INCOMING RESOURCES	1.2					
Activities in furtherance of the Charity's objectives		13,679	-	-	13,679	4,583
Investment income and interest	2	14,922	136,400	22,927	174,249	170,498
		28,601	136,400	22,927	187,928	175,081
Further funds received		-	-	200,189	200,189	428,321
TOTAL INCOMING RESOURCES		28,601	136,400	223,116	388,117	603,402
RESOURCES EXPENDED	1.3					
Charitable expenditure:						
Grants payable	3.3	-	25,862	-	25,862	16,669
Support costs		-	86,884	-	86,884	76,797
Management & administration of the charity		4,112	22,334	-	26,446	26,219
	3.1	4,112	135,080	-	139,192	119,685
Funds divested		-	-	8,929	8,929	35,763
TOTAL RESOURCES EXPENDED		(4,112)	(135,080)	(8,929)	(148,121)	(155,448)
NET INCOMING RESOURCES		24,489	1,320	214,187	239,996	447,954
Gains/(losses) on:						
Investments - realised		-	(4,380)	-	(4,380)	-
- unrealised		(92,951)	(357,993)	(5,223)	(456,167)	(387,140)
Revaluation of investment properties	5.1	-	623,750	-	623,750	13,500
NET MOVEMENT IN FUNDS		(68,462)	262,697	208,964	403,199	74,314
Fund balances brought forward at 1 January 2002		733,071	3,275,883	661,794	4,670,748	4,596,434
FUND BALANCES CARRIED FORWARD AT 31 DECEMBER 2002		664,609	3,538,580	870,758	5,073,947	4,670,748

CHESTER DIOCESAN BOARD OF EDUCATION
SUMMARY INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 DECEMBER 2002

	2002 £	2001 £
Gross income of continuing operations	165,001	162,649
Total expenditure of continuing operations	(139,192)	(119,685)
Net income for the year before investment asset disposals	25,809	42,964
Loss on sale of fixed asset investments	(4,380)	-
Net surplus for the year	21,429	42,964

All amounts relate to continuing operations.

CHESTER DIOCESAN BOARD OF EDUCATION

BALANCE SHEET

31 DECEMBER 2002

	Notes	2002	2001
		£	£
Fixed assets			
Tangible fixed assets			
- investment properties	5.1	941,000	317,250
- other	5.2	3,448	4,644
Investments	6	3,203,791	3,566,169
		<u>4,148,239</u>	<u>3,888,063</u>
Current assets			
Debtors	7	1,076,948	1,049,920
Bank balances		<u>42,127</u>	<u>10,935</u>
		1,119,075	1,060,855
Creditors – amounts falling due			
Within one year	8.1	<u>(160,947)</u>	<u>(241,957)</u>
Net current assets		<u>958,128</u>	<u>818,898</u>
Total assets less current liabilities		<u>5,106,367</u>	<u>4,706,961</u>
Creditors – amounts falling due			
After more than one year	8.2	<u>(32,420)</u>	<u>(36,213)</u>
Net assets		<u><u>5,073,947</u></u>	<u><u>4,670,748</u></u>
Funds			
Specific purpose funds	9		
- realised		866,473	652,286
- unrealised revaluation		<u>4,285</u>	<u>9,508</u>
		870,758	661,794
Restricted trust funds	10		
- realised		2,728,176	2,670,618
- unrealised valuation		<u>810,404</u>	<u>605,265</u>
		3,538,580	3,275,883
Unrestricted general funds (page 7)			
- realised		358,880	334,391
- unrealised revaluation		<u>305,729</u>	<u>398,680</u>
		664,609	733,071
		<u><u>5,073,947</u></u>	<u><u>4,670,748</u></u>

Approved by the board on 14 March 2003

The Rt Rev D A Urquhart
The Bishop of Birkenhead

+ David Bikerhead

Director

CHESTER DIOCESAN BOARD OF EDUCATION

NOTES AND ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2002

1 PRINCIPAL ACCOUNTING POLICIES

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments and investment properties at market value, and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2000)", applicable accounting standards and the Companies Act 1985.

1.2 Incoming resources

Incoming resources are included in the Statement of Financial Activities on the basis of the amounts receivable for the year.

1.3 Resources Expended

Resources expended are included in the Statement of Financial Activities on the accruals basis, based on the amounts payable for work done and services provided in the year. Charitable Expenditure consists of all expenditure directly relating to the objects of the charity. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants payable represent discretionary grants to Governors or Schools for financial assistance towards the cost of specific, approved school projects. Grants payable are included in the Statement of Financial Activities on the accruals basis, to the extent that conditions for payment have been met.

Support costs represent the cost of administering grant claims in respect of building and maintenance work carried out on school properties, the cost of administering grants payable and providing support to the other charitable activities of the company.

Management and administration costs are those costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

1.4 Investments

Investments are included in the balance sheet at their market value at the balance sheet date.

Unrealised gains are calculated as the movement in market value during the year. Realised gains are calculated as the difference between disposal proceeds and market value brought forward.

1.5 Taxation

As a registered charity the company is exempt from taxation on its income and gains arising out of its charitable activities.

CHESTER DIOCESAN BOARD OF EDUCATION

NOTES AND ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2002

1 PRINCIPAL ACCOUNTING POLICIES (continued)

1.6 Specific purpose funds

The company acts as custodian trustee in respect of funds held on behalf of local trustees and such specific purpose funds are shown separately in the financial statements, as summarised in note 9.

The company also acts as custodian trustee in respect of funds arising out of the sale of school properties where the funds are held pending the issue of an Order or other determination.

1.7 Restricted trust funds

Funds arising out of the sale of school properties were received in past years under various Educational Endowment Orders and were amalgamated into a uniform statutory trust in 1995 following the provisions of the Education Act 1993. These funds are shown separately as trust funds in the financial statements, as summarised in note 10, and their use is restricted to the following:-

- a) funding the purchase, or erection of, improvement or enlargement of, relevant school premises in the area,
- b) funding maintenance costs of any relevant school in the area,
- c) funding the costs of the administration of the trust and the costs of providing advice, guidance and resources in connection with any matter related to the management of, or education provided at any relevant school in the area.

1.8 Tangible fixed assets - other than property

The cost of office fixtures and office equipment acquired are capitalised and are depreciated over their estimated useful lives at the rates of 33.3% per annum straight line for computer equipment and 20% per annum straight line for other furniture and equipment.

1.9 Tangible fixed assets - property

Proceeds from the sale of former school properties are normally held by the company as custodian trustee (in specific purpose funds, as note 1.6) until a relevant Educational Endowment Order or other determination is issued. The financial statements up to 31 December 1996 did not include any value for former school properties held in the name of the company which had not yet been sold but these properties, classified as investment properties, have been included in subsequent accounts at their estimated market value, as disclosed in note 5.1.

CHESTER DIOCESAN BOARD OF EDUCATION

NOTES AND ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2002

2	INVESTMENT INCOME	Unrestricted	Restricted	Specific Purpose funds	Total 2002	Total 2001
		£	£	£	£	£
	Unlisted investments	14,922	101,141	22,927	138,990	131,755
	Bank interest	-	2,275	-	2,275	3,016
	Rental income	-	30,815	-	30,815	32,669
	Loan interest	-	2,169	-	2,169	3,058
		<u>14,922</u>	<u>136,400</u>	<u>22,927</u>	<u>174,249</u>	<u>170,498</u>

3	RESOURCES EXPENDED	2002 Charitable Expenditure	2002 Management & administration of charity	2002 Total	2001 Total
		£	£	£	£
3.1	Resources expended comprised the following:-				
	Grants made (note 3.3)	25,862	-	25,862	16,669
	Property costs incurred	7,345	-	7,345	7,192
	Administration charges (note 3.4)	52,086	5,787	57,873	58,757
	Legal and professional	13,771	1,530	15,301	10,230
	Audit and accountancy (note 3.5)	-	14,653	14,653	9,919
	Bank charges	-	892	892	850
	Depreciation	-	2,373	2,373	4,726
	Other expenses, including insurance, consumables, etc	13,682	1,211	14,893	11,342
		<u>112,746</u>	<u>26,446</u>	<u>139,192</u>	<u>119,685</u>

- 3.2 No remuneration (or expense reimbursement) was paid to any of the directors, or members of The Board of Education, for the year (2001: nil). Apart from the directors, the company had no employees during the year (2001: nil).

CHESTER DIOCESAN BOARD OF EDUCATION

NOTES AND ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2002

3 RESOURCES EXPENDED (continued)

3.3 Grants made and committed

In 2002 financial assistance grants totalling £25,862 were paid to the governors of 16 schools (2001: £16,669 to the governors of 15 schools).

		2002 £	2001 £
Runcorn St Berteline	- CCTV equipment	1,303	-
	- Insurance costs	1,117	-
Birkenhead Priory	- Insurance costs	1,580	1,451
Bridgemere C E Primary	- Governors' liability	2,989	-
Bredbury C E Primary	- Sign costs	1,290	-
Stockport St George C E Primary	- Sign costs	2,518	-
The Bishops' Blue Coat C E High School	- grant to cover loan repayment	5,000	5,000
Bickerton C E Primary	- Land purchase legal fees	2,450	-
Antrobus St Mark's C E Primary	- Sign costs	-	1,175
St Anne's Fulshaw C E Primary	- Health & Safety costs	-	2,000
Other grant payments of less than £1,000 each		7,615	7,043
		<u>25,862</u>	<u>16,669</u>

In addition, the directors (Trustees) had also authorised grants of approximately £147,000, including approximately £90,000 relating to Latchford C E School, which will only be paid after 31 December 2002 once the related conditions are met.

3.4 The administration charges are paid to the Chester Diocesan Board of Finance.

3.5 The audit and accountancy charges related to the following:

	2002 £	2001 £
Current year - Audit	3,995	3,877
- Accountancy	10,364	5,778
Prior year additional accountancy	294	264
	<u>14,653</u>	<u>9,919</u>

3.6 The cost of errors and omissions and trustee indemnity insurance for the year amounted to £1,229 (2001 £1,218).

CHESTER DIOCESAN BOARD OF EDUCATION

NOTES AND ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2002

4	SCHOOL BUILDING AND MAINTENANCE WORK	2002 £	2001 £
	The company administered grant claims in the year in respect of the following school building and maintenance work:-		
	Costs incurred	3,690,880	1,975,318
	Less: funded by DfES and LEAs	3,270,824	1,662,136
	Funded by school governors	420,056	313,182
5	TANGIBLE FIXED ASSETS		
5.1	Investment properties:	£	£
	At valuation at 1 January 2002		317,250
	Increase to year end valuation		623,750
	At valuation at 31 December 2002		941,000
	The investment properties are included at their market value following their valuation by N J Fitzpatrick MRICS of BBG Commercial as at 31 December 2002		
5.2	Fixtures and office equipment:		
	Cost:		
	- at 1 January 2002	65,048	
	- additions in year	1,177	
	- disposals in year	(45,622)	
		20,603	
	Depreciation		
	- at 1 January 2002	60,404	
	- Charge for year	2,373	
	- eliminated on disposals	(45,622)	
		(17,155)	
	Net book value at 31 December 2002		3,448
	As at 31 December 2002		944,448

CHESTER DIOCESAN BOARD OF EDUCATION

NOTES AND ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2002

6	INVESTMENTS	2002	2001
		£	£
6.1	Unlisted investments, at market value		
	At 1 January 2002	3,566,169	3,570,500
	Additions in year	666,877	606,991
	Less: disposals at market value	(573,088)	(224,189)
	Net loss on revaluation	(456,167)	(387,133)
	Market value at 31 December 2002	<u>3,203,791</u>	<u>3,566,169</u>
	(Historic cost as at 31 December 2002 £3,024,373: 31.12.01 £2,869,966)		
6.2	The investments held at 31 December comprised:-		
	CBF deposits	808,270	623,026
	CBF Fixed Interest securities fund	622,162	649,083
	CBF Investment fund	1,754,373	2,185,665
	COIF deposits and investment fund	18,986	108,395
		<u>3,203,791</u>	<u>3,566,169</u>
7	DEBTORS	2002	2001
		£	£
	Grants receivable	417,033	348,915
	Loans and advances to parishes and school governors	562,645	583,121
	Other debtors	97,270	117,884
		<u>1,076,948</u>	<u>1,049,920</u>

Loans to parishes and school governors includes £83,448 (2001: £104,630) repayable after a year from the balance sheet date.

CHESTER DIOCESAN BOARD OF EDUCATION

NOTES AND ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2002

8	CREDITORS	2002 £	2001 £	
8.1	Amount falling due within one year:			
	Loan repayments	3,793	4,053	
	Creditors, accruals and deferred income	157,154	237,904	
		160,947	241,957	
8.2	Amounts falling due after one year:			
	Loan repayments			
	- Central Board of Finance	32,420	36,213	
8.3	The loans outstanding are repayable as follows:-			
	Due within a year	3,793	4,053	
	Due between 1 and 2 years	3,590	3,793	
	Due between 2 and 5 years	9,170	9,970	
	Due after more than 5 years	19,660	22,450	
		36,213	40,266	
9	SPECIFIC PURPOSE FUNDS	Realised £	Unrealised Revaluation £	Total £
	Funds held at 1 January 2002	652,286	9,508	661,794
	Incoming resources			
	- further funds received	200,189	-	200,189
	- investment income arising	22,927	-	22,927
	Funds divested	(8,929)	-	(8,929)
		866,473	9,508	875,981
	Unrealised loss on investments held	-	(5,223)	(5,223)
	Funds held at 31 December 2002	866,473	4,285	870,758
10	RESTRICTED TRUST FUNDS	Realised £	Unrealised Revaluation £	Total £
	Funds held at 1 January 2002	2,670,618	605,265	3,275,883
	Incoming Resources:			
	- investment income arising	136,400	-	136,400
	Resources expended	(135,080)	-	(135,080)
		2,671,938	605,265	3,277,203
	Realised on investment disposal	56,238	(60,618)	(4,380)
	Unrealised gain on investment properties	-	623,750	623,750
	Unrealised loss on investments held	-	(357,993)	(357,993)
	Funds held at 31 December 2002	2,728,176	810,404	3,538,580

CHESTER DIOCESAN BOARD OF EDUCATION

NOTES AND ACCOUNTING POLICIES

YEAR ENDED 31 DECEMBER 2002

11	ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted General funds £	Restricted Trust funds £	Specific Purpose funds £	Total funds £
	Fund balances at 31 December 2002 as represented by:-				
	Tangible fixed assets	3,448	941,000	-	944,448
	Investments	364,793	1,968,510	870,488	3,203,791
	Current assets less creditors	296,368	629,070	270	925,708
	Total Net Assets	664,609	3,538,580	870,758	5,073,947
	Unrealised gain on investments Included above comprise:-				
	- unrealised gains at 1 January 2002	398,680	288,015	9,508	696,203
	- realised on disposals in year	-	(60,618)	-	(60,618)
	- net loss arising on revaluation of investments in year	(92,951)	(357,993)	(5,223)	(456,167)
	Unrealised gains at 31 December 2002	305,729	(130,596)	4,285	179,418

12 RELATED PARTIES

Chester Diocesan Board of Education act as the education authority for the Church of England in the Diocese of Chester.

	2002 £	2001 £
Administration charges payable to The Chester Diocesan Board of Finance for the year	<u>57,873</u>	<u>58,757</u>
of which the following amount was included as a creditor at the year end	<u>6,549</u>	<u>-</u>