

Company Registration Number: 07556236 (England & Wales)

SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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**SHELDON SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	L Carver E le Fleming C S Holden T G Jacques M Jones
Trustees	K J Barnes (appointed 4 January 2021) ⁴ N C Barnett (resigned 16 July 2021) ³ N F D Bloomer (appointed 22 March 2021) ¹ S M Brentnall ³ L Carver, Chair ^{1,4} C A Cradock ⁴ T R Cradock ² S J Contardi (appointed 22 March 2021) ³ M J Davis ^{3,4} K E M Hathaway ^{1,2} R M Jordan-Barr, Staff Trustee ² E K Manzi, Staff Trustee ³ M E Owen ⁵ K M Pearce ^{1,2} S M Randall (resigned 3 December 2020) ¹ C Reynolds ^{2,5} S S Sellwood ¹ N C B Spurdell, Headteacher ^{1,2,3,4,5} P C T Story ² J A Vosper ^{3,4,5} S D Walker (resigned 9 February 2021) ³
	¹ Finance Committee ² Premises Committee ³ Curriculum Committee ⁴ Staffing, Care & Guidance Committee ⁵ Public Relations & Marketing Committee

Company registered number 07556236

Company name Sheldon School

Principal and registered office Hardenhuish Lane
Chippenham
Wiltshire
SN14 6HJ

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

**Senior management
team**

N Spurdell, Headteacher
A Simpson, Deputy Headteacher
S Mundy, Assistant Headteacher
J Owen, Assistant Headteacher
J Scourfield, Assistant Headteacher
E Spiers, Assistant Headteacher
J Rumble, Associate Assistant Headteacher
T Darke, School Business Manager

Independent auditors

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Bankers

Lloyds Bank Plc
29 High Street
Chippenham
Wiltshire
SN15 3HA

Solicitors

Stone King LLP
13 Queen Square
Bath
BA1 2HJ

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates a secondary academy for pupils aged 11 to 19 in Chippenham. It has a pupil capacity of 1,795 and had a roll of 1,657 in the school census on October 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Sheldon School are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Sheldon School.

Details of the Trustees who served throughout the year, and to the date the accounts are approved are included in the Reference and Administration Details.

The Members of the Academy Trust are the subscribers to the Trust's Memorandum of Association, and any other individuals permitted to become Members under its Articles of Association. The Members of the Academy Trust are the Chair of Governors, Mrs L Carver, and four Members that are independent of the Board of Trustees and Sheldon Charters Board and are not employees of Sheldon School: Ms M Jones, Ms E le Fleming, Mr C Holden and Mr T Jacques. They have an overview of the governance arrangements of the Trust.

Sheldon Charters Board acts as the guardian of the Academy's ethos and values as expressed in the Sheldon Charters. The Charters Board comprises: E I Beange (Teacher Trustee); L A Cadger (Support Staff Trustee); A M Douglas (Governor/Community Trustee, appointed 10 December 2020); K E M Hathaway (Governor Trustee); J C Hilton (Community Trustee); K M Pearce (Parent Governor Trustee); N C B Spurdell (Headteacher, ex officio); PCT Story (Governor/Community Trustee, resigned 10 December 2020).

Members' Liability

Each member of the Charitable Company undertakes to contribute to the assets of the Company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they cease to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not, and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £2,000,000.

Method of recruitment and appointment or election of Trustees

The Academy's Board of Trustees comprises the Headteacher, a minimum of 7 Parent Trustees, up to 4 Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees) and up to 7 other Trustees.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- up to 1 Local Authority (LA) Trustee who is appointed by Wiltshire County Council or by the Board of Trustees if the LA fails to appoint
- up to 7 Parent Trustees who are elected by parents of registered pupils at the Academy.
- up to 3 Teacher Trustees who are elected by teachers at the Academy.
- up to 1 Support Staff Trustee who is elected by support staff at the Academy.
- up to 6 Community Trustees who are appointed by the Board of Trustees.
- the Headteacher who is treated for all purposes as being an ex officio Trustee.

The Academy can also have Associate Members. Associate Members are appointed by the Governing Body as members of any committee established by them but are not Trustees.

Trustees are appointed for a four-year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures adopted for the Induction and Training of Trustees

The Academy has a Trustee Recruitment, Induction and Training policy available from the Clerk to Governors.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy, a chance to meet staff and pupils and the opportunity to be supported by Mentor from the governing body. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific training and development offered by the Local Authority and other bodies.

Organisational Structure

The Board of Trustees normally meets 6 times per year. The Board establishes an overall framework for the governance of the Academy and determines Trusteeship, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 5 committees as follows:

Finance & Audit Committee this committee meets at least 5 times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, receiving reports from the external auditors who undertake a programme of additional checks and drafting the annual budget. It also incorporates the role of an audit committee.

Premises Committee – this committee meets at least 4 times a year and is responsible for monitoring evaluating and reviewing policy and performance in relation to the maintenance, development as well as safety and security of the buildings and grounds, approval of expenditure for major projects and service contracts, and commercial lettings.

Curriculum Committee - this committee meets at least 5 times a year to monitor, evaluate and review policy, practice and performance in relation to curriculum planning and development, target setting and assessment, and examinations.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Staffing, Care & Guidance Committee – this committee meets at least 4 times a year to monitor, evaluate and review policy, practice and performance in relation to all recruitment, personnel and pastoral issues, as well as approval of the staffing levels and promotions within agreed budget limits.

Public Relations & Marketing Committee – this committee meets at least 3 times a year to direct and monitor all PR and Marketing activities, adopting a communications strategy with the aim of attracting and retaining a target number of pupils, and highlighting the achievements of Sheldon students. The committee also consults with SMT regarding reputational management in promoting and marketing the school.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the Headteacher and Clerk to the Trustees, to approve the School Development Plan and budget.

The Trustees have 3 core functions:

- to ensure clarity of vision, ethos and strategy for Sheldon School
- to hold executive leaders to account for the educational performance of the organisation and its pupils, and the effective performance management of staff
- to oversee the financial performance of the Academy and make sure its money is well spent.

The Board of Trustees has devolved responsibility for day-to-day management of the Academy to the Headteacher and Senior Management Team (SMT). The SMT comprises the Headteacher, the Deputy Headteachers, the Assistant Headteacher and the School Business Manager. The SMT implement the policies laid down by the Trustees and report back to them on performance.

The Academy has a leadership structure which consists of the Trustees, and the Senior Management Team, as well as senior teaching staff including Faculty and Year Heads, and Support Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, though appointment panels for senior teaching posts always include a Trustee.

The Headteacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Trustees consider that the Board of Trustees and the Senior Management Team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year for their work as a Trustee. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts. The pay of key management personnel is reviewed annually and normally increased in accordance with the School Teachers' Review Body recommendations.

Trade union facility time

Relevant union officials

There are two members of staff who were relevant union officials during the period. The Academy also contributes to the facilities and time costs of relevant trade unions at the regional level.

The two union officials at the school each spent between 1-50% of their time on trade union duties, which amounts to a total cost of approximately £1,431.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Related Parties and other Connected Charities and Organisations

The Academy engages with collaborative work through subject leaders for education, work in primary schools and legacy project work in primary schools.

The Academy also has strong collaborative links with other local networks and organisations, including:

- Feeder primary schools for the provision of extended services.
- The Chippenham Astro turf Project (CAP) 96 which leases part of the Academy's grounds on which to build and operate an artificial playing surface. There is a shared use agreement between CAP and the Academy. One Trustee, currently P C T Story, is nominated by the Academy to serve as a CAP Trustee.
- The Chippenham Borough Lands Charity which provides grants to assist pupils from low income backgrounds, and to support specific enrichment projects.

The Sheldon Student Opportunity Fund supports specific enrichment activity in school. The Fund derives its income from donations by parents, online through websites such as easy.fundraising.com and smile.amazon and sales by the school of second-hand uniform.

The Sheldon Student Opportunity Fund is a related party as the Headteacher, Neil Spurdell and Carol Cradock and Kevin Pearce are Trustees of both the Academy and the Enrichment Fund. In addition, the Academy's finance staff monitor the fund's bank account and generate gift aid claims on its behalf.

Sheldon School Trading Limited started trading in September 2015. It receives all lettings income from external hirers, and Gift Aids profits back to Sheldon School at the end of each financial year.

The Academy continues to share 6th form teaching for some subjects with Hardenhuish School, with Sheldon School students attending Hardenhuish for some lessons and vice versa.

There are no related parties which either control or significantly influence the decisions and operations of Sheldon School. There are no sponsors associated with the Academy.

OBJECTIVES AND ACTIVITIES

Objects and Aims

At Sheldon School we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

The aims of the Academy during the year ended 31 August 2021 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils;
- to provide a broad and balanced curriculum, and an extensive range of extracurricular activities;
- to develop students as more effective and independent learners, demonstrating greater resilience;
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to maximise the number of students who achieve grades 4 and above in their GCSE subjects and maximising the numbers of students securing a strong pass (grade 5+) and a standard pass (grade 4+) in both English and Mathematics;

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- to develop the Academy's buildings and grounds so that they enable students to achieve their full potential;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to support the curriculum at feeder primary schools where possible by providing specialist teaching, in languages, the arts and physical education;
- to maintain and expand the ways in which pupils contribute to the whole school and wider communities;
- to maintain and expand the ways in which pupils are encouraged to develop skills and activities that will contribute to future economic well-being and healthier lifestyles;
- to develop the Academy's capacity to manage change and risk, and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness, and improve the School's ability to gain value for money for the funds expended.

Objectives, Strategies and Activities

Key priorities and activities have been identified in the School Development Plan which sets out the Academy's intentions in the period 2021-2024. Four key strands have been agreed: continued focus on student outcomes; consistent application of a new behaviour policy; a focus on the inclusivity and diversity agenda; and ensuring that staff and student wellbeing is a top priority.

We are committed to improving pupil progress, especially through value added outcomes at both GCSE and A Level, but will be ensuring that systems are embedded to accurately assess all students at Key Stage 3.

Following a period of enforced lockdown, we are looking to re-establish our wide networks of collaboration and community links, which will be supplemented on a local scale by individual subject partnerships. This will help to inform the development of our curriculum, which is already well-advanced, and approaches to teaching and learning post-pandemic.

We have established a comprehensive programme of in-house training and have supplemented this by purchasing a subscription to the National College which is available to all and is widely utilised.

We will build on significant improvements in communication and develop our technology systems. Within this, we will continue to look at ways of improving access to resources and streamlining administration.

Positive behaviour for learning will be promoted consistently through the 'Sheldon School Six', which in turn should lead to improved outcomes for all students.

Sustainability and environmental matters will continue to feature prominently, as will continued improvement to the school site, especially the learning environment, the maintenance and development of the infrastructure, together with security and accessibility.

There will be a focus on ensuring as far as possible that all year groups from September 2022 will be full on entry.

Self-evaluation will be routinely carried out in all areas of the school.

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**TRUSTEES' REPORT (CONTINUED)
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Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

Sheldon School is a comprehensive school; pupils will be admitted without reference to ability, aptitude or culture. The admissions criteria are applied in the following order: looked after and previously looked after children; siblings of current pupils; children of Sheldon School staff; children from the main catchment; children from the secondary catchment; children with medical conditions which can be best met by Sheldon School and then any other children who apply. The main catchment area encompasses the villages and civil parishes around Chippenham, whilst a secondary catchment area includes the civil parishes of Chippenham and Chippenham without.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

2020/2021 was a uniquely challenging year as the Trust was forced to adapt its approach to teaching and learning due to extended school closure resulting from national lockdowns, and the management of the Covid-19 pandemic. This affected all aspects of School and organisational life including interrupting the normal cycle of public examinations at GCSE and A Level, and introducing a level of volatility in the Trust's finances. It did, however, unleash a wave of innovation in the way the School approached remote learning, maintained high levels of contact with pupils, provided feedback to parents and engaged with new and prospective pupils and their parents. Previous investment in technology proved critical in enabling multiple new approaches during this period.

In 2019, examination outcomes had remained healthy at both GCSE and A Level with a strong value-added figure of +0.2 for A Level and ALPS figure of 3 which placed the Academy comfortably in the top 20% nationally. Due to the way grades were attributed in 2020 and 2021 for GCSE and A Level, it would be inappropriate to comment on school headline figures, but again there was a large number of impressive individual performances. The Academy maintained its record of sending at least one student to an Oxbridge university, four doing so in 2021; another also progressed to Medicine at Bristol University. In all, 22 students achieved a clean sweep of A*/A/Distinction* grades. At GCSE, 53 students achieved five or more Grade 7s or better, 55% of students achieved Grade 5+ in both English and Maths, and 80% Grade 4+ in both English and Maths – key gateways to future academic pathways and careers. The Academy remains committed to building on successes of previous years with aspirational headline figures of 55% A*-B and 80% A*-C at A Level being targeted, and 30% 9-7 at GCSE. In addition to maintaining a high A Level value-added figure, the Academy is also aiming at a Progress 8 figure in excess of 0.2 at GCSE. Closing the gap between the disadvantaged students and other students is also a key focus.

Until 2017 the Academy was regularly over-subscribed. A disappointing number of first preferences for the school for admission in September 2020 saw just under 260 arrive against a maximum capacity of 280, although this number has increased in the interim. Unfortunately, this is a trend that has continued into 2021 and is an area that the school is keen to address.

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Key Performance Indicators

	Target	Actual 2019 October census	Actual 2020 October census
Pupil Numbers	1795	1681	1657
Student Attendance	95%	93.5%	90.4%
Spend on Teaching & Learning as % of total income	75%	84%	82%
Staff costs to total expenditure	80%	77%	77%
Teaching to non-teaching staff costs	2.5:1	2.1:1	2.5:1
Senior Management costs to total revenue expenditure	10%	7%	7%
Free Reserves at year end	£700,000	£838,154	£890,864

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

FINANCIAL REVIEW

As indicated above, 2020/21 proved to be a financially volatile year with reductions in costs arising from School closure and the cancellation of public examinations, loss of unrestricted income from commercial lettings, and significantly higher costs in some areas, such as increased cleaning. Some, but not all, additional costs were offset by grant funding from ESFA. Sheldon also elected to invest further in technology to enable us to meet the needs of students with limited access at home.

Over 90% of the Academy's income is obtained from the DfE, via the ESFA, in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

Other significant sources of income during the year include grants from the Local Authority to meet the additional costs of teaching students with additional needs, and income generated by the school by hiring out its facilities through its subsidiary trading company. The restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2021, the Academy received total income of £10,119,787 and incurred total expenditure of £10,322,696. The excess of expenditure over income for the year was £202,909.

At 31 August 2021 the net book value of fixed assets was £22,064,543 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were primarily used for providing education and the associated support services to the pupils of the Academy. The Academy continues to look at ways to improve its income from its commercial letting activity and to take every opportunity to be prepared to make bids for capital and smaller grants as they become available. Plans to identify future infrastructure improvement and maintenance needs are well developed and regularly monitored by Trustees, with professional expertise sought as appropriate. At the end of the period, the Academy was in a strong financial position with good levels of reserves going forward.

The Trustees recognise that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in note 27 to the financial statements, represents a significant potential liability. However, as the

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is currently manageable.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 27 to the financial statements.

Reserves Policy

The Trustees review the current and projected reserve levels of the Academy annually. Any surplus achieved at the end of the financial year will be transferred to reserves and will form part of the review. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the review. The Trustees have determined that the appropriate level of free reserves should be no less than £700,000 and have earmarked a further £100,000 as a contingency figure. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of reserves (total funds less the amount held in fixed assets and restricted pension fund) is £890,864, all of which are free reserves (unrestricted funds not invested in fixed assets and unspent GAG). This is the value that the Trustees monitor in accordance with the reserves policy and represents approximately 1.2 months of normal recurring expenditure.

The Trustees have reviewed the future plans of the Academy and plan to use some of the excess of reserves over £700,000 for further site improvements, investment in IT and to manage current funding uncertainty and rising costs. Key priorities for the next 12 months include replacing the Fire Alarm system and continuing to invest in Sheldon's IT capability via our 2021-24 Digital Transformation Strategy.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions are met from the Academy's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy.

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. All funds surplus to immediate requirements are invested to optimal effect. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods of up to 12 months. Due to the nature of funding, the Academy may at times hold cash balances surplus to its short-term requirements. The Trustees have also authorised the opening of additional short-term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised. Day to day management of the surplus funds is delegated to the Headteacher and the School Business Manager.

PRINCIPAL RISKS AND UNCERTAINTIES

The Senior Management Team and Trustees have refreshed and strengthened the Trust's approach to Risk Management in 2020/21. Dedicated Risk analysis has been undertaken in relation to management of Covid-19, the Trust has developed a Risk Strategy and revised its approach to management of risk throughout its Governance structure. Risk is now identified and managed proactively at each Committee of the Board with input from senior staff.

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The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy continues to rely on Government funding through the ESFA. In the year ended 31 August 2021 90% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government or Local Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns and other statutory duties. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the ongoing success of the Academy is dependent on continuing to attract applications for student places in sufficient numbers by maintaining the highest academic and pastoral provision. To mitigate this risk, the Trustees ensure that student success and achievement are closely monitored, reviewed, and publicised.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, as well as health & safety and discipline.

Staffing - the success of the Academy is reliant on the quality and retention of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - a Trustee has been appointed to independently ensure that a programme of checks on financial systems and records is carried out through the School's appointed external auditors. Internal Assurance checks are made twice a year and reports from these visits are provided to the appointed Trustee who in turn updates the Board of Trustees. Finance staff receive training to keep them up to date with financial practice requirements and proper levels of separation of duties is maintained.

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees are satisfied that systems and procedures are robust and actions in place to mitigate exposure to major risks, including appropriate insurance cover. However, in order to further improve and mitigate risk, the Academy employs a Health & Safety advisor to audit systems and procedures as well as to help assess business and reputational risks and to assist with the implementation of risk management strategies.

During 2020/21, the Academy will continue to scrutinise all aspects of its budget to identify opportunities to deliver its service in a more cost effective manner. The Trustees examine the Academy's financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all Finance Committee meetings. The School Business Manager also regularly reviews cash flow forecasts to ensure sufficient funds are held to cover all known and anticipated commitments and includes these in monthly management reports for review by the Chair of Governors in line with Academies Financial Handbook requirements. At the year end, the Academy had no significant liabilities arising from creditors or debtors where there would be a significant effect on liquidity.

FUNDRAISING

Sheldon School has had limited opportunities to continue its charity work during 2020/21, due to COVID-19 restrictions. Due care and attention has been paid to rules and regulations in raising funds through raffle prizes, and expenditure on publicity has been limited to existing school communication channels and free coverage by the local press.

**TRUSTEES' REPORT (CONTINUED)
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PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide an outstanding education and improve the levels of performance of its students at all levels and will aim to continue to attract high quality staff in order to deliver its objectives.

The Academy continues to push forward on developments both inside and outside the classroom in order to maximise the academic outcomes of all of its pupils but is determined to do so with the wellbeing of its staff and students central to the plans. This strong feature was recognised in the last Ofsted inspection and remains a high shared priority.

The Academy has produced a targeted school development plan, taking it to 2024, and will continue to identify opportunities to bid for capital grants from Government and non-Government sources to part-fund its site development plans

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy holds the balance of a small fund in a discrete cost centre which is used to support SEN Training for the benefit of schools in North Wiltshire.

AUDITOR

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 8th December 2021 and signed on the board's behalf by:



Louise Carver
Chair of Trustees

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees we acknowledge we have overall responsibility for ensuring that Sheldon School has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring that financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Sheldon School and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
K J Barnes (commenced 4.1.21)	4	4
N C Barnett	4	6
N F D Bloomer (commenced 22.3.21)	2	3
S M Brentnall	5	6
L Carver (Chair of Governors)	6	6
S J Contardi (commenced 22.3.21)	3	3
C A Cradock	6	6
T R Cradock	5	6
M J Davis	6	6
K E M Hathaway	6	6
R M Jordan-Barr	6	6
E K Manzi	6	6
M E Owen	5	6
K Pearce	6	6
S M Randall (resigned 3.12.20)	1	1
C Reynolds	5	6
S S Sellwood	5	6
N C B Spurdell, Headteacher	6	6
P C T Story	6	6
J A Vosper	6	6
S D Walker (resigned 9.2.21)	3	3

There have been no significant changes to the composition of the Board of Trustees.

The scope of work undertaken by the Board of Trustees in the past year has included:

- Staffing
- Curriculum
- Premises
- Finance
- Audit and Internal Assurance
- Risk
- Change to Sheldon Constitution and Charters
- Action relating to Coronavirus and school closure

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- School Development Plan
- Safeguarding
- Special Educational Needs
- Health and Safety
- Funding
- Admissions
- Pupil Premium
- Marketing and fundraising
- General Data Protection (GDPR)
- Interim report from the Board of Trustees to the Sheldon Charters Board
- Enrichment Fund
- Review of Governance by internal auditors

The Trustees carried out skills audits for individual Trustees, committees and the Board of Trustees. The audits showed there was good coverage of the skills needed. A number of governors took advantage of the development opportunities offered by the LA, the NGA, Stone King, the National College and others to increase their knowledge and skills in key areas.

The Chair of Governors completed the National Governance Association's Leading Governance programme. Data is extensively used in each of the committees, particularly in Curriculum. This is interrogated at each meeting with a focus on the different pupil groups and checked again post-results. Finance data is rigorously checked, which has resulted in a healthy financial position at the end of each academic year.

Within Premises, energy data and other relevant costs are widely discussed to ensure good value for money within the services procured. Presentations are also made to the Board of Trustees on exam results and the Sheldon Charters Board also requires data to be included as part of the Trustees' annual written report.

Finance and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure that the standards of financial control and administration are adhered to, make financial plans including agreeing the draft budget, and monitor the progress of income and expenditure. It oversees the process of financial reporting including receiving accounts prepared by external auditors, recommends the appointment of internal auditors, sets priorities for internal audit and monitors action against audit reports.

Attendance at Finance and Audit Committee meetings in the year was as follows:

Governor	Meetings	Out of a possible
N F D Bloomer (commenced 22.3.21)	1	2
L Carver (Chair of Governors)	6	6
K E M Hathaway (Chair of Committee)	6	6
K Pearce	6	6
S M Randall (resigned 3.12.20)	2	2
S S Sellwood	6	6
N C B Spurdell (Headteacher)	6	6

Governance Review

During the year a review of governance was conducted by Monahans, the school's internal auditors. Their report provided an assessment of the systems and controls in place and concluded that the Trust was operating effectively. An action plan had been agreed.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

REVIEW OF VALUE FOR MONEY

As Accounting Officer the Headteacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by actively monitoring and managing expenditure related to the Covid-19 pandemic, notably the provision of cleaning and catering contracts during the Covid-19 restriction of using the school and grounds. All procurements have been considered for the best price and use, through interrogation of the supplier and bulk buying opportunities.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control has been in place in Sheldon School for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trustees
- regular reviews by the Trustees of reports which indicate financial performance against the forecast and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has considered the need for a specific internal scrutiny function and has decided to appoint MHA Monahans to undertake this role.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the Finance Department has added in more process steps, following recommendation of the External Auditors, to ensure the effectiveness, security and transparency for the finances of the school.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance Committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 8th December 2021 and signed on its behalf by:



L Carver
Trustee



N Spurdell
Accounting Officer

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Sheldon School, I have considered my responsibility to notify the Academy Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2020.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.



N Spurdell
Accounting Officer

Date: 8.12.21

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the charitable company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

The Trustees are responsible for ensuring that in their conduct and operation the Group and the charitable company apply financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:



L Carver
Chair of Trustees

Date:

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SHELDON SCHOOL**

OPINION

We have audited the financial statements of Sheldon School (the 'parent Academy') and its subsidiaries (the 'Group') for the year ended 31 August 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Academy balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, 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', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Academy's affairs as at 31 August 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Academy'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.

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SHELDON SCHOOL (CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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, except to the extent otherwise explicitly stated in our report, 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Group and the parent Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

- the parent Academy has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Academy financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent Academy or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SHELDON SCHOOL (CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Group's and of the parent Academy's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Group's and of the parent Academy's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's and of the parent Academy's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Group and the parent Academy ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Group and the parent Academy will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Group and the parent Academy ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Group and the parent Academy operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's and of the parent Academy's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SHELDON SCHOOL (CONTINUED)**

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

USE OF OUR REPORT

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Joseph Scaife FCA DChA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date:

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SHELDON
SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 28 February 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sheldon School during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Sheldon School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Sheldon School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Sheldon School and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF SHELDON SCHOOL'S ACCOUNTING OFFICER AND THE
REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Sheldon School's funding agreement with the Secretary of State for Education dated 28 March 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

Our work on regularity included a review of the internal control policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SHELDON
SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Joseph Scaife FCA DChA (Reporting Accountant) for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date:

SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:						
Donations and capital grants	4	-	14,494	110,484	124,978	357,638
Other trading activities		215,725	-	-	215,725	299,523
Investments	7	2,456	-	-	2,456	10,663
Charitable activities		12,735	9,763,893	-	9,776,628	9,199,216
TOTAL INCOME		230,916	9,778,387	110,484	10,119,787	9,867,040
EXPENDITURE ON:						
Raising funds		80,333	-	-	80,333	115,950
Charitable activities		103,267	9,921,670	530,426	10,555,363	10,146,716
TOTAL EXPENDITURE		183,600	9,921,670	530,426	10,635,696	10,262,666
NET EXPENDITURE		47,316	(143,283)	(419,942)	(515,909)	(395,626)
Transfers between funds	20	-	(169,717)	169,717	-	-
NET MOVEMENT BEFORE OTHER RECOGNISED GAINS/(LOSSES)		47,316	(313,000)	(250,225)	(515,909)	(395,626)
Actuarial losses on defined benefit pension schemes	27	-	(455,000)	-	(455,000)	(257,000)
NET MOVEMENT IN FUNDS		47,316	(768,000)	(250,225)	(970,909)	(652,626)
RECONCILIATION OF FUNDS:						
Total funds brought forward		859,732	(1,730,000)	22,278,945	21,408,677	22,061,303
TOTAL FUNDS CARRIED FORWARD		907,048	(2,498,000)	22,028,720	20,437,768	21,408,677

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

The notes on pages 29 to 56 form part of these financial statements.

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07556236**

**CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	14	22,064,543	22,180,002
		<u>22,064,543</u>	<u>22,180,002</u>
CURRENT ASSETS			
Stocks	16	8,118	7,572
Debtors	17	201,572	500,687
Cash at bank and in hand		1,295,597	1,307,664
		<u>1,505,287</u>	<u>1,815,923</u>
Creditors: amounts falling due within one year	18	(555,714)	(766,315)
NET CURRENT ASSETS		<u>949,573</u>	<u>1,049,608</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>23,014,116</u>	<u>23,229,610</u>
Creditors: amounts falling due after more than one year	19	(78,348)	(90,933)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>22,935,768</u>	<u>23,138,677</u>
Defined benefit pension scheme liability	27	(2,498,000)	(1,730,000)
TOTAL NET ASSETS		<u><u>20,437,768</u></u>	<u><u>21,408,677</u></u>
FUNDS OF THE GROUP			
Restricted funds:			
Fixed asset funds	20	22,028,720	22,278,945
Pension reserve	20	(2,498,000)	(1,730,000)
Total restricted funds	20	<u>19,530,720</u>	<u>20,548,945</u>
Unrestricted income funds	20	<u>907,048</u>	<u>859,732</u>
TOTAL FUNDS		<u><u>20,437,768</u></u>	<u><u>21,408,677</u></u>

The financial statements on pages 25 to 56 were approved by the Trustees, and authorised for issue on 8th December 2021 and are signed on their behalf, by:



L Carver
Chair of Trustees

The notes on pages 29 to 56 form part of these financial statements.

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07556236**

**ACADEMY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	14	22,064,543	22,180,002
Investments	15	1	1
		<u>22,064,544</u>	<u>22,180,003</u>
CURRENT ASSETS			
Stocks	16	8,118	7,572
Debtors	17	205,719	501,525
Cash at bank and in hand		1,289,998	1,305,476
		<u>1,503,835</u>	<u>1,814,573</u>
Creditors: amounts falling due within one year	18	(554,263)	(764,966)
NET CURRENT ASSETS		<u>949,572</u>	<u>1,049,607</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>23,014,116</u>	<u>23,229,610</u>
Creditors: amounts falling due after more than one year	19	(78,348)	(90,933)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>22,935,768</u>	<u>23,138,677</u>
Defined benefit pension scheme liability	27	(2,498,000)	(1,730,000)
TOTAL NET ASSETS		<u><u>20,437,768</u></u>	<u><u>21,408,677</u></u>
FUNDS OF THE ACADEMY			
Restricted funds:			
Fixed asset funds	20	22,028,720	22,278,945
Pension reserve	20	(2,498,000)	(1,730,000)
Total restricted funds	20	<u>19,530,720</u>	<u>20,548,945</u>
Unrestricted income funds	20	<u>907,048</u>	<u>859,732</u>
TOTAL FUNDS		<u><u>20,437,768</u></u>	<u><u>21,408,677</u></u>

The financial statements on pages 25 to 56 were approved by the Trustees, and authorised for issue on 8th December 2021 and are signed on their behalf, by:


L Carver
Chair of Trustees

The notes on pages 29 to 56 form part of these financial statements.

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	22	295,354	311,224
Cash flows from investing activities	23	(307,421)	(272,032)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(12,067)	39,192
Cash and cash equivalents at the beginning of the year		1,307,664	1,268,472
Cash and cash equivalents at the end of the year	24, 25	1,295,597	1,307,664

The notes on pages 29 to 56 form part of these financial statements

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. GENERAL INFORMATION

Sheldon School is a company limited by guarantee, incorporated in England and Wales. The registered office is Hardenhuish Lane, Chippenham, Wiltshire, SN14 6HJ.

2. ACCOUNTING POLICIES

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Group, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the 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) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Sheldon School meets the definition of a public benefit entity under FRS 102.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Academy has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

All incoming resources are recognised when the Group has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Consolidated Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

• **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

• **Expenditure on raising funds**

This includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

• **Charitable activities**

These are costs incurred on the Group's educational operations, including support costs and costs relating to the governance of the Group apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. ACCOUNTING POLICIES (continued)

2.6 TAXATION

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 TANGIBLE FIXED ASSETS

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Consolidated statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Consolidated statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Freehold property	- Straight line over 50 years
Furniture and fixtures	- 20% straight line
Plant and equipment	- 25% reducing balance
Computer equipment	- 33% straight line

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated Statement of Financial Activities.

2.8 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. ACCOUNTING POLICIES (continued)

2.11 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.

2.12 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.13 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.14 PENSIONS

Retirement benefits to employees of the Group are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Group in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Group in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Consolidated statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. ACCOUNTING POLICIES (continued)

2.15 AGENCY ARRANGEMENTS

The Academy acts as an agent in distributing 16 - 19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy does not have control over the charitable application of the funds. The Academy can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 31.

2.16 FUND ACCOUNTING

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Group at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Academy makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	14,494	-	14,494	13,317
Capital Grants	-	110,484	110,484	344,321
	<u>14,494</u>	<u>110,484</u>	<u>124,978</u>	<u>357,638</u>
	<u>13,317</u>	<u>344,321</u>	<u>357,638</u>	
TOTAL 2020	<u>13,317</u>	<u>344,321</u>	<u>357,638</u>	

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DFE/ESFA GRANTS				
General Annual Grant	-	8,485,436	8,485,436	8,116,852
Pupil Premium	-	228,931	228,931	226,385
Year 7 Catch Up Premium	-	-	-	16,816
Teachers Pension Grant	-	329,615	329,615	336,500
Teachers Pay Grant	-	116,647	116,647	119,108
Other DfE/ESFA Grants	-	89,205	89,205	70,422
	-	9,249,834	9,249,834	8,886,083
OTHER GOVERNMENT GRANTS				
High Needs	-	380,880	380,880	305,098
	-	380,880	380,880	305,098
Other income from the Academy's educational operations	12,735	-	12,735	8,035
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Covid Catch Up Premium	-	133,179	133,179	-
	-	133,179	133,179	-
	12,735	9,763,893	9,776,628	9,199,216
TOTAL 2020	8,035	9,191,181	9,199,216	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the group's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

Covid-19 Catch Up Premium funding of £133,179 was received and fully spent in the year.

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings	4,500	4,500	6,000
External catering	8,920	8,920	14,004
School trips and other income	136,406	136,406	195,283
Sheldon School Trading Limited trading income	65,899	65,899	84,236
	<u>215,725</u>	<u>215,725</u>	<u>299,523</u>
TOTAL 2020	<u>299,523</u>	<u>299,523</u>	

7. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	2,456	2,456	10,663
TOTAL 2020	<u>10,663</u>	<u>10,663</u>	

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. EXPENDITURE

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Lettings and external catering expenses					
Direct costs	-	-	80,333	80,333	115,950
Education:					
Direct costs	7,170,815	483,044	850,941	8,504,800	8,254,568
Support costs	726,156	651,490	672,917	2,050,563	1,892,148
	<u>7,896,971</u>	<u>1,134,534</u>	<u>1,604,191</u>	<u>10,635,696</u>	<u>10,262,666</u>
TOTAL 2020	<u><u>7,929,485</u></u>	<u><u>1,055,888</u></u>	<u><u>1,277,293</u></u>	<u><u>10,262,666</u></u>	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education	<u>8,504,800</u>	<u>2,050,563</u>	<u>10,555,363</u>	<u>10,146,716</u>
TOTAL 2020	<u><u>8,254,568</u></u>	<u><u>1,892,148</u></u>	<u><u>10,146,716</u></u>	

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

Analysis of direct costs

	Total funds 2021 £	Total funds 2020 £
Pension finance costs	18,000	13,000
Staff costs	7,329,815	7,132,069
Depreciation	530,426	463,565
Educational supplies	416,858	319,849
Examination fees	115,767	131,206
Staff development	16,276	11,688
Other costs	77,658	183,191
	8,504,800	8,254,568

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Pension finance costs	14,000	11,000
Staff costs	848,156	797,416
Depreciation	5,394	7,930
Educational supplies	805	813
Other costs	7,271	11,834
Recruitment and support	25,232	61,487
Maintenance of premises and equipment	237,392	236,394
Cleaning	216,725	133,282
Rent and rates	79,109	83,731
Energy costs	118,753	91,826
Insurance	42,564	40,145
Security and transport	15,750	25,688
Catering	87,113	51,356
Technology costs	170,666	148,823
Office overheads	99,647	111,177
Legal and professional	79,694	78,379
Bank interest and charges	2,292	867
	2,050,563	1,892,148

10. NET EXPENDITURE

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	15,481	15,481
Depreciation of tangible fixed assets	531,960	471,494
Fees paid to auditors for:		
- audit	11,400	11,725
- other services	3,800	4,160

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
Wages and salaries	6,002,125	5,825,411	6,002,125	5,825,411
Social security costs	519,828	508,132	519,828	508,132
Pension costs	1,656,018	1,595,942	1,656,018	1,595,942
	<u>8,177,971</u>	<u>7,929,485</u>	<u>8,177,971</u>	<u>7,929,485</u>

b. STAFF NUMBERS

The average number of persons employed by the Group and the Academy during the year was as follows:

	Group 2021 No.	Group 2020 No.	Academy 2021 No.	Academy 2020 No.
Teachers	122	121	122	121
Admin and support	109	114	109	114
Management	7	7	7	7
	<u>238</u>	<u>242</u>	<u>238</u>	<u>242</u>

The average headcount expressed as full-time equivalents was:

	Group 2021 No.	Group 2020 No.
Teachers	104	104
Admin and support	53	52
Management	7	7
	<u>164</u>	<u>163</u>

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. STAFF (continued)

c. HIGHER PAID STAFF

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	Group 2020 No.
In the band £60,001 - £70,000	3	3
In the band £80,001 - £90,000	-	1
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-
	<u>1</u>	<u>-</u>

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy comprise the Trustees (who do not receive remuneration for their role as Trustees) and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £677,954 (2020 £551,046). As staff Trustees are not remunerated in respect of their role as Trustee, where staff trustees do not form part of the key management personnel other than in their role as Trustee, their remuneration as set out in note 12 has not been included in the total benefits received by key management personnel above.

12. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows: N Spurdell: remuneration £120,000 - £125,000 (2020: £115,000 - £120,000), employer's pension contributions £25,000 - £30,000 (2020: £25,000 - £30,000), E Manzi: remuneration £45,000 - £50,000 (2020: £45,000 - £50,000), employer's pension contributions £10,000 - £15,000 (2020: £10,000 - £15,000), S Sellwood: remuneration £20,000 - £25,000 (2020: £20,000 - £25,000), employer's pension contributions £5,000 - £10,000 (2020: £5,000 - £10,000), R Jordan-Barr: remuneration £0 - £5,000 (2020: £5,000 - £10,000), employer's pension contributions £10,000 - £15,000 (2020: £0 - £5,000), M Owen: remuneration £50,000 - £55,000 (2020: £5,000 - £10,000), employer's pension contributions £10,000 - £15,000 (2020: £0 - £5,000).

During the year ended 31 August 2021, expenses totalling £483 were reimbursed or paid directly to 3 Trustees (2020 - £591 to 6 Trustees).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Group has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

14. TANGIBLE FIXED ASSETS

GROUP AND ACADEMY

	Freehold property £	Assets under construction £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Total £
COST OR VALUATION						
At 1 September 2020	25,719,341	181,492	354,483	122,556	543,862	26,921,734
Additions	255,769	-	8,911	-	155,681	420,361
Transfers between classes	181,492	(181,492)	-	-	-	-
At 31 August 2021	<u>26,156,602</u>	<u>-</u>	<u>363,394</u>	<u>122,556</u>	<u>699,543</u>	<u>27,342,095</u>
DEPRECIATION						
At 1 September 2020	3,889,583	-	309,532	82,636	459,981	4,741,732
Charge for the year	451,854	-	21,988	6,270	55,708	535,820
At 31 August 2021	<u>4,341,437</u>	<u>-</u>	<u>331,520</u>	<u>88,906</u>	<u>515,689</u>	<u>5,277,552</u>
NET BOOK VALUE						
At 31 August 2021	<u>21,815,165</u>	<u>-</u>	<u>31,874</u>	<u>33,650</u>	<u>183,854</u>	<u>22,064,543</u>
At 31 August 2020	<u>21,829,758</u>	<u>181,492</u>	<u>44,951</u>	<u>39,920</u>	<u>83,881</u>	<u>22,180,002</u>

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
ACADEMY	
COST OR VALUATION	
At 1 September 2020	1
At 31 August 2021	<u>1</u>
NET BOOK VALUE	
At 31 August 2021	<u>1</u>
AT 31 AUGUST 2020	<u>1</u>

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Academy:

Name	Company number	Holding	Included in consolidation
Sheldon School Trading Limited	09551925	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Net assets £
Sheldon School Trading Limited	65,899	(65,899)	1

16. STOCKS

	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
Revision guides and goods for resale	<u>8,118</u>	<u>7,572</u>	<u>8,118</u>	<u>7,572</u>

**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

17. DEBTORS

	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
DUE WITHIN ONE YEAR				
Trade debtors	8,483	12,262	332	3,826
Amounts owed by group undertakings	-	-	12,298	9,313
Other debtors	-	1,039	-	1,000
Prepayments and accrued income	172,637	413,432	172,637	413,432
Tax recoverable	20,452	73,954	20,452	73,954
	201,572	500,687	205,719	501,525

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
Other loans	19,948	20,108	19,948	20,108
Trade creditors	-	291,055	-	291,043
Other taxation and social security	142,154	131,735	142,154	131,735
Other creditors	157,569	157,376	157,569	157,376
Accruals and deferred income	236,043	166,041	234,592	164,704
	555,714	766,315	554,263	764,966
	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
Deferred income at 1 September 2020	72,124	2,881	72,124	2,881
Resources deferred during the year	83,569	72,124	83,569	72,124
Amounts released from previous periods	(72,124)	(2,881)	(72,124)	(2,881)
	83,569	72,124	83,569	72,124

At the Balance Sheet date the Academy was holding funds received from the Local Authority relating to the 2021/22 academic year and money received for trips taking place in 2021/22.

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19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
ESFA loans	78,348	90,933	78,348	90,933

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
Payable or repayable by instalments	7,360	39,016	7,360	39,016
	7,360	39,016	7,360	39,016

Included above are the following:

A Condition Improvement Fund loan of £20,000 repayable over 10 years commencing September 2018 with an applicable annual interest of 1.85%.

A Condition Improvement Fund loan of £3,399 repayable over 10 years commencing September 2019 with an applicable annual interest of 2.29%.

An interest-free SALIX loan of £88,041 repayable over 5 years commencing September 2020.

**SHELDON SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
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20. STATEMENT OF FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
General funds	838,154	165,017	(112,307)	-	-	890,864
Fixed assets	21,578	-	(5,394)	-	-	16,184
Sheldon School Trading Limited	-	65,899	(65,899)	-	-	-
	859,732	230,916	(183,600)	-	-	907,048
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	8,485,436	(8,315,719)	(169,717)	-	-
High Needs	-	326,921	(326,921)	-	-	-
Donations	-	14,494	(14,494)	-	-	-
Pupil Premium	-	228,931	(228,931)	-	-	-
Other LA funding	-	53,959	(53,959)	-	-	-
Other ESFA income	-	668,646	(668,646)	-	-	-
Pension reserve	(1,730,000)	-	(313,000)	-	(455,000)	(2,498,000)
	(1,730,000)	9,778,387	(9,921,670)	(169,717)	(455,000)	(2,498,000)
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	18,440,448	-	(369,638)	-	-	18,070,810
Fixed assets purchased from GAG and other restricted funds	1,946,751	-	(82,146)	169,717	-	2,034,322
DfE/ESFA Capital grants	1,854,597	63,864	(75,012)	-	-	1,843,449
LA and other capital grants	37,149	46,620	(3,630)	-	-	80,139
	22,278,945	110,484	(530,426)	169,717	-	22,028,720

**SHELDON SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
TOTAL RESTRICTED FUNDS	20,548,945	9,888,871	(10,452,096)	-	(455,000)	19,530,720
TOTAL FUNDS	21,408,677	10,119,787	(10,635,696)	-	(455,000)	20,437,768

The specific purposes for which the funds are to be applied are as follows:

RESTRICTED FUNDS

The General Annual Grant (GAG) represents funding received from the Education and Skills Funding Agency (ESFA) during the period in order to fund the continuing activities of the school. During the year, £169,717 was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

High Needs funding, which includes Named Pupil Allowance and YPSS funding, is paid by the Local Authority to cater for pupils with learning difficulties and other disabilities.

Donations represent amounts raised through fundraising for specific purposes and various small restricted donations which have all been spent during the period.

Pupil premium funding represents amounts received from the ESFA to cater for disadvantaged pupils.

Other LA funding represents amounts received from Wiltshire Council and other Local Authorities in respect of Pupil Premium for Looked After Children.

Y7 Literacy and Numeracy Catch Up represents funding to support year 7 pupils that did not achieve level 4 in reading or mathematics at Key Stage 2.

Other ESFA income represents amounts received from the ESFA to cover increases in Teachers' Pay and Teachers' Pensions.

The pension reserve represents the Local Government Pension Scheme deficit.

FIXED ASSET FUNDS

Fixed assets transferred on conversion represent the building and equipment donated to the school from Wiltshire Council on conversion to an Academy.

Fixed assets purchased from GAG and other restricted funds represent amounts spent on fixed assets from the GAG funding received from the ESFA and other sources.

DfE/ESFA Capital grants includes devolved capital funding and amounts received from the Academies Capital Maintenance Fund and Condition Improvement Fund.

LA Capital grants represents funding received from Wiltshire County Council.

**SHELDON SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. Statement of funds (continued)

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

Comparative information in respect of the preceding year is as follows:

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
General funds	987,105	233,985	(390,437)	7,501	-	838,154
Fixed assets	29,508	-	(7,930)	-	-	21,578
Sheldon School Trading Limited	-	84,236	(76,735)	(7,501)	-	-
	<u>1,016,613</u>	<u>318,221</u>	<u>(475,102)</u>	<u>-</u>	<u>-</u>	<u>859,732</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	8,174,956	(8,024,457)	(150,499)	-	-
High Needs	-	267,533	(267,533)	-	-	-
Donations	-	13,317	(13,317)	-	-	-
Pupil Premium	-	226,385	(226,385)	-	-	-
Other LA funding	-	21,615	(21,615)	-	-	-
Y7 Literacy and Numeracy Catch Up	-	16,816	(16,816)	-	-	-
Other ESFA income	-	483,876	(483,876)	-	-	-
Pension reserve	(1,203,000)	-	(270,000)	-	(257,000)	(1,730,000)
	<u>(1,203,000)</u>	<u>9,204,498</u>	<u>(9,323,999)</u>	<u>(150,499)</u>	<u>(257,000)</u>	<u>(1,730,000)</u>

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20. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	18,810,086	-	(369,638)	-	-	18,440,448
Fixed assets purchased from GAG and other restricted funds	1,847,689	-	(51,437)	150,499	-	1,946,751
DfE/ESFA Capital grants	1,551,916	344,321	(41,640)	-	-	1,854,597
LA and other capital grants	37,999	-	(850)	-	-	37,149
	<u>22,247,690</u>	<u>344,321</u>	<u>(463,565)</u>	<u>150,499</u>	<u>-</u>	<u>22,278,945</u>
TOTAL RESTRICTED FUNDS	<u>21,044,690</u>	<u>9,548,819</u>	<u>(9,787,564)</u>	<u>-</u>	<u>(257,000)</u>	<u>20,548,945</u>
TOTAL FUNDS	<u>22,061,303</u>	<u>9,867,040</u>	<u>(10,262,666)</u>	<u>-</u>	<u>(257,000)</u>	<u>21,408,677</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	16,184	-	22,048,359	22,064,543
Current assets	890,864	594,423	20,000	1,505,287
Creditors due within one year	-	(516,075)	(39,639)	(555,714)
Creditors due in more than one year	-	(78,348)	-	(78,348)
Provisions for liabilities and charges	-	(2,498,000)	-	(2,498,000)
TOTAL	<u>907,048</u>	<u>(2,498,000)</u>	<u>22,028,720</u>	<u>20,437,768</u>

**SHELDON SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	21,578	-	22,158,424	22,180,002
Current assets	838,154	725,094	252,675	1,815,923
Creditors due within one year	-	(634,161)	(132,154)	(766,315)
Creditors due in more than one year	-	(90,933)	-	(90,933)
Provisions for liabilities and charges	-	(1,730,000)	-	(1,730,000)
TOTAL	859,732	(1,730,000)	22,278,945	21,408,677

22. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net expenditure for the year (as per Statement of financial activities)	(515,909)	(395,626)
ADJUSTMENTS FOR:		
Depreciation	535,820	471,494
Capital grants from DfE and other capital income	(110,484)	(349,321)
Interest receivable	(2,456)	(10,620)
Defined benefit pension scheme cost less contributions payable	281,000	246,000
Defined benefit pension scheme finance cost	32,000	24,000
Increase in stocks	(546)	(7,572)
Decrease/(increase) in debtors	299,115	(177,337)
(Decrease)/increase in creditors	(223,186)	510,206
NET CASH PROVIDED BY OPERATING ACTIVITIES	295,354	311,224

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**NOTES TO THE FINANCIAL STATEMENTS
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23. CASH FLOWS FROM INVESTING ACTIVITIES

	Group 2021 £	Group 2020 £
Dividends, interest and rents from investments	2,456	10,620
Purchase of tangible fixed assets	(420,361)	(374,298)
Capital grants from DfE/ESFA	110,484	91,646
NET CASH USED IN INVESTING ACTIVITIES	(307,421)	(272,032)

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2021 £	Group 2020 £
Cash in hand and at bank	1,295,597	1,307,664
TOTAL CASH AND CASH EQUIVALENTS	1,295,597	1,307,664

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,307,664	(12,067)	1,295,597
Debt due within 1 year	(20,108)	160	(19,948)
Debt due after 1 year	(90,933)	12,585	(78,348)
	1,196,623	678	1,197,301

26. CAPITAL COMMITMENTS

	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS				
Acquisition of tangible fixed assets	-	134,352	-	134,352

**NOTES TO THE FINANCIAL STATEMENTS
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27. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Wiltshire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £157,209 were payable to the schemes at 31 August 2021 (2020 - £152,518) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £1,099,284 (2020 - £1,075,327).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group has set out above the information available on the scheme.

**NOTES TO THE FINANCIAL STATEMENTS
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27. PENSION COMMITMENTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £351,000 (2020 - £342,000), of which employer's contributions totalled £281,000 (2020 - £274,000) and employees' contributions totalled £ 70,000 (2020 - £68,000). The agreed contribution rates for future years are 24.9 per cent for employers and 5.5 - 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.3	2.7
Rate of increase for pensions in payment/inflation	2.9	2.3
Discount rate for scheme liabilities	1.7	1.7

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2021	2020
	Years	Years
Retiring today		
Males	21.9	21.7
Females	24.4	24.0
Retiring in 20 years		
Males	22.9	22.5
Females	26.2	25.5

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate -0.5%	94	776
Salary increase +0.5%	4	36
Pension increase +0.5%	89	729

**NOTES TO THE FINANCIAL STATEMENTS
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27. PENSION COMMITMENTS (continued)

Share of scheme assets

The Group's share of the assets in the scheme was:

	2021 £	2020 £
Equities	3,579,000	3,089,000
Bonds	2,148,000	1,765,000
Property	716,000	662,000
Cash	65,000	-
TOTAL MARKET VALUE OF ASSETS	6,508,000	5,516,000

The actual return on scheme assets was £853,000 (2020 - £116,000).

The amounts recognised in the Consolidated statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	(281,000)	(520,000)
Interest income	96,000	96,000
Interest cost	(128,000)	(120,000)
TOTAL AMOUNT RECOGNISED IN THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES	(313,000)	(544,000)

Changes in the present value of the defined benefit obligations were as follows:

	2021 £	2020 £
At 1 September	7,246,000	6,416,000
Current service cost	281,000	246,000
Interest cost	128,000	120,000
Employee contributions	70,000	68,000
Actuarial losses	1,101,000	276,000
Benefits paid	(101,000)	(154,000)
Additional current service cost	281,000	274,000
AT 31 AUGUST	9,006,000	7,246,000

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27. PENSION COMMITMENTS (continued)

Changes in the fair value of the Group's share of scheme assets were as follows:

	2021 £	2020 £
At 1 September	5,516,000	5,213,000
Interest income	96,000	96,000
Actuarial gains	646,000	19,000
Employer contributions	281,000	274,000
Employee contributions	70,000	68,000
Benefits paid	(101,000)	(154,000)
AT 31 AUGUST	6,508,000	5,516,000

28. OPERATING LEASE COMMITMENTS

At 31 August 2021 the Group and the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	Academy 2021 £	Academy 2020 £
Not later than 1 year	15,546	15,481	15,546	15,481
Later than 1 year and not later than 5 years	62,186	-	62,186	-
	77,732	15,481	77,732	15,481

29. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

30. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

P C T Story, a Trustee, has been nominated by the Academy to take the Academy's seat as a Trustee of the Chippenham AstroTurf Project - known as CAP96. CAP96 leases land from the Academy on a 50 year lease for a peppercorn rent, on which it has built an AstroTurf pitch for use by local community groups. The Academy benefits by being able to use the AstroTurf pitch for free during normal school hours. In addition, the school manages all bookings for CAP96 and provides staff to unlock and lock the facility during evenings and weekends, for which an annual management charge is payable by CAP96 to Sheldon School. This charge is reviewed annually by the School Business Manager and is designed simply to cover the staffing costs associated within this provision. P C T Story withdraws from all discussion at CAP96 meetings relating to this arrangement.

31. AGENCY ARRANGEMENTS

The Academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2021 the Academy received £13,764 (2020: £18,352) and disbursed £8,473 (2020: £12,318) from the fund. An amount of £10,335 (2020: £6,034) is included in other creditors relating to undistributed funds that is repayable to the ESFA.