

**THE SHELDON TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2023**



# THE SHELDON TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr J K R England Mr A P Bidnell Mrs R M Beatton Mrs R M Gibbins Mr P K England
<b>Charity number</b>	242328
<b>Principal address</b>	84 Eccleston Square Pimlico London SW1V 1PX
<b>Auditor</b>	Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
<b>Bankers</b>	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
<b>Solicitors</b>	Pothecary Witham Weld 84 Eccleston Square Pimlico London SW1V 1PX
<b>Investment advisors</b>	Quilter Cheviot One Kingsway London WC2B 6AN

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# THE SHELDON TRUST

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 7
Statement of Trustees' responsibilities	8
Independent auditor's report	9 - 11
Statement of financial activities	12 - 13
Statement of financial position	14
Notes to the financial statements	15 - 26

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# THE SHELDON TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 5 APRIL 2023

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The Trustees present their annual report and financial statements for the year ended 5 April 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust's Trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### Objectives and activities

The objects of the Trust are for such charitable purposes as shall from time to time be determined by the Trustees. In setting their grant making policy and when reviewing the Trust's aims and objectives the Trustees confirm that they have had regard to the guidance provided by the Charity Commission on public benefit.

#### Grant Making Policy

The Trustees have established their grant making policy to achieve their objects for the public benefit. Following a merger with two other charities in the year ended 5 April 2013 the Trustees have continued to focus their grant giving in the West Midlands with particular emphasis on the following areas: Birmingham City, Coventry City, Dudley, Sandwell, Solihull, Wolverhampton and the County of Warwickshire but also now provide a limited number of grants nationally.

The main objective of the Trust - to relieve poverty and distress in society, especially in deprived areas, by providing grants to registered charities working with disadvantaged people - remains unchanged. In order to achieve this objective, grants are made to charities working in the following four areas:

**1. Community Projects** (West Midlands only): these would be primarily community-based organisations, run by local volunteers and/or some paid staff. They would be addressing identified local needs of an individual or a community nature.

**2. Special Needs Groups** (West Midlands only): these would be addressing the special needs of groups or individuals with age, health or learning issues which put them at a disadvantage within society.

**3. Youth Development** (nationally): these would support programmes which address the needs of 16-25 year olds, especially those not in education, employment or training (NEETs). While individuals will not be selected and supported directly, the Trustees will consider applications from programmes which encourage young people to expand their experiences and challenge their capacities.

**4. Holidays for the disadvantaged** (West Midlands or Greater London): the average value of these small grants is £1,000. The grants are for holidays for people living in the defined area who are disadvantaged due to age, disability or other special needs who would otherwise not be able to have a holiday. Holidays must take place in the UK.

The Trustees will consider applications for projects, salaries, equipment, furnishings and running costs.

The Trustees do not consider applications from charities with an annual income of over £1M and/or free unrestricted reserves to the value of more than six months of their annual expenditure.

In addition to the above the Trustees may put aside a portion of their income for grants for special projects of which they have personal knowledge or an organisation which they have supported in the past.

The Trustees only make grants to other registered UK charities as they consider that such charities, established as they are for the public benefit, are best placed to further the charitable objectives of the Trust. This also provides reassurance that the grants the Trustees make go to worthy, charitable and accountable recipients. Occasionally grants are made to non-registered charities but in these instances payment is made through a sponsoring third party registered charity.

# THE SHELDON TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2023

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The Trustees play a very active role in the Trust and review their policy and criteria regularly. Although they have a central policy, flexibility is retained to allow for reaction to changes in the environment and the community alike. The Trustees continue to commit a proportion of their income to multi-year grants for a period of two or three years which means they have less income to distribute for other charitable purposes in any given year. The Trustees keep the value of these continuing grants under review to avoid over committing their resources.

During the reporting period, given the current challenges resulting from COVID-19, the Trustees felt they needed to exercise further flexibility in regards to grant-making and encouraged applicants to highlight where they require support to help continue their important work.

#### **Achievements and performance**

The Trustees met twice during the year and authorised 20 grants of the total value of £239,161 as set out below.

#### **Community Projects**

Four grants were authorised under this category during the year totalling £37,556. This figure included two grants worth of £29,556 that would be paid over three years. Of the grants authorised under this category four were to charities previously known to the Trustees.

#### **Youth Development**

Twelve grants were authorised under this category during the year totalling £155,875. This figure included three grants totalling £69,900 that would be paid over three years. Of the grants authorised under this category five were to charities previously known to the Trustees.

#### **Special Needs Groups**

Four grants were authorised under this category during the year totalling £28,000. This figure included one grant totalling £8,000 that would be paid over two years, Of the grants authorised under this category three were to charities previously known to the Trustees.

#### **Holiday Fund**

The Trustees set aside funds in support of holiday projects for disadvantaged people each year and during the year ten grants totalling £8,730 were authorised. They also authorised a 3 year grant worth £9,000, paying £3,000 a year for the next three year. All grantees were new applicants to the Trust.

The Trustees sometimes make conditional grants in the year which are not accrued or included pending fulfilment of the conditions. There was one conditional grant at the year end.

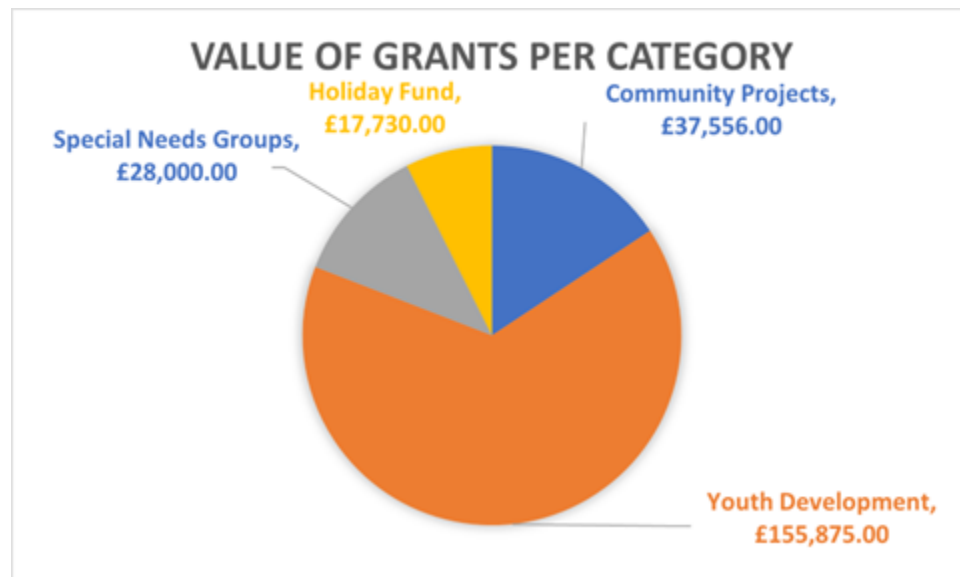
The Trust focused its grants on charities which were delivering front-line services, to ensure that the targeted groups benefitted directly. Grants were authorised for all the main categories supported by the Trust. Here below is an analysis of how grants were distributed according to the grant criteria, geographical area, purpose of grants.

# THE SHELDON TRUST

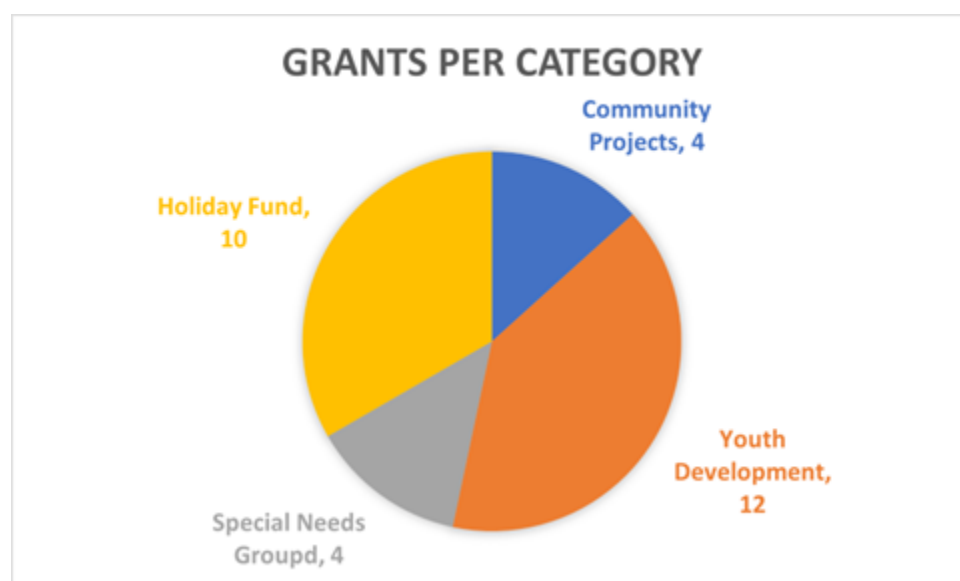
## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

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The Trustees authorised grants within four categories with the greatest amount supporting young people.

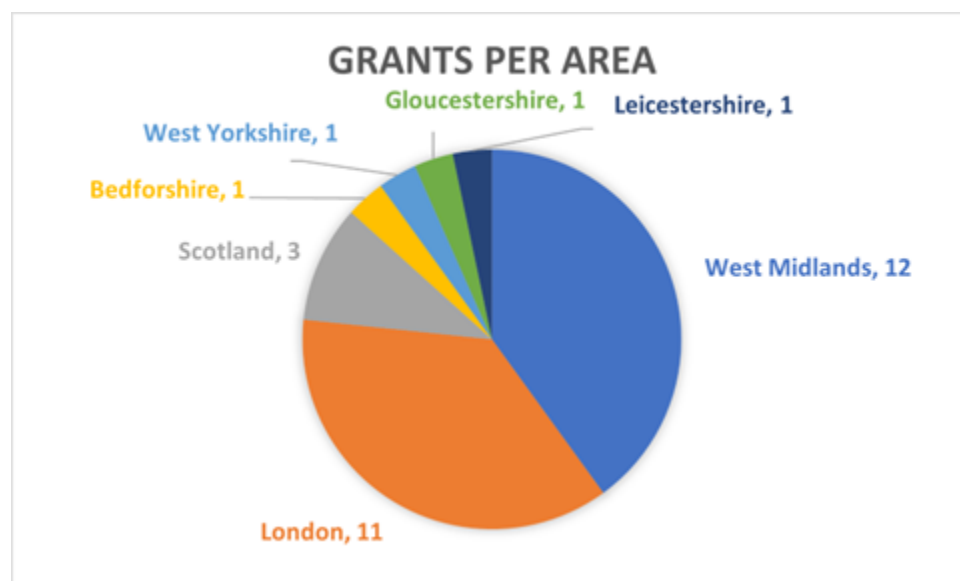


# THE SHELDON TRUST

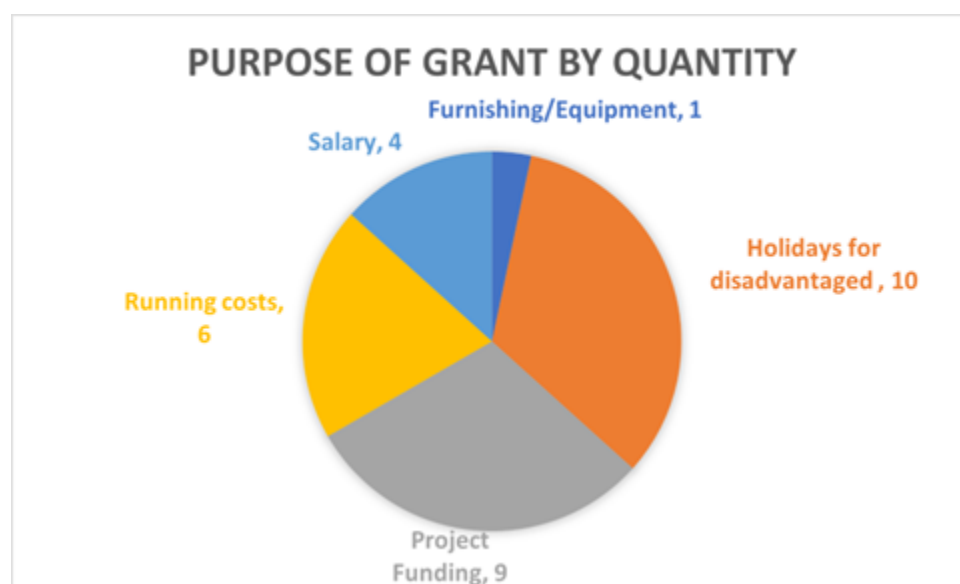
## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

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The Trustees authorised grants throughout their target geographical area with the greatest concentration in the West Midlands.

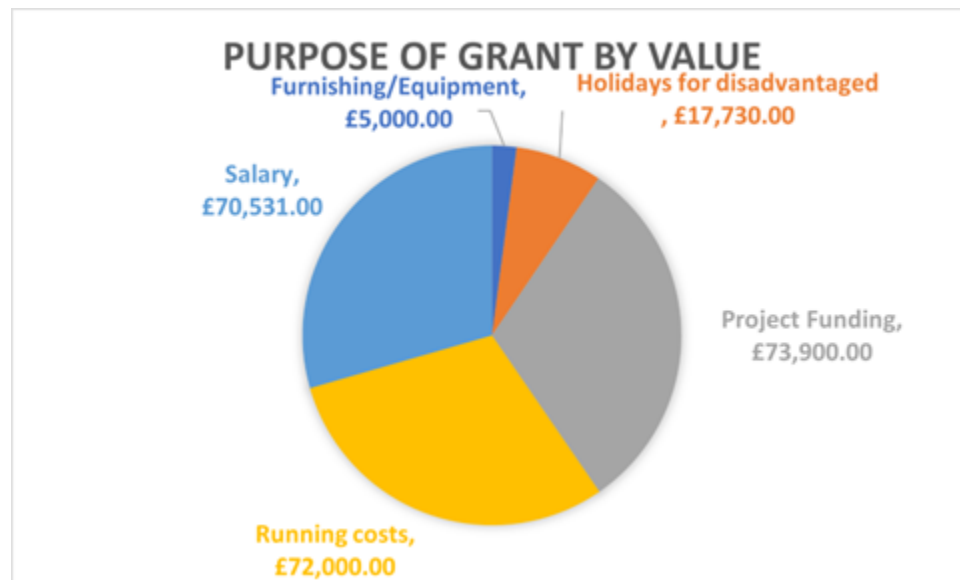


# THE SHELDON TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 5 APRIL 2023**

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This year the most popular purpose of the grants awarded for was project funding. The Trustees do not restrict their funding to this area and welcome applications for all purposes apart from capital building costs.

### Monitoring

All successful applicants are requested to provide a report on the use of the funding provided and how it has benefited the target groups. An official monitoring form is provided for the purpose of reporting under all categories with the exception of the holiday funding. The charities in receipt of a holiday grant are asked to provide a short narrative on the holiday funded as well as photographs or other proof that the holiday has taken place, within a year of the grant receipt.

The Trustees actively encourage grant recipients to provide a report on the use of funding received. A system is in place by which each month Charities who are on their last month of the project are sent the monitoring form. Furthermore, on a monthly basis, charities that are late to submit their end of project report are contacted to be reminded that the report is due. It is a condition of funding that monitoring reports are provided and those charities not providing completed reports will not be considered for funding in the future. Of those reports that were returned the Trustees were satisfied that their funding during the year ended 5 April 2023 and before had been successful in reaching the groups they were targeting with their grant making policy.

Each year an average of five charities are visited by either the Trustees or the Trust Administrator. Visits are very effective at monitoring the projects and learning what is working, what is not and what the impact of the supported projects are.



# THE SHELDON TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 5 APRIL 2023**

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### **Risk Management**

The Trustees have identified the risks to which the Trust is exposed and have implemented procedures to mitigate those risks. The principle risk to the charity is considered to be a dramatic downturn in capital value.

The Trustees consider the major financial risk to be variability of returns on their investments. This is mitigated by diversifying their investments between rental properties and an investment portfolio. The Trustees employ expert property and investment managers to manage their investments and receive regular reports from each.

The major operational risk faced by the Trust is misuse of grant funding by recipients. The Trustees have implemented procedures to manage this risk through thorough review of all applications, pre-grant assessments, and effective monitoring of grants made. All applications must include detailed financial information about the Applicant.

As a result of Covid 19 the Trustees have also considered to include such adversities in the Trust's risk register and have discussed ways to mitigate such risks.

### **Financial review**

The Trust's work is dependent on income from its investments. The capital fund is an expendable endowment but it is the Trustees' policy to maximise income from their investments whilst maintaining a capital fund. This policy is kept under review and if the need arises the Trustees will reconsider this decision.

### **Investment Policy**

The capital fund of the Trust consists of both property and stock exchange investments and this balance enables the Trustees to be a little more flexible in terms of their stock exchange holdings than might otherwise be appropriate. The Trustees choose not to invest in companies where more than 25% of profit is derived from the production or sales of Alcohol, Tobacco, Armaments or Gambling. However, should this policy prevent the purchase of shares which the investment manager would normally recommend then this will be considered on a case by case basis. The Trustees will continue to keep their ethical policy under review, considering both the positive and negative impact of investments.

### **Reserves Policy**

The Trustees have given consideration as how best to benefit those groups and individuals to whom its policies are targeted to help in the short and longer term. They keep under review the number of grants which include payments in future years to ensure that they have sufficient funds to meet needs as they arise. The Trustees anticipate increasing needs in the areas they support in future years and have determined that they will maintain the capital fund, with organic growth, as a source for future grants.

The charity had an unrestricted capital fund of £5,393,445 (2022: £6,131,836) and an unrestricted income fund of £91,162 (2022: £39,148) which included known liabilities for future approved grants amounting to £146,962 (2022: £144,474) as at 5 April 2023. The Trustees regularly review the value of grants authorised for payment in future years and have implemented procedures to ensure they do not become overcommitted in this regard.

There is a restricted income fund for holiday funding of £45,785 (2022: £63,515).

The Trustees have determined that all net income will be distributed by way of grants, with the proviso that approximately £20,000 of the income fund will remain undistributed to enable the charity to be managed efficiently and to provide working capital.

### **Fundraising**

The Trust understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate, but does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face-to-face campaigns and received no fundraising complaints during the year.

# THE SHELDON TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 5 APRIL 2023**

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### Plans for future periods

The Trustees look forward to continuing to make grants with an emphasis on community and special needs projects and the specific category for disadvantaged young people. The Trustees will continue to retain flexibility as to the timing and scale of grant-making. In order to achieve this objective the Trustees will continue to monitor their investments with the intention of maintaining capital growth whilst providing income for grant funding.

The Trustees will continue to make grants for one and more years as appropriate. They will also explore ways to reduce overhead costs by making some larger grants whilst still continuing to support small grassroots charities.

The Trustees will keep under review the possibility of merging with other charities with similar objects to their own with a view to proportionately reducing overhead costs.

### Structure, governance and management

The Sheldon Trust is an unincorporated trust established by a Trust Deed dated 9 April 1965 and registered with the Charity Commission on 12 May 1965. The Trustees have the power to spend or retain both capital and income and so the funds of the Trust are classed as expendable endowment. The Trust does not actively fundraise and seeks to continue its charitable work through careful stewardship of its existing resources.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr J K R England  
Mr A P Bidnell  
Mrs R M Beaton  
Mrs R M Gibbins  
Mr P K England

Appointment of new trustees is by invitation of the existing trustees. Prospective new trustees are invited to attend Trustee Meetings prior to formal appointment for induction and training purposes.

The day-to-day management of the Trust including administration of grants and the processing of applications prior to consideration by the Trustees is carried out by the Trust's solicitor, Potheary Witham Weld.

The Trustees' report was approved by the Board of Trustees.



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Mr J.K. Robert England  
**Trustee**

Date: 2 November 2023

# THE SHELDON TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### *FOR THE YEAR ENDED 5 APRIL 2023*

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The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust for that year.

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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE SHELDON TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SHELDON TRUST

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### Opinion

We have audited the financial statements of The Sheldon Trust (the 'Trust') for the year ended 5 April 2023 which comprise the statement of financial activities, the statement of financial position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2023 and of its incoming resources and application of resources, 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 Charities Act 2011.

### 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 Trust 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 the provisions available for small entities, in the circumstances set out in note 23 to the financial statements, 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 Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

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

We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# THE SHELDON TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE SHELDON TRUST

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### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees 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 Trust'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 cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

### **The extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Trust through discussions with Trustees, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust such as the Charities Act 2011, the Trustees Act 1925 and Trustees Act 2000, and Charity Taxation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

# THE SHELDON TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE SHELDON TRUST

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### Audit response to risks identified

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

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

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

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

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Other matters

The corresponding figures are unaudited.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.



**Caladine Limited**

**Chartered Certified Accountants  
Statutory Auditor**

10 November 2023  
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Chantry House  
22 Upperton Road  
Eastbourne  
East Sussex  
BN21 1BF

Caladine Limited is eligible for appointment as auditor of the Trust by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# THE SHELDON TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2023

### Current financial year

		Unrestricted funds general 2023 £	Unrestricted funds capital 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
<b>Income from:</b>						
Donations and legacies	3	-	-	-	-	60
Investments	4	313,583	-	-	313,583	246,175
<b>Total income</b>		313,583	-	-	313,583	246,235
<b>Expenditure on:</b>						
Raising funds	5	-	45,570	-	45,570	32,813
Charitable activities	6	261,569	-	17,730	279,299	336,889
<b>Total resources expended</b>		261,569	45,570	17,730	324,869	369,702
Net gains/(losses) on investments	12	-	(692,821)	-	(692,821)	242,106
<b>Net movement in funds</b>		52,014	(738,391)	(17,730)	(704,107)	118,639
Fund balances at 6 April 2022		39,148	6,131,836	63,515	6,234,499	6,115,860
<b>Fund balances at 5 April 2023</b>		91,162	5,393,445	45,785	5,530,392	6,234,499

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# THE SHELDON TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2023

Prior financial year

		Unrestricted funds general 2022 £	Unrestricted funds capital 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
<b>Income from:</b>					
Donations and legacies	3	60	-	-	60
Investments	4	246,175	-	-	246,175
<b>Total income</b>		246,235	-	-	246,235
<b>Expenditure on:</b>					
Raising funds	5	-	32,813	-	32,813
Charitable activities	6	330,190	-	6,699	336,889
<b>Total resources expended</b>		330,190	32,813	6,699	369,702
Net gains/(losses) on investments	12	-	242,106	-	242,106
<b>Net movement in funds</b>		(83,955)	209,293	(6,699)	118,639
Fund balances at 6 April 2021		123,103	5,922,543	70,214	6,115,860
<b>Fund balances at 5 April 2022</b>		39,148	6,131,836	63,515	6,234,499

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.



# THE SHELDON TRUST

## STATEMENT OF FINANCIAL POSITION

AS AT 5 APRIL 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Investment properties	14	1,765,000		2,043,000	
Investments	15	3,795,414		4,228,290	
		<u>5,560,414</u>		<u>6,271,290</u>	
<b>Current assets</b>					
Trade and other receivables	16	74,344		10,977	
Cash at bank and in hand		111,447		146,315	
		<u>185,791</u>		<u>157,292</u>	
<b>Current liabilities</b>	17	(169,911)		(128,425)	
Net current assets			15,880		28,867
<b>Total assets less current liabilities</b>			5,576,294		6,300,157
<b>Non-current liabilities</b>	18	(45,902)		(65,658)	
<b>Net assets</b>			<u>5,530,392</u>		<u>6,234,499</u>
<b>Income funds</b>					
Restricted funds	20	45,785		63,515	
Unrestricted funds - capital		5,393,445		6,131,836	
Unrestricted funds - general		91,162		39,148	
		<u>5,530,392</u>		<u>6,234,499</u>	

The financial statements were approved by the Trustees on 2 November 2023



Mr J.K. Robert England  
Trustee

# THE SHELDON TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 5 APRIL 2023

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#### 1 Accounting policies

##### Charity information

The Sheldon Trust is an unincorporated trust established by a Trust Deed dated 9th April 1965 and registered with the Charity Commission on 12th May 1965.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's Trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted income funds comprise of funds which are free for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

For management purposes, the trustees have designated that the Trust's capital and capital profits will be retained and carried forward in a Capital Fund. At the discretion of the Trustees, on specific occasions, a transfer from the capital fund to the income fund will be made, to utilise some of the investment portfolio's capital gains for grant making. The Income Fund and income profits are utilised for awarding annual grants.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### 1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been received. Income from Government Securities is recognised when it is received.

# THE SHELDON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2023

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#### 1 Accounting policies (Continued)

Rental income under operating leases is charged to the profit and loss accounts on a straight-line basis over the terms of the lease.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds includes fees and charges for the management of the investment portfolio.
- Expenditure on charitable activities includes grants made in furtherance of the Trust's objects, governance costs and support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the yearend are noted as a commitment, but not accrued as expenditure.

Where grants are payable by instalment, payment of subsequent instalments is conditional on satisfactory interim progress reports. The trustees consider it probable that satisfactory reports will be received and subsequent instalments are not, therefore, treated as conditional.

#### Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance and governance costs which support the Trust's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

#### 1.6 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the statement of financial activities.

#### 1.7 Non-current investments

Fixed asset Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the mid-market quoted price (the difference between mid-market and bid price is deemed not to be material). The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

# THE SHELDON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

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### 1 Accounting policies (Continued)

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

### 2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# THE SHELDON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

### 3 Donations and legacies

	<b>Total</b>	Unrestricted funds income
	<b>2023</b>	2022
	£	£
Donations and gifts	-	60

### 4 Investments

	<b>Unrestricted funds income</b>	Unrestricted funds income
	<b>2023</b>	2022
	£	£
Rental income	119,812	136,989
Income from listed investments	122,594	109,172
Lease surrender premiums	70,684	-
Interest receivable	493	14
	<u>313,583</u>	<u>246,175</u>

### 5 Raising funds

	<b>Unrestricted funds capital</b>	Unrestricted funds capital
	<b>2023</b>	2022
	£	£
Property management charges	3,618	4,147
Irrecoverable debts	12,364	-
Other property expenditure	6,834	9,791
Investment management	22,754	18,875
	<u>45,570</u>	<u>32,813</u>

# THE SHELDON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

### 6 Charitable activities

	Total	Total
	2023	2022
	£	£
Grant funding of activities (see note 8)	239,161	303,275
Share of support costs (see note 7)	23,840	23,204
Share of governance costs (see note 7)	16,298	10,410
	<u>279,299</u>	<u>336,889</u>
<b>Analysis by fund</b>		
Unrestricted funds	261,569	330,190
Restricted funds	17,730	6,699
	<u>279,299</u>	<u>336,889</u>

### 7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Administration charges	23,768	-	23,768	23,089	-	23,089
Bank charges	72	-	72	115	-	115
Audit fees	-	4,664	4,664	-	-	-
Accountancy	-	3,100	3,100	-	2,970	2,970
Legal and professional	-	5,627	5,627	-	3,498	3,498
Administration and trustee expenses	-	2,907	2,907	-	2,566	2,566
Independent examination	-	-	-	-	1,376	1,376
	<u>23,840</u>	<u>16,298</u>	<u>40,138</u>	<u>23,204</u>	<u>10,410</u>	<u>33,614</u>
<u>Analysed between</u>						
Charitable activities	<u>23,840</u>	<u>16,298</u>	<u>40,138</u>	<u>23,204</u>	<u>10,410</u>	<u>33,614</u>

Governance costs includes payments to the auditor for the provision of accountancy and other services of £3,100 (2022: £2,970). Audit fees amounted to £4,664 in the year. In the comparative year the auditor was paid £1,376 in respect to independent examination work.

# THE SHELDON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

### 8 Grants payable

	2023 £	2022 £
<u>Community Projects:</u>		
Acacia Family Support	3,000	-
Beyond the Horizon	9,000	-
House of Play and Education	-	29,250
Independent Advocacy	-	9,066
JCT	-	8,047
New Heights Warren Farm Community Project	-	2,060
Open Door Community Foundation	-	5,000
St Anne's Hostel	-	6,000
Sudden Productions	5,000	-
The Laura Centre	20,556	-
	<hr/> 37,556	<hr/> 59,423
	2023 £	2022 £
<u>Young People:</u>		
All Change Arts Limited	10,000	-
Autism Bedfordshire	9,900	-
Callandar Youth	30,000	-
Dalgarno Trust	30,000	-
Doorway	-	30,000
Future Frontiers	-	6,750
Go Forward Youth	10,000	-
Hackney Shed	-	8,737
Half Moon Theatre	10,000	-
Helm Training Limited	-	-
Input SCIO	10,000	5,000
Key4Life	10,000	-
Linkable	-	30,000
MAPA Youth	-	26,728
One in a Million	10,000	-
Only Connect UK	-	10,000
Plus Forth Valley	10,000	-
Sandwell Asian Development Association	-	3,000
SocietyLinks Tower Hamlets	-	9,464
STARS	-	5,977
Sussex Association for Spina Bifida and Hydrocephalus	-	5,000
The Horse Rangers Association	-	5,000
The Worth Foundation	6,000	-
Young Roots	9,975	-
Young People First		10,000
	<hr/> 155,875	<hr/> 155,656

# THE SHELDON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

### 8 Grants payable (Continued)

	2023 £	2022 £
<u>Special Needs Groups:</u>		
Chris Westwood	5,000	-
Gilgal Birmingham	10,000	-
Grapevine Coventry and Warwickshire	-	17,541
Insight Counselling	-	7,956
Martineua Gardens	-	5,000
Muscular Dystrophy Support Centre - NMC Midlands	5,000	-
Nice - Centre for Movement Disorders	8,000	-
Perkisound CIO	-	5,000
Safeline	-	30,000
Solihull Action Through Advocacy	-	10,000
The House on the Corner Community	-	6,000
	<hr/> 28,000	<hr/> 81,497
	2023 £	2022 £
<u>Holiday Projects:</u>		
African French Speaking	885	-
Blooming Blossoms	1,000	-
Caxton Youth	1,278	-
Cracker Jacks	1,067	-
Happy Days	-	899
Highlights	1,000	-
Lending Hope	1,000	-
Linkable Woking	-	1,000
Manorfield Charitable Trust	-	1,000
Nuneaton & N Warks Equestrian Centre	1,000	-
Parallel Youth Enterprise	500	800
Peebleshire Youth Trust	-	1,000
Peninim	-	1,000
Play for Progress	-	1,000
The Myriad Centre	9,000	-
Youth Space	1,000	-
	<hr/> 17,730	<hr/> 6,699
 <b>Total grants payable</b>	 <b>239,161</b>	 <b>303,275</b>



# THE SHELDON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

### 8 Grants payable (Continued)

#### Reconciliation of grants payable

Accrued at 6 April	144,474	48,210
New grant commitments made in the year	239,161	303,275
Grants paid during the year	(236,673)	(207,011)

<b>Accrued at 5 April</b>	<b>146,962</b>	<b>144,474</b>
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#### Payable as follows

Grants payable within one year (see note 17)	101,060	78,816
Grants payable after one year (see note 18)	45,902	65,658
	<b>146,962</b>	<b>144,474</b>

### 9 Financial commitments, guarantees and contingent liabilities

The Trust has made commitments to fund the following organisations for one year. The amounts committed have not been charged in the accounts since they are subject to a satisfactory site visit by a trustee to review the activities. These total £5,000 as set out below.

	2024 £	TOTAL £
Input SCIO	5,000	5,000
	<b>5,000</b>	<b>5,000</b>

#### Commitments at 5 April 2022

	2023 £	2024 £	TOTAL £
Input SCIO	5,000	5,000	10,000
	<b>5,000</b>	<b>5,000</b>	<b>10,000</b>

### 10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year (2022: £nil). Two trustees were reimbursed expenses which amounted to £312 (2022: £nil).

# THE SHELDON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

### 11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	-	-

### 12 Net gains/(losses) on investments

	Unrestricted funds capital 2023 £	Unrestricted funds capital 2022 £
Revaluation of investments	(396,235)	247,501
Gain/(loss) on sale of investments	(18,586)	(5,395)
Revaluation of investment properties	(278,000)	-
	<u>(692,821)</u>	<u>242,106</u>

### 13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 14 Investment property

	2023 £
<b>Fair value</b>	
At 6 April 2022	2,043,000
Net gains or losses through fair value adjustments	<u>(278,000)</u>
At 5 April 2023	<u>1,765,000</u>

The properties were revalued on an open market value for existing use basis by ehB Reeves Chartered Surveyors on 1 April 2023.

# THE SHELDON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

### 15 Fixed asset investments

	Listed investments £	Cash in portfolio £	Total £
<b>Cost or valuation</b>			
At 6 April 2022	4,223,615	4,675	4,228,290
Additions	168,442	-	168,442
Valuation changes	(396,235)	2,025	(394,210)
Disposals	(207,108)	-	(207,108)
At 5 April 2023	3,788,714	6,700	3,795,414
<b>Carrying amount</b>			
At 05 April 2023	3,788,714	6,700	3,795,414
At 05 April 2022	4,223,615	4,675	4,228,290

	2023 £	2022 £
Investments at fair value comprise:		
Equity investments	3,446,807	3,613,199
Fixed interest	80,149	89,890
Property funds	261,758	520,526
Cash on deposit	6,700	4,675
	3,795,414	4,228,290

#### Fixed asset investments revalued

All investments are shown at open market value at the balance sheet date.

### 16 Trade and other receivables

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade receivables	73,659	10,972
Other receivables	685	5
	74,344	10,977

# THE SHELDON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

### 17 Current liabilities

	Notes	2023 £	2022 £
Other taxation and social security		17,369	4,082
Deferred income	19	30,850	34,975
Grants accrued		101,060	78,816
Accruals		20,632	10,552
		<u>169,911</u>	<u>128,425</u>

### 18 Non-current liabilities

	2023 £	2022 £
Grants accrued	<u>45,902</u>	<u>65,658</u>

### 19 Deferred income

	2023 £	2022 £
Arising from Rental income received in advance	<u>30,850</u>	<u>34,975</u>

### 20 Restricted funds

Restricted Funds represent a holiday fund which is for the sole purpose of providing holidays for the disadvantaged, in both London and the West Midlands areas.

	Balance at 6 April 2021 £	Resources expended £	Balance at 6 April 2022 £	Resources expended £	Balance at 5 April 2023 £
Holiday income fund	<u>70,214</u>	<u>(6,699)</u>	<u>63,515</u>	<u>(17,730)</u>	<u>45,785</u>

# THE SHELDON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

### 21 Analysis of net assets between funds

#### Current financial year

	Unrestricted Capital Fund	Unrestricted Income Fund	Restricted Income Fund	Total
	2023 £	2023 £	2023 £	2023 £
Fund balances are represented by:				
Investment properties	1,765,000	-	-	1,765,000
Investments	3,749,629	-	45,785	3,795,414
Current assets/(liabilities)	(121,184)	137,064	-	15,880
Long term liabilities	-	(45,902)	-	(45,902)
	<u>5,393,445</u>	<u>91,162</u>	<u>45,785</u>	<u>5,530,392</u>

#### Prior financial year

	Unrestricted Capital Fund	Unrestricted Income Fund	Restricted Income Fund	Total
	2022 £	2022 £	2022 £	2022 £
Fund balances are represented by:				
Investment properties	2,043,000	-	-	2,043,000
Investments	4,164,775	-	63,515	4,228,290
Current assets/(liabilities)	(75,939)	104,806	-	28,867
Long term liabilities	-	(65,658)	-	(65,658)
	<u>6,131,836</u>	<u>39,148</u>	<u>63,515</u>	<u>6,234,499</u>

### 22 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

### 23 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to assist with the preparation of the financial statements.