

Registered Charity No:
242328 (England and Wales)

THE SHELDON TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
5 APRIL 2017

THE SHELDON TRUST

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THE SHELDON TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

CHARITY NUMBER 242328 (England and Wales)

BOARD OF TRUSTEES: The trustees who have served during the year and since the year end are as follows:

Mr J K R England, Chairman
Reverend R S Bidnell
Mr A P Bidnell
Mrs R M Beaton
Mrs R M Gibbins
Mr P K England

PRINCIPAL OFFICE: 70 St George's Square
London
SW1V 3RD

BANKERS: CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

SOLICITORS: Potheary Witham Weld
70 St George's Square
London
SW1V 3RD

AUDITORS: Price Bailey
Tennyson House,
Cambridge Business Park,
Cambridge
CB4 0WZ

INVESTMENT MANAGEMENT: Quilter Cheviot
One Kingsway
London
WC2B 6AN

THE SHELDON TRUST

REPORT OF THE TRUSTEES For the year ended 5 April 2017

The Trustees present their annual report and financial statements of the charity for the year ended 5 April 2017. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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. 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.

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.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

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, perhaps with 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.

THE SHELDON TRUST

REPORT OF THE TRUSTEES For the year ended 5 April 2017

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): these small grants of less than £1,000 each 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 Sheldon's charitable objectives. In effect, this ensures a double layer of assurance 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 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 multiyear 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.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE

The Trustees met once during the year and authorised grants of £145,235 as set out below.

Community Projects

Six grants were authorised under this category during the year totalling £37,895. This included one grant of £10,000 that would be paid in two annual instalments and one grant of £7,500 that would be paid in three annual instalments. Of the grants authorised under this category two were to charities previously known to the Trustees.

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REPORT OF THE TRUSTEES For the year ended 5 April 2017

Youth Development

Seven grants were authorised under this category during the year totalling £72,120. This included one grant that would be paid in three annual instalments of £3,000 and one grant that would be paid in instalments of £10,000 each. Of the grants authorised under this category two were to charities previously known to the Trustees.

Special Needs Groups

Four grants were authorised under this category during the year totalling £22,500. This included one grant that would be paid in three annual instalments of £3,000. Of the grants authorised under this category three were to charities previously known to the Trustees.

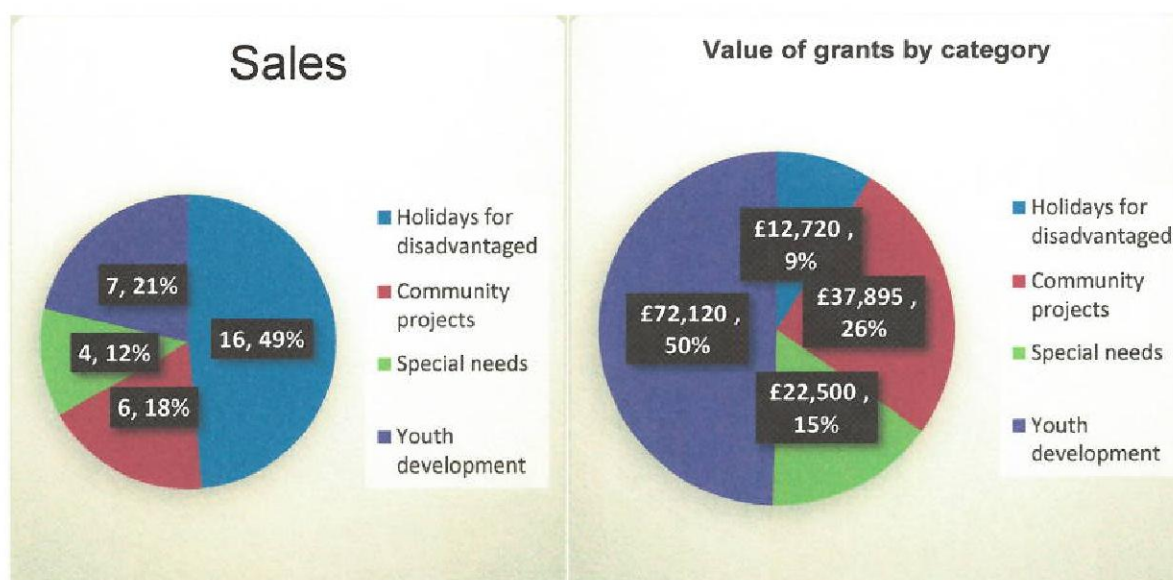
Holiday Projects

The Trustees set aside funds in support of holiday projects for disadvantaged people each year and during the year 16 grants totalling £12,720 were authorised. Of the grants authorised under this category nine were to charities previously known to the Trustees.

The Trustees sometimes make conditional grants in the year which are not accrued or included pending fulfilment of the conditions. There were no conditional grants at the year end.

PERFORMANCE

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.



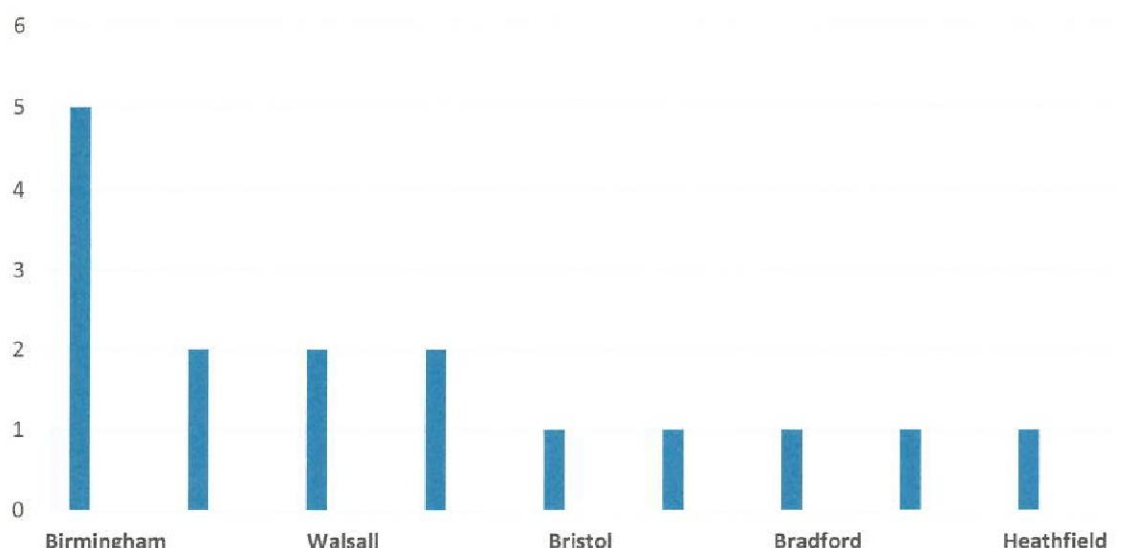
Whilst the largest number of grants were towards holiday funding these grants are normally for less than £1,000 and therefore this category received the lowest value of grant funding.

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REPORT OF THE TRUSTEES

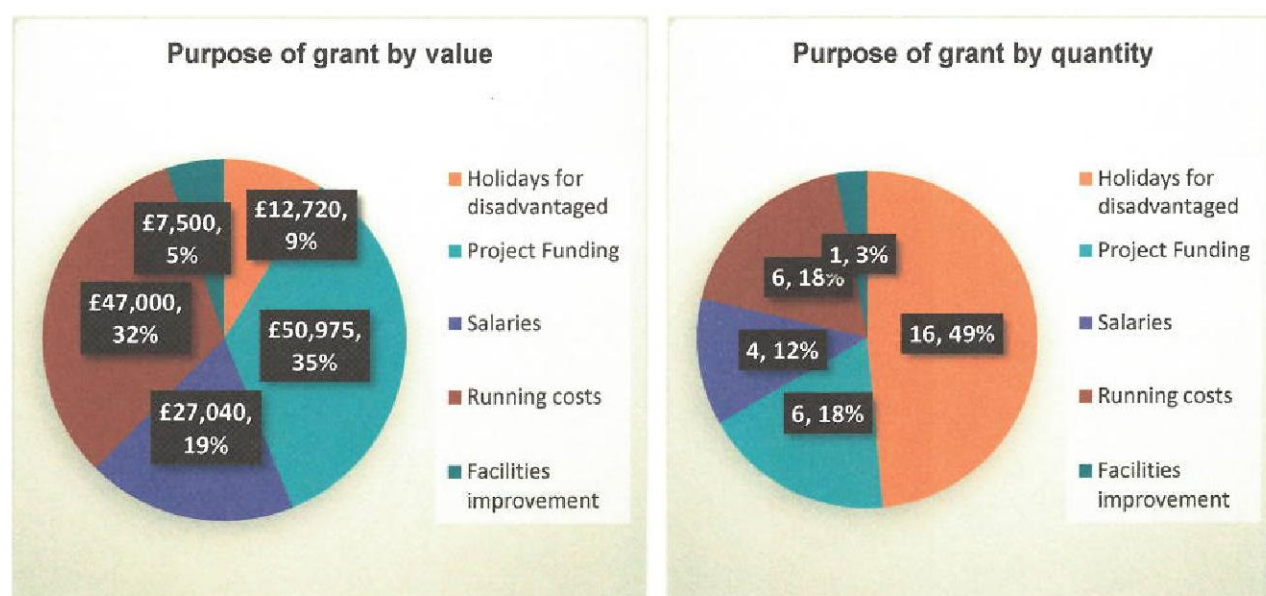
For the year ended 5 April 2017

Grants awarded by geographical area (excluding holiday funding)



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

Grants for holiday funding were restricted to beneficiaries from the West Midlands or London. Of the 16 grants authorised ten were for disadvantaged people from the West Midlands, five were for disadvantaged people from London and one complemented a grant to a charity based in Bradford.



As in previous years the majority of funding went towards Project Funding. The Trustees do not restrict their funding to this area and welcome applications for all purposes apart from capital building costs.

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REPORT OF THE TRUSTEES
For the year ended 5 April 2017

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 categories 1 to 3 whilst those in receipt of holiday funding are asked to provide a short narrative on the holiday funded.

During the reporting period 47 reports were received relating to grants authorised from categories 1 to 3. Each report is graded for performance against the original aim of the funding. Of the reports received 17% were judged to have exceeded expectations, 74% had achieved their goals and 8% had been only partially successful. None were completely unsuccessful.

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 more than 45 days late in submitting a 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 2017 and before had been successful in reaching the groups they were targeting with their grant making policy.

RISK MANAGEMENT

The Trustees have identified the risks to which the Trust is exposed and have implemented procedures to mitigate those risks. The principal 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.

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.

THE SHELDON TRUST

REPORT OF THE TRUSTEES For the year ended 5 April 2017

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 percent 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. 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 £5,571,491 (2016 - £5,101,641) and an unrestricted income fund of £12,403 (2016 - £(74,356)) which included known liabilities for future approved grants amounting to £62,952 (2016 - £169,107) as at 5 April 2017. 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 £82,323 (2016 - £95,043) as a result of the merger which took place in March 2013.

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.

FUTURE PLANS

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.

In the next twelve months the Trustees anticipate an increase in demand on resources and 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.

THE SHELDON TRUST

REPORT OF THE TRUSTEES For the year ended 5 April 2017

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity Trustees are responsible for preparing a Trustee's annual report and 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 charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the Trustees are required to:

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

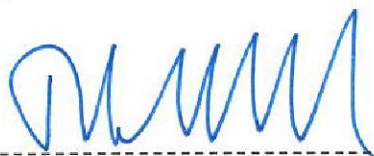
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statement comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations,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

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the Trustees on
by:

30 Oct 2017

2017 and signed on their behalf



J K R England

THE SHELDON TRUST

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

We have audited the financial statements of The Sheldon Trust for the year ended 5 April 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. 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) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees 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 Trustees' Responsibilities Statement set out on page 10, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 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 charity'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 Trustees' Annual 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.

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2017, 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 provisions applicable for smaller entities and;
- have been prepared in accordance with the requirements of the Charities Act 2011.

THE SHELDON TRUST

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Price Bailey LLP

PRICE BAILEY LLP

Chartered Accountants
Statutory Auditors

Tennyson House,
Cambridge Business Park,
Cambridge,
CB4 0WZ

Date: 7.12.2017

Price Bailey LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE SHELDON TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2017

	Notes	Restricted income funds 2017 £	Unrestricted income funds 2017 £	Unrestricted capital funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income:						
Donations and legacies	2	-	1,712	-	1,712	33,896
Investments	3	-	236,867	-	236,867	231,932
Total income		-	238,579	-	238,579	265,828
Expenditure						
Raising funds	4	-	-	15,862	15,862	18,930
Charitable activities	5	12,720	151,820	-	164,540	235,614
Total expenditure		12,720	151,820	15,862	180,402	254,544
Net (expenditure) / income before investment gains		(12,720)	86,759	(15,862)	58,177	11,284
Net gains on investments		-	-	485,712	485,712	(278,907)
Net (expenditure) / income being net movement in funds		(12,720)	86,759	469,850	543,889	(267,623)
Reconciliation of funds:						
Total funds brought forward	15b	95,043	(74,356)	5,101,641	5,122,328	5,389,981
Total funds carried forward	15a	82,323	12,403	5,571,491	5,666,217	5,122,328

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

All income and expenditure derive from continuing activities.

The notes on pages 16 to 27 form part of these accounts.


THE SHELDON TRUST

BALANCE SHEET AS AT 5 APRIL 2017

	Notes	2017 £	2016 £
Fixed assets			
Investment property	9	2,095,000	2,095,000
Investments	10	3,556,822	3,077,206
Total fixed assets		5,651,822	5,172,206
Current assets			
Debtors	11	5,995	5,752
Cash at bank and in hand		122,901	173,808
Total current assets		128,896	179,560
Liabilities			
Creditors: amounts falling due within one year	12	(98,001)	(189,986)
Net current assets / (liabilities)		30,895	(10,426)
Total assets less current liabilities		5,682,717	5,161,780
Creditors: amounts falling due after more than one year	13	(16,500)	(39,452)
Total net assets		5,666,217	5,122,328
The Funds of the Trust:			
Restricted income funds	15	82,323	95,043
Unrestricted income funds	15	12,403	(74,356)
Unrestricted capital income fund	15	5,571,491	5,101,641
Total funds		5,666,217	5,122,328

The attached notes on pages 16 to 27 form part of these financial statements.

The financial statements were approved by the Board of Trustees on
and signed on their behalf by:



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J K R England

THE SHELDON TRUST
STATEMENT OF CASH FLOWS
AS AT 5 APRIL 2017

	Notes	2017 £	Restated 2016 £
Cash flows from operating activities:			
Net cash used in operating activities	17	(326,386)	(140,504)
Cash flows from investing activities:			
Dividends, interests and rent from investments		252,429	231,932
Proceeds from sale of investments		336,004	352,066
Purchase of investments		(312,954)	(297,548)
Net cash provided by investing activities		275,479	286,450
Change in cash and cash equivalents in the reporting period		(50,907)	145,946
Cash and cash equivalents at the beginning of the reporting period		173,808	27,862
Cash and cash equivalents at the end of the reporting period	18	122,901	173,808

The notes on pages 16 to 27 form part of these accounts.

THE SHELDON TRUST

Notes to the accounts for the year ended 5 April 2017

1 ACCOUNTING POLICIES

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and 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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust constitutes a public benefit entity as defined by FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

(b) Going Concern

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. As such, the trustees continue to adopt the going concern basis in preparing these financial statements.

(c) Funds structure

Unrestricted income funds comprise of funds which the trustees are free to use for any purpose in the furtherance of the charitable objectives.

The Trust also has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

Further details of each fund are disclosed in note 14.

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Notes to the accounts for the year ended 5 April 2017

1 ACCOUNTING POLICIES (continued)

(d) 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 declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio. Income from Government Securities is recognised when it is received.

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.

(e) 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 year end 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.

THE SHELDON TRUST

Notes to the accounts for the year ended 5 April 2017

1 ACCOUNTING POLICIES (continued)

(f) Taxation and Irrecoverable VAT

The Trust is a registered charity and is exempt from corporate taxes; to the extent of operating within its charitable objectives. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(g) 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. The bases on which support costs have been allocated are set out in note 6.

(h) Investment Properties

Investment properties are valued by the trustees at fair value and are not depreciated.

The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

(i) Investments

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 Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(j) Debtors

Sundry debtors are recognised at the settlement amount due. Prepayments are valued at the amount repaid net of any trade discounts due.

(k) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

THE SHELDON TRUST

Notes to the accounts for the year ended 5 April 2017

1 ACCOUNTING POLICIES (continued)

(m) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Fixed assets are recorded at depreciated historical cost and all other assets and liabilities are recorded at cost which is their fair value with exception of investments which are recorded at their fair value based on market rates.

2. VOLUNTARY INCOME

	Unrestricted income fund 2017 £	Restricted income fund 2016 £
Donations and legacies	1,712	33,896

3. INVESTMENT INCOME

	Unrestricted income fund 2017 £	Unrestricted income fund 2016 £
Rent from investment properties	138,800	135,844
Listed investments	98,067	96,088
	<u>236,867</u>	<u>231,932</u>

4. RAISING FUNDS

	Unrestricted capital funds 2017 £	Unrestricted capital funds 2016 £
Property management charges	3,253	5,168
Other property expenditure	3,949	7,002
Investment management	8,660	6,760
	<u>15,862</u>	<u>18,930</u>

5a. ANALYSIS OF CHARITABLE ACTIVITIES – CURRENT YEAR

	Grant funding 2017 £ (note 7)	Support costs 2017 £ (note 6)	Total 2017 £
Relief of poverty and distress in society	<u>125,235</u>	<u>39,305</u>	<u>164,540</u>

In 2017, expenditure on unrestricted income fund charitable activities was £151,820 and £12,720 in relation to restricted income funds.

THE SHELDON TRUST

Notes to the accounts for the year ended 5 April 2017

5b. ANALYSIS OF CHARITABLE ACTIVITIES – PRIOR YEAR

	Grant funding 2016 £	Support costs 2016 £	Total 2016 £
Relief of poverty and distress in society	202,425	33,189	235,614

In 2016, expenditure on unrestricted charitable activities during the year was £229,334 and £5,780 in relation to restricted income funds

6a. SUPPORT COSTS – CURRENT YEAR

	Governance	Other	Total 2017
	£	£	£
Administration charges	7,361	17,373	24,734
Irrecoverable VAT	-	2,838	2,838
Accountants' fees - audit fees	8,055	-	8,055
Accountants' fees - non-audit fees	3,500	-	3,500
Administration and trustee expenses	139	-	139
Bank charges	-	39	39
	19,055	20,250	39,305

6b. SUPPORT COSTS – PRIOR YEAR

	Governance £	Other £	Total 2016 £
Administration charges	15,585	8,507	24,092
Irrecoverable VAT	-	2,357	2,357
Accountants' fees - audit fees	2,850	-	2,850
Accountants' fees - non-audit fees	3,390	-	3,390
Administration and trustee expenses	486	-	486
Bank charges	-	14	14
	22,311	10,578	33,189

7. GRANTS PAYABLE

	Total fund 2017 £	Total fund 2016 £
Commitments made in the year	145,235	202,425
Grants paid in the year	125,235	202,425

THE SHELDON TRUST

Notes to the accounts for the year ended 5 April 2017

7. GRANTS PAYABLE (continued)

RECONCILIATION OF GRANTS PAYABLE:

	2017 £	2016 £
Accrued at 6 April	174,107	76,550
Grants payable for the year	125,235	212,425
Grants returned / cancelled	-	(10,000)
Grants paid during the year	(236,390)	(104,868)
	<hr/>	<hr/>
Accrued at 5 April	62,952	174,107

	2017 £	2016 £
Payable as follows:		
Grants payable within one year (see note 12)	46,452	134,655
Grants payable after more than one year (see note 13)	16,500	39,452
	<hr/>	<hr/>
	62,952	174,107

At the year end, the trustees have authorised £20,000 of conditional grants (2016: £5,000) which are not accrued in these accounts.

The amount payable in the year comprises:

	2017 £	2016 £
Community Projects		
Bentley Beginnings	7,500	-
Boys2men	-	5,000
Brandwood Community Centre	-	9,000
Carers Advice & Resource Establishment, Sandwell (Cares)	5,000	-
Choir With No Name (Birmingham Project)	10,000	-
Karis Neighbour Scheme	-	5,000
Open Door Community Foundation	4,475	-
Piers Road New Communities Centre Association	-	5,000
St Gabriel's Centre Weoley Castle	-	5,000
St Mark's Parochial Church Council (Community Hub)	5,000	-
The Bridge – Oasis Church Trust Birmingham	5,920	-
The Kenilworth Centre	-	6,000
The Spring Playgroup And Preschool	-	5,600
	<hr/>	<hr/>
	37,895	40,600

THE SHELDON TRUST

Notes to the accounts for the year ended 5 April 2017

7. GRANTS PAYABLE (continued)

	2017 £	2016 £
Youth Development Grants		
Community Focus	-	5,000
Friendship Works	-	5,796
Islington Boat Club	-	8,903
KeepOut	5,000	-
Off the Record (Bristol)	15,000	-
One in a Million	4,000	-
Regenerate	-	15,000
Sport 4 Life UK	-	7,500
Sussex Association For Spina Bifida And Hydrocephalus	3,500	-
The Dalgarno Trust	10,000	-
Trax – The Oxfordshire Motor Project	4,620	-
Warrington Youth Club	-	5,000
Warwickshire Association Of Youth Clubs (Wayo)	-	9,000
Worth Unlimited	-	10,000
YMCA Sutton Coldfield	30,000	-
Young & Inspired Ltd	-	4,978
Young Lewisham Project	-	5,000
	<u>72,120</u>	<u>76,177</u>
Grants for Special Needs Groups		
All Saints Youth Project	-	2,952
CASBA	-	4,000
Edwards Trust	-	10,000
Entraide (Mutual Aid)	-	10,000
Ex Cathedra	-	5,000
Friends Of Victoria School	-	5,000
Garden Organic	7,500	-
Geese Theatre Company	-	4,520
Guy's Gift	-	6,040
Neuromuscular Centre Midlands	3,000	-
Nuneaton & N Warks Equestrian Ctr Disabled Riding School	-	9,000
Ryders Green Methodist Day Centre	-	8,000
Safeline	-	16,356
Sudden Productions	3,000	-
The House on the Corner Community Project	9,000	-
Warwickshire Vision Support	-	9,000
	<u>22,500</u>	<u>89,868</u>

THE SHELDON TRUST

Notes to the accounts for the year ended 5 April 2017

7. GRANTS PAYABLE (continued)

	2017 £	2016 £
Holiday Projects		
Bethany Christian Fellowship	-	600
Birmingham Phab Camps	-	600
Blue Ink Trust	550	-
CCHF All About Kids	828	-
Children With Cystic Fibrosis Dream Holiday	800	600
Community Footprints Service	500	-
Dudley Caribbean and Friends	630	-
Ellin Life Church Kingstanding	-	600
Farms For City Children	747	-
Happy Days Children's Charity	700	-
Home-Start Havering	250	-
Inter City Camp Trust	600	-
Latin American Disabled People's Project	300	-
One in a million	3,465	-
Over the Wall	750	600
Peebleshire Youth Trust	-	980
Resources For Autism	-	600
S Pinter Youth Project	600	600
St Cuthbert's Centre	600	600
Tamworth and Lichfield Sea Cadets	700	-
Warwickshire Association of Youth Clubs (WAYC)	700	-
	<u>12,720</u>	<u>5,780</u>
Total	<u>125,235</u>	<u>212,425</u>

8. NET INCOME / EXPENDITURE	2017 £	2016 £
Net income for the year is stated after:		
Auditors remuneration	8,055	2,850
Auditors remuneration – non audit services	3,500	
3,390		

During the year, no Trustees received any remuneration (2016: £NIL).
During the year, no Trustees received any benefits in kind (2016: £NIL).
During the year, 2 Trustees (2016: 4) received reimbursement of travel expenses of £139 (2016: £505).

9. INVESTMENT PROPERTY

	Freehold Investment property £
Valuation	
At 6 April 2016 and 5 April 2017	<u>2,095,000</u>

The 2017 valuations were made by the trustees, on an open market value for existing use basis.

THE SHELDON TRUST

Notes to the accounts for the year ended 5 April 2017

10. FIXED ASSET INVESTMENTS

		2017 Total £	2016 Total £
Market value			
At 6 April 2016		3,077,206	3,362,572
Additions		312,954	297,548
Disposals		(336,004)	(352,066)
Unrealised gains		486,072	(281,582)
Movement in cash balances		16,594	50,734
At 5 April 2017		<u>3,556,822</u>	<u>3,077,206</u>
Historical cost		<u>2,112,445</u>	<u>2,091,206</u>
Current year investments at market value comprise:			
	UK	Overseas	2017
	£	£	£
Equity investments	1,992,117	985,928	2,978,045
Fixed interest	291,027	87,210	378,237
Property funds	126,280	-	126,280
Cash on deposit	74,260	-	74,260
Total market value	<u>2,483,684</u>	<u>1,073,138</u>	<u>3,556,822</u>
Prior year investments at market value comprise:			
	UK	Overseas	2016
	£	£	£
Equity investments	1,783,008	683,215	2,466,223
Fixed interest	349,547	86,490	436,037
Property funds	117,280	-	117,280
Cash on deposit	57,666	-	57,666
Total market value	<u>2,307,501</u>	<u>769,705</u>	<u>3,077,206</u>

11. DEBTORS

	2017 £	2016 £
Other debtors	1,973	5,752
Accrued income	4,022	-
	<u>5,995</u>	<u>5,752</u>

THE SHELDON TRUST

Notes to the accounts for the year ended 5 April 2017

12. CREDITORS

Amounts falling due within one year:

	2017 £	2016 £
Other taxation and social security	-	3,053
Accruals and deferred income	51,549	52,278
Grants accrued – institutional (see Note 7)	46,452	134,655
	<u>98,001</u>	<u>189,986</u>

Deferred income – rental income

Deferred income at 6 April	33,850	33,850
Amounts received during the year	(159,015)	(135,844)
Amounts taken to income in the Statement of Financial Activities	159,015	135,844
Deferred income at 5 April	<u>33,850</u>	<u>33,850</u>

13. CREDITORS

Amounts falling due after more than one year:

	2017 £	2016 £
Grants accrued – institutional (see Note 7)	<u>16,500</u>	<u>39,452</u>

14. FUNDS

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, except for specific occasions when 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 represent a holiday fund which is for the sole purpose of providing holidays for the disadvantaged, in both London and the West Midlands areas.

THE SHELDON TRUST

Notes to the accounts for the year ended 5 April 2017

15a. SUMMARY OF FUNDS – CURRENT YEAR

	Brought Forward 6 April 2016 £	Income £	Expenditure £	Gains/ (Losses) £	Carried forward 5 April 2017 £
Unrestricted capital fund	5,101,641	-	(15,862)	485,712	5,571,491
Restricted income fund	95,043	-	(12,720)	-	82,323
Unrestricted income fund	(74,356)	238,579	(151,820)	-	12,403
	<u>5,122,328</u>	<u>238,579</u>	<u>(180,402)</u>	<u>485,712</u>	<u>5,666,217</u>

15b. SUMMARY OF FUNDS – PRIOR YEAR

	Brought forward 6 April 2015 £	Income £	Expenditure £	Gains/ (Losses) £	Carried forward 5 April 2016 £
Unrestricted capital fund	5,400,978	-	(20,430)	(278,907)	5,101,641
Restricted income fund	66,927	33,896	(5,780)	-	95,043
Unrestricted income fund	(77,954)	231,932	(228,334)	-	(74,356)
	<u>5,389,951</u>	<u>265,828</u>	<u>(254,544)</u>	<u>(278,907)</u>	<u>5,122,328</u>

16a. ANALYSIS OF NET ASSETS BETWEEN FUNDS – CURRENT YEAR

Total funds 2017 £	Restricted income fund 2017 £	Unrestricted Income fund 2017 £	Unrestricted capital fund 2017 £	
Fixed asset investments	80,331	-	3,476,491	3,556,822
Investment property	-	-	2,095,000	2,095,000
Current assets	1,992	126,904	-	128,896
Creditors due within one year	-	(98,001)	-	(98,001)
Creditors due in more than one year	-	(16,500)	-	(16,500)
	<u>82,323</u>	<u>12,403</u>	<u>5,571,491</u>	<u>5,666,217</u>

THE SHELDON TRUST

Notes to the accounts for the year ended 5 April 2017

16b. ANALYSIS OF NET ASSETS BETWEEN FUNDS –PRIOR YEAR

	Restricted income fund 2016 £	Unrestricted income fund 2016 £	Unrestricted capital fund 2016 £	Total funds 2016 £
Fixed asset investments	69,065	-	3,008,141	3,077,206
Investment property	-	-	2,095,000	2,095,000
Current assets	25,978	153,582	-	179,560
Creditors due within one year	-	(188,486)	(1,500)	(189,986)
Creditors due in more than one year	-	(39,452)	-	(39,452)
	<u>95,043</u>	<u>(74,356)</u>	<u>5,101,641</u>	<u>5,122,328</u>

17. NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	Restated 2016 £
Net income / (expenditure) for the year	543,889	(267,623)
Adjustment for:		
Gains / (losses) on investments	(502,666)	230,848
Dividends, interest and rehts from investments	(252,429)	(231,932)
Decrease / (increase) in debtors	(243)	32,903
Increase / (decrease) in creditors	(114,937)	95,300
Cash used in operating activities	<u>(326,386)</u>	<u>(140,504)</u>

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	Restated 2016 £
Cash in hand	122,901	173,808
	<u>122,901</u>	<u>173,808</u>

19. RELATED PARTIES

There were no related party transactions during the year other than as described in note 8.

20. CASHFLOW RESTATEMENT

The cash held within the investment portfolio has been restated in the cash flow statement as it has been used for reinvestment rather than as a cash deposit.

THE SHELDON TRUST

The following pages do not form part of the statutory accounts

SCHEDULE A – FREEHOLD PROPERTY

	Valuation at 5 April 2017 £	Valuation at 5 April 2016 £	Cost £
2-8 Warwick Road	1,490,000	1,490,000	919,267
18 Guy Street	275,000	275,000	54,129
Walton House	330,000	330,000	65,209
	<u>2,095,000</u>	<u>2,095,000</u>	<u>1,038,605</u>

SCHEDULE B – RENTAL INCOME

	Current rentals £	Amount received 2017 £	Amount received 2016 £
2-8 Warwick Road Kenilworth	98,500	98,500	95,543
Walton House 11, 13 15 Parade Leamington Spa	16,400	16,400	16,400
18 Guy Street Leamington Spa	23,000	23,000	23,000
Orange Aerial (Walton House)	900	900	900
	<u>138,800</u>	<u>138,800</u>	<u>135,843</u>

Expenditure

	2017 £	2016 £
Managing agent's commission		
2-8 Warwick Road	2,309	3,635
Walton House	384	624
18 Guy Street	539	875
Orange Aerial	21	34
	<u>3,253</u>	<u>5,168</u>