

Company Registration Number: 07556236 (England & Wales)

SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



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

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**SHELDON SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

L Carver
C S Holden
T G Jacques
M Jones
P J Weller (resigned 3 May 2023)
E Le Fleming (appointed 15 June 2023)

Trustees

K J Barnes^{1,4}
K M Brough³
L Carver, Chair^{1,4}
C A Cradock⁴
T R Cradock²
S J Contardi (resigned 2 March 2023)³
M J Davis (resigned 9 October 2023)^{3,4}
J G L Delap⁴
N Kew-Dowd^{1,2,5}
S R Haskew¹
K E M Hathaway^{1,2}
R M Jordan-Barr (resigned 31 August 2023)²
E K Manzi³
M E Owen (resigned 30 October 2022)⁵
N C B Spurdell, Head Teacher (until August 2023) (resigned 31 August 2023)^{1,2,3,4,5}
C Reynolds (resigned 8 April 2023)^{1,2}
S S Sellwood³
P C T Story²
J A Vosper^{3,4,5}
B Dowdle (appointed 31 October 2022)²
R A Jones (appointed 8 August 2023)
P Lynch, Head Teacher (from September 2023) (appointed 1 September 2023)
C I Simonis-Law (appointed 1 September 2023)

¹ Finance & Audit 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 2023**

Chief executive officer P Lynch

**Senior management
team**

N Spurdell, Headteacher (until August 2023)
P Lynch, Headteacher (from September 2023)
A Simpson, Deputy Headteacher
A Symes, Deputy Headteacher
J Owen, Assistant Headteacher
S Mundy, Assistant Headteacher
J Scourfield, Assistant Headteacher
E Spiers, Associate Assistant Headteacher
J Rumble, Associate Assistant Headteacher
D Masters, Assistant Headteacher
J D Finch, 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
Upper Borough Court
Upper Borough Walls
Bath
BA1 1RG

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

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The academy trust operates a secondary academy for pupils aged 11 to 19 serving a catchment area in North Wiltshire. It has a pupil capacity of 1795 and had a roll of 1642 in the school census on October 2022.

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 on page 2.

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 and four Members that are independent of the Board of Trustees and Sheldon Charters Board, and are not employees of Sheldon School: L Carver, M Jones, C S Holden, T G Jacques and P J Weller (resigned during the year) & E le Fleming appointed June 23. 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 member); K M Brough (Parent Governor); L A Cadger (Support Staff member); B A Collins (Teacher member); A M Douglas (Governor/Community member); K E M Hathaway (Governor/Community member); N Spurdell/P Lynch (Headteacher, ex officio). J C Hilton resigned during the year.

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 they are a Member, or within one year after they cease 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.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Method of recruitment and appointment or election of trustees

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

- 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

* Up to 4 Staff trustees providing that the total number of Trustees, including the Headteacher, who are employees of the Academy, does not exceed one third of the total number of Trustees

The Academy may also appoint Associate Members. Associate Members are appointed by the Board of Trustees 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 Induction and Training policy available from the Governance Professional.

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 a 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 courses 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 membership, 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 6 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 internal auditors who undertake a programme of additional checks, and receiving reports from the external auditors when drafting the annual accounts. It 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.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

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.

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 once 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 reputation 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 Headteachers, the Designated Safeguarding Lead 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 teaching posts always include a Trustee.

The governors have proposed 4 new committees for 2023-24

- Quality of Education
- Strategy and Audit
- Culture and Community
- Resources

The Headteacher is the Accounting Officer.

Sheldon also has a subsidiary company called Sheldon School Trading Limited which started trading in September 2015. Company number: 09551925. It receives all lettings income from external hirers, and Gift Aids profits back to Sheldon School at the end of each financial year. The Directors of Sheldon Trading are Louise Carver, Julia Finch, Katherine Hathaway and Neil Spurdell (resigned 31/8/2023).

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

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

There were three 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. Staff are not given remitted time for this role, however, are given time to attend training and meetings. They spend between 1-50% of their time on trade union duties which amounts to a total cost of approximately £2,325.

Related parties and other connected charities and organisations

The Academy engages with collaborative work through outreach in primary schools, local secondary schools through continual professional development meetings and more widely through North Wiltshire and WASSH (Wiltshire Association of Secondary and Special Schools Headteachers).

In addition, the Academy also has strong collaborative links with other local networks and organisations, including:

- Hardenhuish School which it shares some classes and teaching arrangements with at KS4 and KS5.
- Partner primary schools for the provision of sport through the School Sports Coordinator.
- 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 raises money to support extra-curriculum enrichment opportunities and equipment for all students within the 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 Opportunity Fund is registered charity and is a related party as the Headteacher, Neil Spurdell and Carol Cradock (resigned February 2022) and Kevin Pearce (resigned in year), replaced by Nicola Dowd 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. Directors that as also Trustees are the Headteacher, L Carver and K Hathaway. J Finch (CFO of the Trust) is also a director.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

OBJECTIVES, STRATEGIES AND ACTIVITIES

Object and Aims

The school has a development plan containing 4 areas or key priorities in 2022-23. These are summarised below:

- To focus on outcomes for all students
- To develop, implement and embed a new behaviour policy to ensure students are ready to learn
- To develop, implement and embed an equalities, diversity and inclusion strategy for all Sheldon students and staff
- To enhance our wellbeing strategy and support for staff and students

Leadership and Management

- To provide strong leadership at all levels to facilitate excellent outcomes in all identified priority areas, by establishing a defined programme of QA to enable the sharing of best practice across the school.
- To develop even more efficient communication systems.
- To maintain the recruitment of high-quality staff.
- To develop our marketing strategy to increase numbers of students coming into Year 7 to PAN levels and into the Sixth Form at 200 in Year 12.
- To develop our marketing strategy to ensure that Sheldon is viewed positively in the community.
- The principal object and activity of the School is to advance the public benefit of education in the Chippenham area, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities, with strong emphasis on the highest quality teaching and learning for all members of the community.
- To strengthen the effectiveness of the Governing Body.
- To establish an Operational Strategy
- To increase student engagement and progress through high quality teaching and learning in the classroom.
- To establish a programme of external QA.
- To establish a clear understanding of Student Support Services.
- To ensure that there is a full and clear programme of staff and student wellbeing established.

Quality of Education

- To ensure a broad, balanced and challenging curriculum for all learners to
- To have the opportunity to succeed regardless of background or starting point.
- To establish a defined programme of QA to enable the sharing of best practice across the school.
- To review the curriculum to meet the needs of all students.
- To improve the quality of teaching across all subjects to ensure students make excellent progress, regardless of starting points.
- To ensure routines and relationships are developed to ensure all students are ready to learn.
- In reviewing the curriculum needs of all students (A9), pay specific attention to, and embed, equalities, inclusion and diversity perspectives.
- To review and develop the PS curriculum from Years 7-13

Personal Development

To provide a coherent framework to enable our school community to uphold the aims outlined in the Vision and Values statement

- To ensure that pastoral work is prepared in advance and quality assured, and tutors are adequately prepared to deliver effectively.
- To create more opportunities for student voice to be heard and for students to play an active role in the wider school community, including being involved in creating tutor work and delivering assemblies.
- To create a coherent programme of assemblies to support and develop student awareness and understanding.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

- To revise the current pastoral programme so that it has a more whole-school focus, ensuring there is balanced coverage of all topics needed to achieve the overarching aim of "enable our school community to uphold the aims outlined in the Vision and Values statement."
- Planning to also take account of timing of topics delivered within PSRE.
- To place a big emphasis on the equalities agenda in order to develop student and staff awareness and understanding.
- To ensure that there are a range of extra-curricular opportunities available to all students to help further develop their character, and to encourage participation.
- To promote and monitor the participation of students in extra-curricular opportunities.
- To develop and implement an in-school counsellor role in order to support student's mental health

Behaviour and attitudes

- To operate within a clear, fully understood system to facilitate excellent outcomes for all students, irrespective of background or starting point.
- Establish the Sheldon Six
- To introduce "Ready to Learn" behaviour policy (RTL).
- Increased use of Epraise to support RTL

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's 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 areas encompasses the villages and civil parishes around Chippenham, whilst a secondary catchment area includes the civil parishes of Chippenham and Chippenham without.

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The measure at GCSE in 2023 (Progress 8) showed the school to have a slightly negative, but broadly in line average, score. Value-added figures for A level will not be available for the next two years but 4 Matrix (the school reporting tool) has value added data as positive in 2023. Whilst Progress 8 scores will be reported, they will need to be treated with significant caution, given the widespread impact of Covid on teachers and students up and down the country.

Headline figures for students at Sheldon in 2023 were broadly in line or slightly below the National benchmarks, except the A*-E which was above.

Key Stage 5

At A level from a cohort of 146 students, 3.5% of all entries were graded.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Sheldon	National
A*/A %	17.7	26.5 (26.3 In SW)
A*-B %	45.3	
A*-C %	67.9	75.4
A*-D %	87.2	
A*-E %	97.7	97.6

From these, a number progressed to prestigious universities or higher-level apprenticeships.

Key stage 4

	2017	2018	2019	2020	2021	2022	2023
No in Cohort	276	278	269	274	277	248	275
9-4 EM %	70	73	76	76	78	74	65
9-5 EM %	43	49	48	49	54	51	42
9-7 EM %	13	17	14	16	17	19	9
All entries 9-7%		25.8	24.5	25.6	27.6	28.7	16.8
All entries 9-5%		64.6	59.7	62.5	66.5	63.5	52.9
All entries 9-4%		79.5	77.6	81.2	82.5	76.6	71.1
5 x 9-4 Inc EM %		68	71	72	75	67	61
5 x 9-5 Inc EM %		49	44	46	53	50	34
EBacc entries %		50	54	49	42	23	27
EBacc (9-4) %		35	34	36.5	33	17	14.5
EBacc (9-5) %		24	20	24	23	15	10
Attainment 8	48.1	50.8	50.6	49.7	51.6	50.3	44.9
Progress 8	-0.16	-0.06	-0.07	-	-	-0.18	(-0.34)

At GCSE, 65% of students achieved the gateway qualification of Grades 4 and above in both English and Maths, 42% doing so at Grade 5 and above. Provisional Progress 8 is -0.34 which is below average.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

	Target	Actual 21/22/ October census 20*	Actual 22/23 – October Census 21*
Pupil Numbers	1795	1622*	1642*
Student Attendance	95%	87.2%	87.7%
Spend on Teaching & Learning as % of total income	75%	83%	81%
Staff costs to total expenditure	80%	79%	81%
Staffing over income	80%	80%	81%
Senior Management costs to total revenue expenditure	7%	6%	7%
Free Reserves at year end	£700,000 +	£783,259	£764,350
Ofsted Judgement	Good or better	Good	Good
KS4 Progress 8 score	+0.50	-0.18	-0.34
KS4 APS	51.18	50.32	44.91
KS5 L3VA	>0	N/A	+0.18
KS5 Average points per entry as a grade	B	C+	B-

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

Over 94% of the Academy's income is obtained from the DfE, via the ESFA, in form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended August 2023 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities. In addition in the year we received for National Tutoring and recovery premium to support the on-going impact of the Covid pandemic. Alongside this Sheldon School receives the normal pupil premium grants and any supplementary grants introduced by the DfE following the difficulties in the financial climate in 22/23. Without the supplementary grants that were introduced in year the school would have been adversely affected in terms of supporting costs throughout the year.

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 hiring out its facilities through its subsidiary trading company. In addition, funding was received from the Local Authority for lunch vouchers for the holidays period for free school meals and a household fund to support those families facing challenges with the financial climate, inflation and increased energy costs. Funding was also received from the Local Authority to support students joining from Ukraine. This funding was welcomed to support the current world economic situation that is affecting all communities. 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 2023, the academy received total income of £10,876,907 and incurred total expenditure of £11,350,007. The excess of expenditure over income for the year was £473,100.

As at 31 August 2023 the net book value of fixed assets was £21,187,224 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

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

at ways to improve 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 the Trustees, with professional expertise sought as appropriate. At the end of the period, the Academy was in a stronger than expected financial position with appropriate levels of free reserves going forwards.

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 £780,501, of which £764,350 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 month of normal recurring expenditure.

The current level of reserves is slightly lower than the current policy however the Trustees have reviewed the future plans of the Academy and 3- year budget plan and for 23/24 plan to review the reserves policy.

The defined benefit pension scheme reserves has been valued by the actuary as a surplus at the year end. The resulting asset has not been recognised in the accounts as the Trust is unable to derive a benefit from it. The pension position is therefore disclosed as £Nil at 31 August 2023. This has not resulted in a change to the contribution levels to the scheme which are set to continue at current levels until the next triennial valuation takes effect.

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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. Risk is identified and managed proactively at each Committee of the Board and at meetings of the full governing body with input from senior staff. The strategy committee monitor the red and deteriorating risks as well as cross cutting risks.

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 2023, 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. There is also a proactive stakeholder engagement programme in place for key elements of the school development plan. There are a number of opportunities throughout the year for parents and prospective parents to visit the School and engage with staff and Trustees.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of training, selection and monitoring of staff and Trustees, 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. Sheldon School takes supporting the well-being of the staff of upmost importance so they are best equipped to be successful in their roles. There is a dedicated well-being co-ordinator role within the school as well as an employee assistance programme that was put in place in the year.

Fraud and mismanagement of funds - The Academy has appointed an internal auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

Estate management – The Academy utilises the Good Estates Management (GEMS) for school tools to ensure that the estate is effectively managed and that the environment is as healthy, safe and as sustainable as it can be. Governors receive regular GEMS reports to show progress against estate development, maintenance and compliance, this helps inform consideration of risks and actions that need to be taken.

IT Ransomware attacks – The Academy commissioned an internal audit on the safety and security of the IT serving the school in 22/23 following review that an IT ransomware attack is highly likely to be attempted. An action plan is in place and a separate disaster recovery plan is being develop in the event of an attack taking place.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

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 2023/24, 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 Trust Handbook requirements.

Whilst the Academy numbers remain at good levels, there is a reduction in pupil numbers over the next 3 years, due to a lower birth rate in the area, which will start to affect finances. In addition, other financial pressures continue to affect budget planning and predictability of budgets including high inflation that is affecting premises, general and energy costs. The freeze on the Government's overall education budget, changes in funding arrangements for High Needs and the recruitment issues all schools are facing mean budgets will be increasingly tight in coming years.

At the year end, the Academy had no significant liabilities arising from creditors or debtors where there would be a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 26 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

FUNDRAISING

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.

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 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.

The Academy has been in discussion with local schools for the past year to explore forming a Multi-academy Trust (MAT). Although these plans are currently on hold, dialogue continues with local schools to maintain momentum and with a view to setting up a MAT when appropriate.

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

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

AUDITOR

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on ~~6th Dec 23~~ 6th Dec 23 and signed on its behalf by:



L Carver
Chair of Trustees

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

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023**

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. As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring 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. They are 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:

Governor	Meetings attended	Out of a possible
K Barnes	5	6
K Brough	4	6
L Carver (Chair of Governors)	6	6
S Contardi (resigned March 2023)	2	3
C Cradock	5	6
T Cradock	5	6
M Davis	4	6
J Delap	3	6
N Kew-Dowd	6	6
B Dowdle (commenced 31.10.22)	4	5
S Haskew	4	6
K Hathaway	4	6
R Jordan-Barr	5	6
E Manzi	6	6
M Owen (resigned 30.10.22)	1	1
C Reynolds (term ended 08.04.23)	3	4
S Sellwood	6	6
N Spurdell, Headteacher	6	6
J Vosper	6	6

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

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

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

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

Staffing
Curriculum
Premises
Finance
Audit and Internal Assurance
Public Relations, Marketing and Fundraising
Risk management
School Development Plan and development of an Operations Strategy
Safeguarding
Special Educational Needs and Disability
Health and Safety
Admissions
Pupil Premium
General Data Protection (GDPR)
Presentation by the Chair to the Members Board
Report from the Board of Trustees to the Sheldon Charters Board
Sheldon School Opportunity Fund
Actions resulting from external Review of Governance
Equality, Diversity and Inclusion
Preparation for Ofsted
Exploration of options to form a MAT
Chippenham Area Schools Collaboration
Review of progress against Board objectives
Child Protection
Admissions
Examination results
Trustee recruitment and succession planning

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. Opportunities for trustee learning and development are regularly advertised and trustees are encouraged to share newly acquired skills and knowledge.

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.

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.

All trustees sign a register of business interests annually and are required at every meeting to declare any conflicts of interest.

The board of trustees conducted a self-evaluation in May 2023 and the Strategy group considered the analysis of results. Key action points included: investigate reasons for trustee lack of active contribution in meetings; highlight major issues being discussed at committee meetings so that all trustees have the opportunity to attend; consider the use of small breakout groups to discuss specific topics as part of board meetings; draw trustees' attention to sources of information which enable the board to hold the SMT to account; improve trustee visibility and stakeholder engagement. A further self-evaluation is planned for early 2024.

The 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

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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, It recommends the appointment of internal auditors, sets priorities for internal audit and monitors action against audit reports.

Attendance at meetings in the year was as follows:

Governor	Meetings Attended	Out of a possible
K Barnes	3	6
L Carver (Chair of Governors)	3	6
S Haskew	6	6
K Hathaway (Chair of Committee)	5	6
N Kew-Dowd	2	2
C Reynolds (term ended 08.04.23)	3	4
N Spurdell (Headteacher)	6	6

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 educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer considers how the academy 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 or by using a framework where appropriate. The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Not allocating time/resources to areas where few improvements can be achieved.
- Making comparisons with similar Academies using data provided by the ESFA, the Government and the auditors.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.
- Collaborating with a neighbouring school to provide a broad and balanced Post 16 offer
- Working together with schools in the North Wiltshire federation
- Employing and sharing PE teachers to support the Chippenham Sports Partnership.
- Generating additional income by hiring out school facilities outside of normal school hours
- Utilising the Goods Estate Management tools to develop and manage a 3-year plan for estate management and investment to ensure the estate is safe, well-maintained and complies with regulations

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 is based on an on-going process designed to

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Sheldon School for the period 1 September 2022 to 31 August 2023 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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 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 academy 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 board of trustees
- Regular reviews by the finance and general purposes committee of reports, which indicate financial performance against the forecasts 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 audit function and appointed MHA Monahans to undertake this role however the internal audit required for 22/23 was not one that they specialised in, so another party was engaged to complete internal scrutiny on the IT systems and procedures – the company appointed for this were Krome Technologies.

This audit completed by Krome Technologies made a number of recommendations to both enhance the school's disaster recovering plan and also to increase security and processes within school. An action plan is now in place that will be reviewed by the leadership team and trustees.

The annual Health & Safety review was also completed by Wiltshire County Council and any recommendations for improvements are being reviewed in the appropriate areas.

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 review has been informed by:

- the work of the internal auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework
- the work of the external auditor
- correspondence from ESFA e.g. financial notice to improve/notice to improve (FNtI/NtI) and 'minded to' letters.

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

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

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

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



L Carver
Chair of Trustees

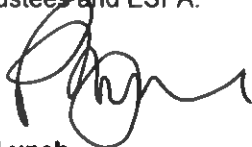
**SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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, including for estates safety and management, 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 Trust Handbook 2022, including responsibilities for estates safety and management.

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 Trust Handbook 2022.

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.



P Lynch
Accounting Officer

Date: 6/12/23

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

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 year. 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 2022 to 2023;
- 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: 6th December 2023

**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 2023 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 2022 to 2023 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 2023 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 2022 to 2023 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
- these matters were discussed among the audit engagement team who also considered 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, Academy Trust 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.

Our procedures to respond to risks identified included the following:

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

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

- 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: 15 December 2023

**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 2022 to 2023, 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 2022 to 31 August 2023 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 Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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.

The work undertaken to draw our conclusion includes:

An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;

Further testing and review of the areas identified through the risk assessment including enquiry, identification of controls processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and

Consideration of evidence obtained through the work detailed above and the work completed as part of our audit of the financial statements in order to support the regularity conclusion.

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

**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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



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

Date: 15 December 2023

SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	4	-	-	139,631	139,631	53,137
Other trading activities		204,586	-	-	204,586	192,894
Investments	7	11,323	17,000	-	28,323	3,591
Charitable activities		40,078	10,464,289	-	10,504,367	9,909,366
Total income		255,987	10,481,289	139,631	10,876,907	10,158,988
Expenditure on:						
Raising funds		103,172	-	-	103,172	97,109
Charitable activities		174,358	10,469,334	603,143	11,246,835	10,977,178
Total expenditure		277,530	10,469,334	603,143	11,350,007	11,074,287
Net (expenditure)/ income		(21,543)	11,955	(463,512)	(473,100)	(915,299)
Transfers between funds	20	-	(60,759)	60,759	-	-
Net movement in funds before other recognised losses		(21,543)	(48,804)	(402,753)	(473,100)	(915,299)
Actuarial gains on defined benefit pension schemes	26	-	475,000	-	475,000	3,391,000
Pension surplus not recognised	26	-	(417,000)	-	(417,000)	(434,000)
Net movement in funds		(21,543)	9,196	(402,753)	(415,100)	2,041,701
Reconciliation of funds:						
Total funds brought forward		793,798	6,955	21,678,716	22,479,469	20,437,768
Net movement in funds		(21,543)	9,196	(402,753)	(415,100)	2,041,701
Total funds carried forward		772,255	16,151	21,275,963	22,064,369	22,479,469

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 32 to 60 form part of these financial statements.

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

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	21,187,224	21,708,893
		<u>21,187,224</u>	<u>21,708,893</u>
Current assets			
Stocks	16	6,570	5,659
Debtors	17	310,516	289,058
Cash at bank and in hand		1,478,065	1,306,664
		<u>1,795,151</u>	<u>1,601,381</u>
Creditors: amounts falling due within one year	18	(879,420)	(772,405)
Net current assets		<u>915,731</u>	<u>828,976</u>
Total assets less current liabilities		<u>22,102,955</u>	<u>22,537,869</u>
Creditors: amounts falling due after more than one year	19	(38,586)	(58,400)
Net assets excluding pension asset		<u>22,064,369</u>	<u>22,479,469</u>
Total net assets		<u><u>22,064,369</u></u>	<u><u>22,479,469</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	20	21,275,963	21,678,716
Restricted income funds	20	16,151	6,955
Total restricted funds	20	<u>21,292,114</u>	<u>21,685,671</u>
Unrestricted income funds	20	<u>772,255</u>	<u>793,798</u>
Total funds		<u><u>22,064,369</u></u>	<u><u>22,479,469</u></u>

The financial statements on pages 28 to 60 were approved by the Trustees, and authorised for issue on 6th December 2023 and are signed on their behalf, by:



L Carver

The notes on pages 32 to 60 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 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	21,187,224	21,708,893
Investments	15	1	1
		<u>21,187,225</u>	<u>21,708,894</u>
Current assets			
Stocks	16	5,934	5,659
Debtors	17	308,829	288,148
Cash at bank and in hand		1,474,561	1,304,279
		<u>1,789,324</u>	<u>1,598,086</u>
Creditors: amounts falling due within one year	18	(873,594)	(769,111)
Net current assets		<u>915,730</u>	<u>828,975</u>
Total assets less current liabilities		<u>22,102,955</u>	<u>22,537,869</u>
Creditors: amounts falling due after more than one year	19	(38,586)	(58,400)
Total net assets		<u><u>22,064,369</u></u>	<u><u>22,479,469</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	20	21,275,963	21,678,716
Restricted income funds	20	16,151	6,955
		<u>21,292,114</u>	<u>21,685,671</u>
Restricted funds excluding pension asset	20		
Total restricted funds	20	<u>21,292,114</u>	<u>21,685,671</u>
Unrestricted income funds	20	<u>772,255</u>	<u>793,798</u>
Total funds		<u><u>22,064,369</u></u>	<u><u>22,479,469</u></u>

The financial statements on pages 28 to 60 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



L Carver
Chair of Trustees

Date: 6th December 2023

The notes on pages 32 to 60 form part of these financial statements.

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

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	22	147,543	204,367
Cash flows from investing activities	23	23,858	(193,300)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		171,401	11,067
Cash and cash equivalents at the beginning of the year		1,306,664	1,295,597
Cash and cash equivalents at the end of the year	24, 25	1,478,065	1,306,664
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 32 to 60 form part of these financial statements

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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 2022 to 2023 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.

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.

• **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 2023**

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 with no stated interest rate and due within one year and recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 and cash on deposit that has a notice period of less than 30 days.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

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 26, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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 2023

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	-	-	-	19,201
Capital Grants	-	139,631	139,631	33,936
	<u>-</u>	<u>139,631</u>	<u>139,631</u>	<u>53,137</u>
TOTAL 2022	<u>1,755</u>	<u>51,382</u>	<u>53,137</u>	

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

5. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
EDUCATION				
DFE/ESFA GRANTS				
General Annual Grant	-	7,208,787	7,208,787	7,243,272
16-19 Programme	-	1,616,706	1,616,706	1,561,292
Pupil Premium	-	250,017	250,017	234,737
Mainstream Schools Additional Grant	-	116,580	116,580	-
Teachers Pay and Pension Grant	-	64,786	64,786	89,989
School Supplementary Grant	-	227,359	227,359	94,838
Other DfE/ESFA Grants	-	4,084	4,084	28,946
	-	9,488,319	9,488,319	9,253,074
OTHER GOVERNMENT GRANTS				
High Needs	-	444,584	444,584	325,623
Free School Meals	-	48,640	48,640	33,335
Other government grants	-	55,189	55,189	49,155
	-	548,413	548,413	408,113
Other income from the Academy's educational operations	40,078	326,639	366,717	157,992
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Recovery Premium	-	67,658	67,658	30,598
School Led Tutoring	-	33,260	33,260	32,658
Other DfE/ESFA COVID-19 funding	-	-	-	26,931
	-	100,918	100,918	90,187
	40,078	10,464,289	10,504,367	9,909,366
TOTAL 2022	62,441	9,846,925	9,909,366	

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings	6,000	6,000	6,000
External catering	28,260	28,260	18,694
Income from other schools	20,750	20,750	23,547
Other income	4,583	4,583	5,603
Sheldon School Trading Limited trading income	144,993	144,993	139,050
	<u>204,586</u>	<u>204,586</u>	<u>192,894</u>
TOTAL 2022	<u>192,894</u>	<u>192,894</u>	

7. INVESTMENT INCOME

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	11,323	-	11,323	3,591
Pension income	-	17,000	17,000	-
	<u>11,323</u>	<u>17,000</u>	<u>28,323</u>	<u>3,591</u>
TOTAL 2022	<u>3,591</u>	<u>-</u>	<u>3,591</u>	

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

8. EXPENDITURE

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Lettings and external catering expenses					
Direct costs	-	-	103,172	103,172	97,109
EDUCATION:					
Direct costs	7,488,656	603,143	1,128,453	9,220,252	8,887,059
Support costs	911,919	621,980	492,684	2,026,583	2,090,119
	<u>8,400,575</u>	<u>1,225,123</u>	<u>1,724,309</u>	<u>11,350,007</u>	<u>11,074,287</u>
TOTAL 2022	<u>8,360,535</u>	<u>1,204,520</u>	<u>1,509,232</u>	<u>11,074,287</u>	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Education	<u>9,220,252</u>	<u>2,026,583</u>	<u>11,246,835</u>	<u>10,977,178</u>
TOTAL 2022	<u>8,887,059</u>	<u>2,090,119</u>	<u>10,977,178</u>	

SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Total funds 2023 £	Total funds 2022 £
Pension finance costs	-	24,000
Staff costs	7,458,044	7,333,744
Depreciation	603,143	580,832
Educational supplies	621,644	612,153
Examination fees	181,723	174,977
Staff development	12,204	13,531
Other costs	308,190	133,005
Supply teachers	30,612	10,853
Educational consultancy	4,692	3,964
	9,220,252	8,887,059

SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2023 £	Total funds 2022 £
Pension finance costs	-	21,000
Staff costs	911,919	1,014,747
Depreciation	2,634	5,645
Other costs	2,346	1,353
Agency supply	-	1,191
Recruitment and support	32,753	30,355
Maintenance of premises and equipment	295,998	257,153
Cleaning	165,530	172,276
Rent and rates	24,589	36,067
Energy costs	135,863	143,372
Insurance	44,549	42,021
Security and transport	15,215	9,175
Catering	156,859	129,531
Technology costs	127,201	130,339
Office overheads	29,315	38,269
Legal and professional	80,217	55,883
Bank interest and charges	1,595	1,742
	<u>2,026,583</u>	<u>2,090,119</u>

10. NET EXPENDITURE

Net (expenditure)/income for the year includes:

	2023 £	2022 £
Operating lease rentals	15,546	15,546
Depreciation of tangible fixed assets	605,778	586,477
Fees paid to auditors for:		
- audit	15,500	14,725
- other services	2,500	2,275
	<u>633,774</u>	<u>603,963</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	Group 2023 £	Group 2022 £	Academy 2023 £	Academy 2022 £
Wages and salaries	6,209,223	6,032,264	6,209,223	6,032,264
Social security costs	625,102	525,691	625,102	525,691
Pension costs	1,535,638	1,790,536	1,535,638	1,790,536
	8,369,963	8,348,491	8,369,963	8,348,491
Agency staff costs	30,612	12,044	30,612	12,044
	8,400,575	8,360,535	8,400,575	8,360,535

Staff restructuring costs comprise:

b. STAFF NUMBERS

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

	Group 2023 No.	Group 2022 No.	Academy 2023 No.	Academy 2022 No.
Teachers	120	127	120	127
Admin and support	108	114	108	114
Management	8	7	8	7
	236	248	236	248

The average headcount expressed as full-time equivalents was:

	Group 2023 No.	Group 2022 No.	Academy 2023 No.	Academy 2022 No.
Teachers	99	103	99	103
Admin and support	54	54	54	54
Management	8	7	8	7
	161	164	161	164

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	2	1
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-

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 £761,753 (2022: £677,954). 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 (2022: £115,000 - £120,000), employer's pension contributions £25,000 - £30,000 (2022: £25,000 - £30,000), E Manzi: remuneration £45,000 - £50,000 (2022: £45,000 - £50,000), employer's pension contributions £10,000 - £15,000 (2022: £10,000 - £15,000), S Sellwood: remuneration £25,000 - £30,000 (2022: £20,000 - £25,000), employer's pension contributions £5,000 - £10,000 (2022: £5,000 - £10,000), R Jordan-Barr: remuneration £45,000 - £50,000 (2022: £45,000 - £50,000), employer's pension contributions £10,000 - £15,000 (2022: £10,000 - £15,000), M Owen: remuneration £5,000 - £10,000 (2022: £50,000 - £55,000), employer's pension contributions £0 - £5,000 (2022: £10,000 - £15,000), B Dowdle: remuneration £40,000 - £45,000 (2022: £0 - £5,000), employer's pension contributions £5,000 - £10,000 (2022: £0 - £5,000).

During the year ended 31 August 2023, no expenses were reimbursed or paid directly to Trustees (2022 - £164 to 3 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
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

14. TANGIBLE FIXED ASSETS

GROUP AND ACADEMY

	Freehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Total £
COST OR VALUATION					
At 1 September 2022	26,172,483	442,414	132,211	825,814	27,572,922
Additions	-	58,539	-	25,570	84,109
At 31 August 2023	<u>26,172,483</u>	<u>500,953</u>	<u>132,211</u>	<u>851,384</u>	<u>27,657,031</u>
DEPRECIATION					
At 1 September 2022	4,795,721	350,320	111,670	606,318	5,864,029
Charge for the year	454,495	28,656	5,805	116,822	605,778
At 31 August 2023	<u>5,250,216</u>	<u>378,976</u>	<u>117,475</u>	<u>723,140</u>	<u>6,469,807</u>
NET BOOK VALUE					
At 31 August 2023	<u><u>20,922,267</u></u>	<u><u>121,977</u></u>	<u><u>14,736</u></u>	<u><u>128,244</u></u>	<u><u>21,187,224</u></u>
At 31 August 2022	<u><u>21,376,762</u></u>	<u><u>92,094</u></u>	<u><u>20,541</u></u>	<u><u>219,496</u></u>	<u><u>21,708,893</u></u>

**SHELDON SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

15. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
ACADEMY	
COST OR VALUATION	
At 1 September 2022	1
	<hr/>
AT 31 AUGUST 2023	1
	<hr/> <hr/>
NET BOOK VALUE	
AT 31 AUGUST 2023	1
	<hr/>
AT 31 AUGUST 2022	1
	<hr/> <hr/>

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	144,993	(144,993)	1

16. STOCKS

	Group 2023 £	Group 2022 £	Academy 2023 £	Academy 2022 £
Revision guides and goods for resale	6,570	5,659	5,934	5,659
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. DEBTORS

	Group 2023 £	Group 2022 £	Academy 2023 £	Academy 2022 £
DUE WITHIN ONE YEAR				
Trade debtors	50,324	10,512	34,546	512
Amounts owed by group undertakings	-	-	16,096	11,784
Other debtors	1,107	979	1,107	500
Prepayments and accrued income	184,199	176,702	182,194	174,487
Tax recoverable	74,886	100,865	74,886	100,865
	310,516	289,058	308,829	288,148

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Academy 2023 £	Academy 2022 £
Other loans	19,872	19,948	19,872	19,948
Trade creditors	290,173	196,767	290,173	196,767
Other taxation and social security	145,046	139,074	145,046	139,074
Other creditors	191,944	160,766	191,944	159,302
Accruals and deferred income	232,385	255,850	226,559	254,020
	879,420	772,405	873,594	769,111
	Group 2023 £	Group 2022 £	Academy 2023 £	Academy 2022 £
Deferred income at 1 September 2022	120,241	83,569	131,054	83,569
Resources deferred during the year	116,499	120,241	112,898	131,054
Amounts released from previous periods	(120,241)	(83,569)	(131,054)	(83,569)
	116,499	120,241	112,898	131,054

At the Balance Sheet date the Academy was holding funds received from the Local Authority relating to the 2023/24 academic year and money received for trips taking place in 2023/24.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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

	Group 2023 £	Group 2022 £	Academy 2023 £	Academy 2022 £
ESFA loans	38,586	58,400	38,586	58,400

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

	Group 2023 £	Group 2022 £	Academy 2023 £	Academy 2022 £
Payable or repayable by instalments	3,119	5,020	3,119	5,020
	3,119	5,020	3,119	5,020

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
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

20. STATEMENT OF FUNDS

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
UNRESTRICTED FUNDS						
General funds	783,259	110,894	(129,803)	-	-	764,350
Fixed assets	10,539	-	(2,634)	-	-	7,905
Sheldon School Trading Limited	-	145,093	(145,093)	-	-	-
	<u>793,798</u>	<u>255,987</u>	<u>(277,530)</u>	<u>-</u>	<u>-</u>	<u>772,255</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	7,208,787	(7,148,028)	(60,759)	-	-
High Needs	-	444,584	(444,584)	-	-	-
Donations	1,755	11,000	(2,363)	-	-	10,392
Pupil Premium	-	250,017	(250,017)	-	-	-
Other LA funding	5,200	103,829	(103,270)	-	-	5,759
Other ESFA income	-	3,027	(3,027)	-	-	-
Trip income	-	298,306	(298,306)	-	-	-
Recovery Premium	-	67,658	(67,658)	-	-	-
School Supplementary Grant	-	227,359	(227,359)	-	-	-
School Led Tutoring	-	34,317	(34,317)	-	-	-
Other restricted funds	-	17,333	(17,333)	-	-	-
16-19 Funding	-	1,616,706	(1,616,706)	-	-	-
Mainstream Schools Additional Grant	-	116,580	(116,580)	-	-	-
Teachers Pay and Pension Grant	-	64,786	(64,786)	-	-	-
Pension reserve	-	17,000	(75,000)	-	58,000	-
	<u>6,955</u>	<u>10,481,289</u>	<u>(10,469,334)</u>	<u>(60,759)</u>	<u>58,000</u>	<u>16,151</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

20. STATEMENT OF FUNDS (CONTINUED)

**RESTRICTED
FIXED ASSET
FUNDS**

Fixed assets transferred on conversion	17,701,172	-	(369,638)	-	-	17,331,534
Fixed assets purchased from GAG and other restricted funds	2,091,698	-	(230,016)	1,972,863	-	3,834,545
DfE/ESFA capital grants	1,797,719	96,644	-	(1,797,719)	-	96,644
LA and other capital grants	71,398	42,987	-	(114,385)	-	-
Donated assets	16,729	-	(3,489)	-	-	13,240
	21,678,716	139,631	(603,143)	60,759	-	21,275,963
TOTAL RESTRICTED FUNDS	21,685,671	10,620,920	(11,072,477)	-	58,000	21,292,114
TOTAL FUNDS	22,479,469	10,876,907	(11,350,007)	-	58,000	22,064,369

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, £60,759 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.

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.

Other ESFA income represents amounts received from the ESFA to support pupils with higher needs and to fund post-Covid tutoring requirements.

The pension reserve represents the Local Government Pension Scheme deficit.

**SHELDON SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

20. STATEMENT OF FUNDS (CONTINUED)

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.

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 2023.

SHELDON SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

20. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS						
General funds	890,864	119,876	(227,481)	-	-	783,259
Fixed assets	16,184	-	(5,645)	-	-	10,539
Sheldon School Trading Limited	-	139,050	(139,050)	-	-	-
	<u>907,048</u>	<u>258,926</u>	<u>(372,176)</u>	<u>-</u>	<u>-</u>	<u>793,798</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	8,804,564	(8,625,118)	(179,446)	-	-
High Needs	-	325,623	(325,623)	-	-	-
Donations	-	1,755	-	-	-	1,755
Pupil Premium	-	234,737	(234,737)	-	-	-
Other LA funding	-	82,490	(77,290)	-	-	5,200
Other ESFA income	-	303,960	(303,960)	-	-	-
Trip income	-	95,551	(95,551)	-	-	-
Pension reserve	(2,498,000)	-	(459,000)	-	2,957,000	-
	<u>(2,498,000)</u>	<u>9,848,680</u>	<u>(10,121,279)</u>	<u>(179,446)</u>	<u>2,957,000</u>	<u>6,955</u>

**SHELDON SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

20. STATEMENT OF FUNDS (CONTINUED)

**RESTRICTED
FIXED ASSET
FUNDS**

Fixed assets transferred on conversion	18,070,810	-	(369,638)	-	-	17,701,172
Fixed assets purchased from GAG and other restricted funds	2,034,322	-	(122,070)	179,446	-	2,091,698
DfE/ESFA capital grants	1,843,449	33,936	(79,666)	-	-	1,797,719
LA and other capital grants	80,139	-	(8,741)	-	-	71,398
Donated assets	-	17,446	(717)	-	-	16,729
	<u>22,028,720</u>	<u>51,382</u>	<u>(580,832)</u>	<u>179,446</u>	<u>-</u>	<u>21,678,716</u>
TOTAL RESTRICTED FUNDS	<u>19,530,720</u>	<u>9,900,062</u>	<u>(10,702,111)</u>	<u>-</u>	<u>2,957,000</u>	<u>21,685,671</u>
TOTAL FUNDS	<u><u>20,437,768</u></u>	<u><u>10,158,988</u></u>	<u><u>(11,074,287)</u></u>	<u><u>-</u></u>	<u><u>2,957,000</u></u>	<u><u>22,479,469</u></u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	7,905	-	21,179,319	21,187,224
Current assets	764,350	934,157	96,644	1,795,151
Creditors due within one year	-	(879,420)	-	(879,420)
Creditors due in more than one year	-	(38,586)	-	(38,586)
TOTAL	<u>772,255</u>	<u>16,151</u>	<u>21,275,963</u>	<u>22,064,369</u>

SHELDON SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	10,539	-	21,698,354	21,708,893
Current assets	778,134	823,247	-	1,601,381
Creditors due within one year	5,125	(757,892)	(19,638)	(772,405)
Creditors due in more than one year	-	(58,400)	-	(58,400)
TOTAL	793,798	6,955	21,678,716	22,479,469

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

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(473,100)	(915,299)
ADJUSTMENTS FOR:		
Depreciation	605,778	586,477
Capital grants from DfE and other capital income	(96,644)	(33,936)
Interest receivable	(11,323)	(3,591)
Defined benefit pension scheme cost less contributions payable	75,000	414,000
Defined benefit pension scheme finance cost	(17,000)	45,000
(Increase)/decrease in stocks	(911)	2,459
Increase in debtors	(112,658)	(87,486)
Increase in creditors	178,401	196,743
NET CASH PROVIDED BY OPERATING ACTIVITIES	147,543	204,367

SHELDON SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

23. CASH FLOWS FROM INVESTING ACTIVITIES

	Group 2023 £	Group 2022 £
Dividends, interest and rents from investments	11,323	3,591
Purchase of tangible fixed assets	(84,109)	(230,827)
Capital grants from DfE/ESFA	96,644	33,936
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES	23,858	(193,300)

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2023 £	Group 2022 £
Cash in hand and at bank	1,478,065	1,306,664
TOTAL CASH AND CASH EQUIVALENTS	1,478,065	1,306,664

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	1,306,664	171,401	1,478,065
Debt due within 1 year	(19,948)	76	(19,872)
Debt due after 1 year	(58,400)	19,814	(38,586)
	1,228,316	191,291	1,419,607

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

26. 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 2020 and of the LGPS 31 March 2022.

Contributions amounting to £164,151 were payable to the schemes at 31 August 2023 (2022 - £154,991) 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 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the previous valuation as at 31 March 2016 which was effective for the year ended 31 August 2023 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 2020 valuation result is due to be implemented from 1 April 2024 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

26. PENSION COMMITMENTS (CONTINUED)

The employer's pension costs paid to TPS in the year amounted to £1,096,498 (2022 - £1,064,478).

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>) for 2016 and www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx for 2020.

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.

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 2023 was £410,000 (2022 - £365,000), of which employer's contributions totalled £328,000 (2022 - £293,000) and employees' contributions totalled £ 82,000 (2022 - £72,000). The agreed contribution rates for future years are 24.9 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

	2023	2022
	%	%
Rate of increase in salaries	3.50	3.60
Rate of increase for pensions in payment/inflation	3.00	3.20
Discount rate for scheme liabilities	5.20	4.25

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

	2023	2022
	Years	Years
RETIRING TODAY		
Males	20.7	21.7
Females	23.8	24.2
RETIRING IN 20 YEARS		
Males	21.5	22.6
Females	26.0	26.0

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

26. PENSION COMMITMENTS (CONTINUED)

SENSITIVITY ANALYSIS

	2023	2022
	£000	£000
Discount rate -0.5%	565	625
Salary increase +0.5%	30	30
Pension increase +0.5%	545	600

SHARE OF SCHEME ASSETS

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

	At 31	At 31
	August 2023	August 2022
	£	£
Equities	3,655,000	3,507,000
Bonds	1,927,000	2,013,000
Property	930,000	975,000
Cash	133,000	-
TOTAL MARKET VALUE OF ASSETS	6,645,000	6,495,000

The actual return on scheme assets was £100,000 (2022 - £(266,000)).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2023	2022
	£	£
Current service cost	(75,000)	(707,000)
Interest income	281,000	109,000
Interest cost	(264,000)	(154,000)
TOTAL AMOUNT RECOGNISED IN THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES	(58,000)	(752,000)

SHELDON SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
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26. PENSION COMMITMENTS (CONTINUED)

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

	2023	2022
	£	£
AT 1 SEPTEMBER	6,061,000	9,006,000
Interest cost	264,000	154,000
Employee contributions	82,000	72,000
Actuarial gains	(851,000)	(3,774,000)
Benefits paid	(165,000)	(104,000)
Current service cost	403,000	707,000
AT 31 AUGUST	5,794,000	6,061,000

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

	2023	2022
	£	£
AT 1 SEPTEMBER	6,495,000	6,508,000
Interest income	281,000	109,000
Actuarial losses	(376,000)	(383,000)
Employer contributions	328,000	293,000
Employee contributions	82,000	72,000
Benefits paid	(165,000)	(104,000)
AT 31 AUGUST	6,645,000	6,495,000

The Academy Trust has an unrecognised surplus of £851,000 (2022 - £434,000) in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

27. OPERATING LEASE COMMITMENTS

At 31 August 2023 the Group and the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group	Group	Academy	Academy
	2023	2022	2023	2022
	£	£	£	£
Not later than 1 year	15,546	15,546	15,546	15,546
Later than 1 year and not later than 5 years	30,272	46,035	30,272	46,035
	45,818	61,581	45,818	61,581

28. 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.

29. 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 Academy Trust 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.

30. AGENCY ARRANGEMENTS

The Academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2023 the Academy received £13,157 (2022: £9,739) and disbursed £3,537 (2022: £17,282) from the fund. An amount of £11,408 (2022: £1,788) is included in other creditors relating to undistributed funds that is repayable to the ESFA.