

# SHAFTOE EDUCATIONAL FOUNDATION

England & Wales · Charity number 528101

## Details

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**Status** Registered

**Legal form** Other

**Registered** 1985-10-09

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** 15 Shaftoe Terrace  
Haydon Bridge  
Hexham  
Northumberland  
NE47 6BW

**Phone** 07513641342

**Email** [clerkshaftoecharities@outlook.com](mailto:clerkshaftoecharities@outlook.com)

**Website** [www.shaftoecharities.org.uk](http://www.shaftoecharities.org.uk)

## Activities

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**Objects:** FIRST, TO PAY OUT OF THE YEARLY INCOME OF THE CHARITY THE SUM OF £220 AS PROVIDED BY THE ORDER OF THE COMMISSIONERS OF 3 OCTOBER 1905 PAYABLE TO THE ALMSHOUSE CHARITY OF JOHN SHAFTOE THEN 1. IN MAKING AN ADDITIONAL YEARLY PAYMENT OF NOT LESS THAN £1,500 AND NOT MORE THAN ONE QUARTER OF THE CLEAR INCOME OF THE CHARITY TO THE ALMSHOUSE CHARITY OF JOHN SHAFTOE FOR APPLICATION FOR THE GENERAL PURPOSES OF THAT CHARITY. 2. IN PROVIDING FOR THE SCHOOL OR FOR ANY OTHER SCHOOL IN OR SUBSTANTIALLY SERVING THE PARISH OF HAYDON SUCH SPECIAL BENEFITS OF ANY KIND NOT NORMALLY PROVIDED BY THE LOCAL EDUCATION AUTHORITY FROM TIME TO TIME AGREED BETWEEN THE GOVERNORS AND THE GOVERNORS OF THE SCHOOL CONCERNED. 3. IN OTHERWISE PROMOTING THE EDUCATION, INCLUDING SOCIAL AND PHYSICAL TRAINING OF PERSONS RESIDENT OR WHO HAVE A PARENT OF PARENTS RESIDENT IN THE SAID PARISH.

**Activities:** Promoting the education, including social and physical training, of persons resident or who have a parent of parents resident in the Parish of Haydon. In providing for the school, or any other school in or substantially serving the Parish of Haydon, such special benefits of any kind not normally provided by the Local Education Authority.

## Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** Education/training
- **Who:** Other Defined Groups

## Geography

- **Area of benefit:** PARISH OF HAYDON
- Northumberland

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£232,563	£181,532	-	-
2024-03-31	£221,535	£171,225	-	-
2023-03-31	£213,416	£158,642	-	-
2022-03-31	£197,534	£196,474	-	-
2021-03-31	£195,779	£145,788	-	-

## Trustees

Name	Role	Appointed
JOHN JAMES DRYDON	Chair	
BENEDICT LOFTUS BATES		
DORIS WARDLE		2012-09-19
EDWARD J BROWN		
ESMOND FAULKS		2012-09-19
Kelly Richardson		2020-11-12
LAURA ANN GILHESPY		
PAULA MARIE COLLIS		
Richard Hines		2022-11-10

**SHAFTOE EDUCATIONAL FOUNDATION**

England & Wales - Charity number 528101

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# Accounts

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**SHAFTOE EDUCATIONAL FOUNDATION**  
**REPORT AND UNAUDITED FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2025**

# SHAFTOE EDUCATIONAL FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr J J drydon (Co-optative), Chair Mr R Hines (Co-optative) Mrs K Richardson (Appointed by the Parish Council of Haydon Bridge) Mr E Fulks (Appointed by the Parish Council of Haydon Bridge) Mrs D Wardle (Co-optative) Mrs L A Gilhespy (Appointed by the Parish Council of Haydon Bridge) Mr B L Bates (Co-optative) Me E Brown (Appointed by the Parish Council of Haydon Bridge) Mrs P Collis (Co-optative)
<b>Charity number</b>	528101
<b>Registered office</b>	15 Shaftoe Terrace Haydon Bridge Hexham Northumberland NE47 6BW
<b>Bankers</b>	HSBC UK Fore Street Hexham Northumberland NE46 1LY
<b>Stockbroker</b>	Brewin Dolphin Securities Time Central 32 Gallowgate Newcastle Upon Tyne NE1 4SR
<b>Independent Examiner</b>	RSM UK Tax and Accounting Limited Chartered Accountants Davidson House Forbury Square Reading Berkshire RG1 3EU

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# SHAFTOE EDUCATIONAL FOUNDATION

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH 2025

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The Trustees present their report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **Objectives and activities**

##### **• Policies and objectives**

The objectives of Shaftoe Educational Foundation ("the Charity") are determined by the requirements of the scheme as to the use of the income of the Charity.

The Trustees shall first pay out of the yearly income of the Charity the sum of £220 to the Almshouse Charity of John Shaftoe. The Trustees shall next defray out of the income of the Charity, the cost of repairs and insurance and all other charges and outgoings payable in respect of the property of the charity and all the proper costs, charges and expenses of and incidental to the administrations and management of the charity. Subject to the payments aforesaid the Trustees shall then apply the income of the charity at their discretion in one or more of the following ways:

- (1) in making an additional yearly payment of not less than £1,500 and not more than one quarter of the clear income of the Charity to the Almshouse Charity of John Shaftoe for application for the general purposes of that charity;
- (2) in providing for the Shaftoe Trust Academy ("the School") or for any other school or in substantially serving the Parish of Haydon such special benefits of any kind not normally provided by the local education authority as may from time to time be agreed between the Trustees and the Trustees of the school concerned;
- (3) in otherwise promoting the education, including social and physical training, of persons resident or who have a parent or parents resident in the said parish.

##### **• Main activities undertaken to further the Charity's purposes for the public benefit**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. The charity is able to assist with the further education of residents in the parish of Haydon Bridge through the provision of grants which have to be applied for through a structured process. The School also benefits from financial assistance which therefore benefits all students in those establishments over and above that provided by Northumberland County Council.

#### **Achievements and performance**

##### **• Main achievements of the Charity**

The charity continues to derive funds from its landed estate and investment portfolio, which is applied to provide for educational purposes at two schools and accommodation to those in need through the provision of almshouses.

##### **• Key performance indicators**

The Trustees review key sources of income and expenditure to monitor the performance of the charity. These include:

- Income arising from investment properties;
- Income arising from listed investments; and
- Planned expenditure on refurbishments.

These allow the Trustees to assess funds available to support its charitable purposes.

The investments are invested to produce a balance of income and capital growth over the longer term.

# SHAFTOE EDUCATIONAL FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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The charity aims to:

- At least maintain the real value of the assets of the charity;
- Generate a sustainable return to fund annual grant making for its charitable purposes; and
- Produce best financial return within an acceptable level of risk.

#### • Review of activities

The Trustees report a surplus for the year before investment movements of £51,031 (2024: £38,390).

Grants totaling £96,224 (2024 - £115,685) were made available during the year.

There were total net investment gains of £23,798 (2024: £108,150). This is attributable to movements on the investment portfolio, of which £13,441 is attributable to endowed funds and £10,357 to general funds.

There was a further gain on investments of £560,000 in relation to an uplift on the valuation of the investment properties.

Reports are received from the management agents at every meeting and they regularly attend meetings to report on activities, answer questions and seek the guidance of Trustees. A multi-year rolling management plan for the estate is reviewed and updated on a regular basis.

The Foundation has continued to support the Shaftoe Trust Academy and other educational initiatives in the Parish-funded locally-based students and apprentices. Grant allocations are adjusted each year as necessary to reflect costs and available funding to ensure the Foundation continues to meet current and future demand wherever possible. Details of grants awarded (anonymised as required) are included in the notes to the accounts.

#### • Investment policy and performance

The Trustees are required to invest all sums of cash, other than those needed for the immediate working purposes at their discretion, subject to the requirements of the Trustee Investments Act 1961.

The investments are vested with Brewin Delphin. Funds are invested to maximise investment income whilst protecting the underlying capital investment.

The charity's property which is permanently endowed, and vested in the Official Custodian for Charities comprises freehold land at Haydon Bridge and Mousen Estate at Belford, Northumberland as described more fully in notes 10 to 11.

The Trustees review funds under investment through reports provided for each meeting and they are satisfied with the current performance. Representatives of Brewin Dolphin regularly attend meetings to inform Trustees, answer questions, review investments and seek guidance from Trustees.

#### Financial review

The main source of income for the charity during the period was investment income from the investment property portfolio totalling £232,156, and the main form of expenditure for the charity was the grants paid of £96,224. At the period end net income for the year was £634,829 consisting of unrestricted income of £232,563, unrestricted expenditure of £174,555 and endowment expenditure of £6,977. Retained funds at the period end were £10,660,437 consisting of £1,197,892 of unrestricted funds and £9,462,545 of endowment funds.

#### Going concern

Liquid funds continue to be held for grant-making activities. After making appropriate enquiries, the Trustees have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

#### Grants policy

The Charity provides grants to further its charitable objectives, which are the education of residents in the Parish of Haydon Bridge. Grants have been made to both individuals and organisations that align with the charity's objectives and are disclosed in note 7.

# SHAFTOE EDUCATIONAL FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### • Reserves policy

The Trustees have carefully considered the need to retain reserves in the light of their dependence on agricultural rents for the bulk of their endowment income. They are satisfied that it is prudent to maintain an investment portfolio capable of generating enough income to support the management and administration of the charity, supplemented by liquid reserves to cover exceptional repair or renovation of buildings, and to ensure the availability of funds to maintain their ability to respond to meritorious grant applications.

At 31 March 2025 reserves were £10,660,437 (2024: £9,330,608) with £9,462,545 (2024: £8,201,081) allocated to the endowment fund.

#### Structure, governance and management

##### • Constitution

Shaftoe Educational Foundation is constituted by a Charity Commission scheme.

The charity was registered with the Charity Commission on 9 October 1985 and was allocated Charity No. 528101.

There have been no changes in the objectives since the last annual report.

##### • Methods of appointment or election of Trustees

The body of Trustees shall consist when complete of nine competent persons being:

- Four Nominative Trustees and
- Five Co-optative Trustees

The four nominative Trustees shall be appointed by Haydon Bridge Parish Council.

Every nominative trustee shall be appointed for a term of five years. Each appointment shall be made at a meeting convened and held according to the ordinary practice of the appointing council. The chairman of the meeting shall cause the name of each person appointed to be notified forthwith to the Trustees or their clerk. The person appointed may be but need not be a member of the appointing council.

The Co-optative Trustees shall be persons who through residence, occupation or employment, or otherwise have special knowledge of the Parish of Haydon Bridge.

Every Co-optative Trustee shall be appointed for a term of five years by a resolution of the Trustees passed at a special meeting of which not less than 21 days' notice has been given and may be so appointed not more than one month before the term of an existing co-optative Trustee expires with effect from the date of expiry but so that the latter shall not vote on the matter.

No Trustee shall take or hold any interest in property belonging to the charity otherwise than as a Trustee for the purposes thereof and no Trustee shall receive remuneration or be interested in the supply of work or goods, at the cost of the charity.

##### • Policies adopted for the induction and training of Trustees

Induction and training of Trustees is carried out at appointment and when changes to charity law take place.

##### • Organisational structure and decision-making policies

The Trustees meet regularly to award grants and to review the management of the funds under investment and the investment properties. Advice is obtained from investment and property advisers as necessary at these meetings.

Where necessary additional sub-committees are formed to address specific issues and reports given to a full meeting of Trustees and if necessary additional meetings are arranged outside of the regularly scheduled programme of meetings.

# SHAFTOE EDUCATIONAL FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### • Key Management Personnel policy

The trustees consider the board of trustees as comprising the key management personnel of the charity in charge of directing and controlling the Trust. The running and operating the charity on a day-to-day basis is done by the Clerk. All trustees give of their time freely and no trustee remuneration was paid during the year. Details of related party transactions are disclosed in note 19 to the financial statements.

#### • Policies adopted for the induction and training of Trustees

Induction and training of Trustees is carried out at appointment and when changes to charity law take place.

#### • Related party relationships

The Almshouse Charity of John Shaftoe is a connected charity. The two organisations have a common board of Trustees and were originally one charity, founded in 1685.

#### • Financial risk management

The principal risk to the charity is in the management of investment funds and properties. In order to minimise the risk, these investments are managed by independent professional firms appointed by the Trustees in accordance with professional terms of engagement. Wherever possible the properties held are insured to further mitigate risk of loss or curtailment.

The Trustees continue to review their policies for the proper management of risk. They are satisfied that they have done all that is reasonable to enable the charity to continue to operate, even though in extreme circumstances its ability to make grants may be curtailed.

The investment policy has a detailed section on risk, covering: land and property risk; investment risk and charity specific risk.

#### • Future developments

There is a rolling programme of repairs and improvements for land and property managed by the Foundation. This is to ensure that properties meet current standards and prepare for forthcoming changes. It included managing conflicting interests when dealing with listed buildings. The Trustees are supported by professional advice in achieving their duties.

The Trustees are looking into development options of some of the land at Haydon Bridge for residential. The Trustees plan to merge both Shaftoe Educational Foundation and the Almshouse Charity of John shaftoe to form a CIO.

The Trustees intend to continue to support the educational needs of the Shaftoe Trust Academy and its pupils, the Almshouse Charity of John Shaftoe, and other causes local to Haydon Bridge as necessary.

The trustees who served during the year were:

Mr J J drydon (Co-optative), Chair

Mr R Hines (Co-optative)

Mrs K Richardson (Appointed by the Parish Council of Haydon Bridge)

Mr E Fulks (Appointed by the Parish Council of Haydon Bridge)

Mrs D Wardle (Co-optative)

Mrs L A Gilhespy (Appointed by the Parish Council of Haydon Bridge)

Mr B L Bates (Co-optative)

Me E Brown (Appointed by the Parish Council of Haydon Bridge)

Mrs P Collis (Co-optative)

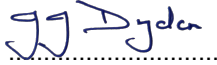
# SHAFTOE EDUCATIONAL FOUNDATION

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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



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**Mr J J drydon (Co-optative), Chair**

Trustee

Dated: 02/12/25  
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# SHAFTOE EDUCATIONAL FOUNDATION

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### FOR THE YEAR ENDED 31 MARCH 2025

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its 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 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

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

# SHAFTOE EDUCATIONAL FOUNDATION

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF SHAFTOE EDUCATIONAL FOUNDATION

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I report to the trustees on my examination of the accounts of Shaftoe Educational Foundation ('the charity') for the year ended 31 March 2025 which are set out on pages 7 to 18.

#### **Respective responsibilities of trustees and examiner**

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in the connection with the examination giving me reasonable cause to believe that in any material respect:

- (i) accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- (ii) the accounts do not accord with those records; or
- (iii) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

*Kerry Gallagher*

Kerry Gallagher FCA DChA  
The Institute of Chartered Accountants in England and Wales  
On behalf of RSM UK Tax and Accounting Limited  
Chartered Accountants  
Davidson House  
Forbury Square  
Reading  
Berkshire  
RG1 3EU

Dated: 03/12/25 .....

# SHAFTOE EDUCATIONAL FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES

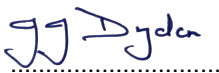
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
<b><u>Income from:</u></b>					
Donations and legacies	3	407	-	407	-
Investments	4	232,156	-	232,156	221,535
<b>Total income</b>		<b>232,563</b>	<b>-</b>	<b>232,563</b>	<b>221,535</b>
<b><u>Expenditure on:</u></b>					
Raising funds	5	66,187	6,977	73,164	59,542
Charitable activities	6	108,368	-	108,368	123,603
<b>Total expenditure</b>		<b>174,555</b>	<b>6,977</b>	<b>181,532</b>	<b>183,145</b>
<b>Net (expenditure)/income before gains/ (losses)</b>		<b>58,008</b>	<b>(6,977)</b>	<b>51,031</b>	<b>38,390</b>
Net gains on investments	12	10,357	573,441	583,798	108,150
<b>Net incoming resources</b>		<b>68,365</b>	<b>566,464</b>	<b>634,829</b>	<b>146,540</b>
<b><u>Other recognised gains and losses</u></b>					
Revaluation of tangible fixed assets		-	695,000	695,000	-
<b>Net movement in funds</b>	<b>10</b>	<b>68,365</b>	<b>1,261,464</b>	<b>1,329,829</b>	<b>146,540</b>
Total funds brought forward		1,129,527	8,201,081	9,330,608	9,184,068
Total funds carried forward		1,197,892	9,462,545	10,660,437	9,330,608

**SHAFTOE EDUCATIONAL FOUNDATION****BALANCE SHEET****AS AT 31 MARCH 2025**

	Notes	2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		710,000		15,000
Investment properties	11		8,055,000		7,495,000
Investments	12		1,508,526		1,489,087
			<u>10,273,526</u>		<u>8,999,087</u>
<b>Current assets</b>					
Debtors	13	49,393		50,338	
Cash at bank and in hand		452,514		353,436	
		<u>501,907</u>		<u>403,774</u>	
<b>Creditors: amounts falling due within one year</b>	14	(114,996)		(72,253)	
Net current assets			<u>386,911</u>		<u>331,521</u>
<b>Total assets less current liabilities</b>			<u>10,660,437</u>		<u>9,330,608</u>
<b>Capital funds</b>					
Endowment funds - general	17		9,462,545		8,201,081
<b>Income funds</b>					
Unrestricted funds	17		1,197,892		1,129,527
			<u>10,660,437</u>		<u>9,330,608</u>

The financial statements were approved by the Trustees on 02/12/25 and are signed on their behalf by:



Mr J J drydon (Co-optative), Chair  
Trustee

# SHAFTOE EDUCATIONAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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### 1 Accounting policies

#### Charity information

Shaftoe Educational Foundation is a charitable trust, registered in England and Wales by the Charity Commission (charity number 528101). The principal office is 15 Shaftoe Terrace, Haydon Bridge, NE47 6BW.

#### Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards under the historical convention with assets and liabilities initially recognised at historical cost except for certain investments which are held at market valuation, as stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition (effective 1 January 2019) and the Charities Act 2011.

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

The Charity constitutes a public benefit entity as defined by FRS 102.

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

#### Going concern

Having made due enquiry the Trustees are satisfied that the going concern basis of accounting is appropriate in preparing the annual financial statements. Whilst the value of the Charity's investments may be affected by volatility in the stock market, the operations of the Charity remains unaffected as its investments are not required for operational purposes in the next twelve months following the approval of these financial statements.

#### Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Investment income and interest received are brought in when receivable.

#### Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

# SHAFTOE EDUCATIONAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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### 1 Accounting policies (Continued)

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfilled conditions attaching to the grant are outside of the control of the Charity.

The Charity is not registered for Value Added Tax and expenditure is shown inclusive of VAT in the financial statements.

#### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a Charity may need to estimate fair value using an income or depreciated replacement cost approach.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### **Investment properties**

Investment property, which is property held to earn rentals and for capital appreciation, is initially measured at cost and subsequently measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

#### **Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### **Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

# SHAFTOE EDUCATIONAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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### 1 Accounting policies (Continued)

#### Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

#### Basic financial assets

Basic financial assets, which include other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

#### Basic financial liabilities

Basic financial liabilities, including other creditors are initially recognised at transaction price. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

#### Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Endowment funds represent the original endowment of the charity.

Investment income, gains and losses are allocated to the appropriate fund.

### 2 Critical accounting estimates and judgements

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

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

The Trustees do not consider that there are any critical estimates or any areas of judgment that need to be brought to the attention of the readers of the financial statements.

### 3 Donations and legacies

	2025	2024
	£	£
Donations and gifts	407	-
	<u>          </u>	<u>          </u>

# SHAFTOE EDUCATIONAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 4 Investments

	2025 £	2024 £
Rental income	192,759	182,440
Income from listed investments	28,627	35,388
Interest receivable	10,770	3,707
	<u>232,156</u>	<u>221,535</u>

### 5 Raising funds

	Unrestricted funds £	Endowment funds £	Total 2025 £
Investment management fees	5,376	6,977	12,353
Property management fees	7,229	-	7,229
Property running costs	32,952	-	32,952
Insurance	5,566	-	5,566
Legal and professional	15,064	-	15,064
	<u>66,187</u>	<u>6,977</u>	<u>73,164</u>

	Unrestricted funds £	Endowment funds £	Total 2024 £
Investment management fees	4,076	5,289	9,365
Property management fees	25,671	-	25,671
Property running costs	5,211	6,631	11,842
Insurance	5,827	-	5,827
Legal and professional	4,289	-	4,289
Sundry expenses	2,548	-	2,548
	<u>47,622</u>	<u>11,920</u>	<u>59,542</u>

# SHAFTOE EDUCATIONAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 6 Charitable activities

	2025 £	2024 £
Clerk's fees and expenses	4,032	2,500
Governance	8,100	5,418
Bank charges	12	-
	<u>12,144</u>	<u>7,918</u>
Grant funding of activities (see note 7)	96,224	115,685
	<u>108,368</u>	<u>123,603</u>

Governance costs comprise of £8,100 for the preparation and independent examination of the accounts (2024:£5,418)

### 7 Grants payable

	2025 £	2024 £
3 grants to Shaftoe Wise Academy (2024: 1)	8,735	15,000
38 grants to Individuals (2024: 43)	25,465	38,950
1 grant to Almshouse Charity of John Shaftoe (2024: 2)	50,000	51,720
Haydon Bridge High School (2024: 3)	-	7,740
2 grants to Haydon Bridge Scout Group (2024: 1)	3,222	1,200
Shaftoe Young Farmers (2024: 1)	-	400
Haydon Bridge Judo Club (2024: 1)	-	675
2 grants to Nurture Project (2024: 0)	7,302	-
1 grant to Heritage Placques (2024: 0)	1,500	-
	<u>96,224</u>	<u>115,685</u>
<b>Grant reconcilliation</b>		
Opening balance of grants payable	-	-
Grants committed during the year	96,224	115,685
Grants paid during the year	92,924	115,685
	<u>3,300</u>	<u>-</u>
Grants payable at 31 March 2025	<u>3,300</u>	<u>-</u>

# SHAFTOE EDUCATIONAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses from the charity during the year (2024: £nil).

Key management comprises the trustees. None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the current or previous year.

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

	Unrestricted funds	Endowment funds general	Total 2025	Total 2024
	£	£	£	£
Gain/(loss) on sale of investments	10,357	13,441	23,798	108,150
Revaluation of investment properties	-	560,000	560,000	-
	<u>10,357</u>	<u>573,441</u>	<u>583,798</u>	<u>108,150</u>
<b>For the year ended 31 March 2024</b>	<u>61,090</u>	<u>47,060</u>		<u>108,150</u>

### 10 Tangible fixed assets

	Freehold land and buildings £
<b>Fair Value</b>	
At 1 April 2024	15,000
Revaluation	695,000
	<u>710,000</u>
At 31 March 2025	710,000
<b>Carrying amount</b>	
At 31 March 2025	<u>710,000</u>
At 31 March 2024	<u>15,000</u>

The charity's real property is permanently endowed and is vested in the Official Custodian.

The above relates to various parcels of land at Haydon Bridge listed in Schedule 1 of the Trust deed dated 8 March 2018 and includes East House, West House and Middle House, Haydon Bridge, together with associated land and buildings. It also includes land situate at Haydon Bridge with the buildings thereon known as the Shaftoe Trust Wise School. This latter property (Shaftoe Trust Wise Academy) is let on a long lease at a peppercorn rent to WISE Academies. It is valued by the Trustees at its fair value to reflect the rent arising.

The fair value of the investment property has been arrived at on the basis of a valuation carried out in October 2025 by Galbraith Group. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

# SHAFTOE EDUCATIONAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 11 Investment property

	<b>2025</b>
	<b>£</b>
<b>Fair value</b>	
At 1 April 2024	7,495,000
Net gains or losses through fair value adjustments	560,000
	<hr/>
At 31 March 2025	8,055,000
	<hr/> <hr/>

The fair value of the investment property has been arrived at on the basis of a valuation carried out in October 2025 by Galbraith Group. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

The cost of the properties is not known.

### 12 Fixed asset investments

	<b>Listed investments</b>	<b>Cash in portfolio</b>	<b>Total</b>
	<b>£</b>		<b>£</b>
<b>Cost or valuation</b>			
At 31 March 2024	1,474,554	14,533	1,489,087
Additions	382,500	1,777	384,277
Valuation changes	23,798	-	23,798
Disposals	(388,636)	-	(388,636)
	<hr/>	<hr/>	<hr/>
At 31 March 2025	1,492,216	16,310	1,508,526
	<hr/>	<hr/>	<hr/>
<b>Carrying amount</b>			
At 31 March 2025	1,492,216	16,310	1,508,526
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2024	1,474,554	14,533	1,489,087
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

All investments are carried at their fair value.

### 13 Debtors

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Accrued rental income	45,644	40,845
Prepayments and accrued income	3,749	9,493
	<hr/>	<hr/>
	49,393	50,338
	<hr/> <hr/>	<hr/> <hr/>

# SHAFTOE EDUCATIONAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 14 Creditors: amounts falling due within one year

		2025 £	2024 £
Other creditors		94,903	66,435
Grants payable	Note 7	3,300	
Accruals		16,793	5,818
		<u>114,996</u>	<u>72,253</u>

### 15 Financial instruments

	2025 £	2024 £
<b>Carrying amount of financial assets</b>		
Assets measured at fair value through profit or loss	1,492,216	1,474,554
	<u>1,492,216</u>	<u>1,474,554</u>

### 16 Net movement in funds

Current year:	Balance at 1 April 2024 £	Income £	Expenditure £	Gain/ (loss) on revaluation £	Balance at 31 March 2025 £
Unrestricted funds	1,129,527	232,563	(174,555)	10,357	1,197,892
Endowment funds	8,201,081	-	(6,977)	1,268,441	9,462,545
	<u>9,330,608</u>	<u>232,563</u>	<u>(181,532)</u>	<u>1,278,798</u>	<u>10,660,437</u>

Unrestricted funds are those funds that the Trustees are free to use in accordance with the charitable objectives.

Endowment funds represent the original endowment of the charity.

Prior year:	Balance at 1 April 2023 £	Income £	Expenditure £	Gain/ (loss) on revaluation £	Balance at 31 March 2024 £
Unrestricted funds	1,018,127	221,535	(171,225)	61,090	1,129,527
Endowment funds	8,165,941	-	(11,920)	47,060	8,201,081
	<u>9,184,068</u>	<u>221,535</u>	<u>(183,145)</u>	<u>108,150</u>	<u>9,330,608</u>

# SHAFTOE EDUCATIONAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

### 17 Analysis of net assets between funds

	Unrestricted funds £	Endowment funds £	Total £
Fund balances at 31 March 2025 are represented by:			
Tangible assets	-	710,000	710,000
Investment properties	-	8,055,000	8,055,000
Investments	810,981	697,545	1,508,526
Current assets/(liabilities)	386,911	-	386,911
	<u>1,197,892</u>	<u>9,462,545</u>	<u>10,660,437</u>

### Analysis of net assets between funds - prior period

	Unrestricted funds £	Endowment funds £	Total £
Tangible assets	-	15,000	15,000
Investment properties	-	7,495,000	7,495,000
Investments	798,006	691,081	1,489,087
Current assets/(liabilities)	331,521	-	331,521
	<u>1,129,527</u>	<u>8,201,081</u>	<u>9,330,608</u>

### 18 Related party transactions

The charity is connected to the Almshouse Charity of John Shaftoe (Charity No. 506598) through a common board of trustees, as both entities share the same trustees. Originally founded as one charity in 1685, they now operate separately.

During the year the charity paid £75,968 (2024: £39,916 was received) to Almshouse Charity of John Shaftoe and at the year end an amount of £9,533 was receivable (2024: £66,435 was payable).

No group accounts have been prepared, as the two charities do not operate as a group despite their connected governance.

**SHAFTOE EDUCATIONAL FOUNDATION**

England & Wales - Charity number 528101

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# Accounts

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Charity number: 528101

**SHAFTOE EDUCATIONAL FOUNDATION**

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

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**SHAFTOE EDUCATIONAL FOUNDATION**

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**CONTENTS**

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	Page
<b>Reference and administrative details of the Charity, its Trustees and advisers</b>	1
<b>Trustees' report</b>	2 - 7
<b>Independent examiner's report</b>	8
<b>Statement of financial activities</b>	9
<b>Balance sheet</b>	10
<b>Notes to the financial statements</b>	11 - 22

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## SHAFTOE EDUCATIONAL FOUNDATION

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

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<b>Trustees</b>	Mr J.J. Drydon (Co-optative), Chair Mr E. Brown (Appointed by the Parish Council of Haydon Bridge) Mrs L.A. Gilhespy (Appointed by the Parish Council of Haydon Bridge) Mr B.L. Bates (Co-optative) Mrs P. Collis (Co-optative) Mrs D. Wardle (Co-optative) Mr E. Faulks (Appointed by the Parish Council of Haydon Bridge) Mrs K. Richardson (Appointed by the Parish Council of Haydon Bridge) Mr R Hines (Co-optative) (appointed 11 November 2022)
<b>Charity registered number</b>	528101
<b>Principal office</b>	Shaftoe Terrace Haydon Bridge NE47 6BW
<b>Clerk to the Trustees</b>	Mr S. Exham
<b>Accountants</b>	Ryecroft Glenton Chartered Accountants 32 Portland Terrace Newcastle upon Tyne NE2 1QP
<b>Bankers</b>	HSBC Bank Plc Fore Street Hexham Northumberland NE46 1LY
<b>Investment advisors</b>	Brewin Dolphin Time Central Gallowgate Newcastle upon Tyne NE1 4SR

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## SHAFTOE EDUCATIONAL FOUNDATION

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

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The Trustees present their annual report together with the financial statements of the Charity for the year 1 April 2022 to 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### Objectives and activities

##### ● Policies and objectives

The objectives of the charity are determined by the requirements of the scheme as to the use of the income of the charity.

The Trustees shall first pay out of yearly income of the charity the sum of £220 to the Almshouse Charity of John Shaftoe. The Trustees shall next defray out of the income of the charity, the cost of repairs and insurance and all other charges and outgoings in respect of the property of the charity and all proper costs, charges and expenses of and incidental to the administrations and management of the charity. The Trustees shall then apply the income of the charity at their discretion in one or more of the following ways:

- (1) in making an additional yearly payment of not less than £1,500 and not more than one-quarter of the clear income of the charity to the Almshouse Charity of John Shaftoe for application for the general purposes of that charity;
- (2) in providing for the Shaftoe Trust WISE academies or for any other school or in substantially serving the Parish of Haydon Bridge such special benefits of any kind which advance the education of the school pupils and constitute an efficient and proper way of furthering the charity's purposes; and
- (3) in otherwise promoting the education, including social and physical training, of persons resident or who have a parent or parents resident in Haydon Bridge parish.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### ● Main activities undertaken to further the Charity's purposes for the public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. The charity is able to assist with the further education of residents in the parish of Haydon Bridge through the provision of grants which have to be applied for through a structured process. The two schools also benefit from financial assistance which therefore benefits all students in those establishments over and above that provided by Northumberland County Council. The Charity's support is provided to Haydon Bridge Shaftoe Trust WISE academies and Haydon Bridge High School.

The charity has also provided grants for refurbishment of almshouse properties held by its connected charity the Almshouse Charity of John Shaftoe for the benefit of the residents of the almshouses.

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## SHAFTOE EDUCATIONAL FOUNDATION

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

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#### Achievements and performance

##### ● Key performance indicators

The Trustees review key sources of income and expenditure to monitor the performance of the charity. These include:

- Income arising from investment properties;
- Income arising from listed investments; and
- Planned expenditure on refurbishments.

These allow the Trustees to assess funds available to support its charitable purposes.

The investments are invested to produce a balance of income and capital growth over the longer term.

The charity aims to:

- At least maintain the real value of the assets of the charity;
- Generate a sustainable return to fund annual grant making for its charitable purposes; and
- Produce best financial return within an acceptable level of risk.

##### ● Review of activities

The Trustees report a surplus for the year before investment movements of £54,775 (2022: deficit of £23,174).

Grants totalling £88,824 (2022 - £141,056) were made available during the year.

There were total net investment losses of £101,483. This is attributable to movements on the investment portfolio, of which £55,816 is attributable to endowed funds and £45,667 to general funds.

The Foundation has continued to support Haydon Bridge High School with its annual grant to the library. No further requests have been received. Shaftoe Trust Wise Academy has received support for employing teaching assistants, music tuition and development of an outdoor facility for the early years. A grant has also been made towards a climbing frame to be constructed in the summer of 2023. Locally based students and apprentices have received the customary grants which were increased at the beginning of the academic year to reflect the higher costs being experienced.

During the year The Foundation's team of management agents for the Mousen Estate moved from Strutt & Parker to Galbraiths. The management continues on the same terms as previously and hedge and tree planting (referred to in last year's report) and other maintenance work remain uninterrupted.

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## SHAFTOE EDUCATIONAL FOUNDATION

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

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#### Achievements and performance (continued)

- **Investment policy and performance**

The Trustees are required to invest all sums of cash, other than those needed for the immediate working purposes at their discretion, subject to the requirements of the Trustee Investments Act 1961.

The investments are vested with Brewin Dolphin. Funds are invested to maximise investment income whilst protecting the underlying capital investment.

The charity's property which is permanently endowed, and vested in the Official Custodian for Charities comprises freehold land at Haydon Bridge and Mousen Estate, Northumberland as described more fully in notes 10 and 11.

The Trustees review funds under investment quarterly and are satisfied with their performance, despite the volatile nature of global investment markets experienced during the year.

#### Financial review

- **Going concern**

Liquid funds continue to be held for grant-making activities. After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

- **Reserves policy**

The Trustees have carefully considered the need to retain reserves in the light of their dependence on agricultural rents for the bulk of their endowment income. They are satisfied that it is prudent to maintain an investment portfolio capable of generating enough income to support the management and administration of the charity, supplemented by liquid reserves to cover exceptional repair or renovation of buildings, and to ensure the availability of funds to maintain their ability to respond to meritorious grant applications.

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## SHAFTOE EDUCATIONAL FOUNDATION

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

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#### Structure, governance and management

##### ● Constitution

Shaftoe Educational Foundation is constituted by a Charity Commission scheme.

The charity was registered with the Charity Commission on 9 October 1985 and was allocated Charity No. 528101.

There have been no changes in the objectives since the last annual report.

##### ● Methods of appointment or election of Trustees

The body of Trustees shall consist when complete of nine competent persons being  
Four Nominative Trustees and  
Five Co-optative Trustees

The four nominative Trustees shall be appointed by Haydon Bridge Parish Council

Every nominative trustee shall be appointed for a term of four years. Each appointment shall be made at a meeting convened and held according to the ordinary practice of the appointing council. The chairman of the meeting shall cause the name of each person appointed to be notified forthwith to the Trustees or their clerk. The person appointed may be but need not be a member of the appointing council.

The Co-optative Trustees shall be persons who through residence, occupation or employment, or otherwise have special knowledge of the Parish of Haydon Bridge.

Every Co-optative Trustee shall be appointed for a term of five years by a resolution of the Trustees passed at a special meeting of which not less than 21 days' notice has been given and may be so appointed not more than one month before the term of an existing co optative Trustee expires with effect from the date of expiry but so that the latter shall not vote on the matter.

No Trustee shall take or hold any interest in property belonging to the charity otherwise than as a Trustee for the purposes thereof and no Trustee shall receive remuneration or be interested in the supply of work or goods, at the cost of the charity.

##### ● Organisational structure and decision-making policies

The Trustees meet regularly to award grants and to review the management of the funds under investment and the investment properties. Advice is obtained from investment and property advisers as necessary at these meetings.

##### ● Policies adopted for the induction and training of Trustees

Induction and training of Trustees is carried out at appointment and when changes to charity law take place.

##### ● Related party relationships

The Almshouse Charity of John Shaftoe is a connected charity. The two organisations have a common board of Trustees and were originally one charity, founded in 1685.

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## SHAFTOE EDUCATIONAL FOUNDATION

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

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#### Structure, governance and management (continued)

- **Financial risk management**

The principal risk to the charity is in the management of investment funds and properties. In order to minimise the risk, these investments are managed by independent professional firms appointed by the Trustees in accordance with professional terms of engagement. Wherever possible the properties held are insured to further mitigate risk of loss or curtailment.

The Trustees continue to review their policies for the proper management of risk. They are satisfied that they have done all that is reasonable to enable the charity to continue to operate, even though in extreme circumstances its ability to make grants may be curtailed.

The investment policy has a detailed section on risk, covering: land and property risk; investment risk and charity specific risk.

- **Future developments**

As outlined above, the scheme of improvements on the Mousen Estate will be initiated. Discussions have already started to establish the priorities and costs. Moves are being made to improve the energy efficiency of SEF rental properties on Shaftoe Terrace, mainly by installing double glazing, but as these are grade two listed buildings this is not a straightforward undertaking and may take some time to achieve.

The Trustees intend to continue to support the educational needs of the schools in Haydon Bridge and their pupils, the Almshouse Charity of John Shaftoe, and other causes local to Haydon Bridge as necessary.

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## SHAFTOE EDUCATIONAL FOUNDATION

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

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#### Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its 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 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

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

Approved by order of the members of the board of Trustees on 25 August 2023 and signed on their behalf by:



**J J Drydon**  
Chair

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## SHAFTOE EDUCATIONAL FOUNDATION

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### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

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#### Independent examiner's report to the Trustees of Shaftoe Educational Foundation ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2023.

#### Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

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

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

*Deborah Graham*

Deborah Graham FCA  
Ryecroft Glenton  
Chartered Accountants  
32 Portland Terrace  
Newcastle upon Tyne  
NE2 1QP

29 August 2023

**SHAFTOE EDUCATIONAL FOUNDATION**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Endowment funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income and endowments from:</b>					
Donations and legacies	3	-	1,088	1,088	-
Investments	4	-	212,328	212,328	197,534
<b>Total income and endowments</b>		-	213,416	213,416	197,534
<b>Expenditure on:</b>					
Raising funds	5	19,200	38,934	58,134	68,761
Charitable activities		-	100,508	100,508	151,947
<b>Total expenditure</b>		19,200	139,442	158,642	220,708
<b>Net (expenditure)/income before net (losses)/gains on investments</b>		(19,200)	73,974	54,774	(23,174)
Net (losses)/gains on investments		(45,667)	(55,816)	(101,483)	62,221
<b>Net movement in funds</b>		(64,867)	18,158	(46,709)	39,047
<b>Reconciliation of funds:</b>					
Total funds brought forward		8,230,808	999,969	9,230,777	9,191,730
Net movement in funds		(64,867)	18,158	(46,709)	39,047
<b>Total funds carried forward</b>		8,165,941	1,018,127	9,184,068	9,230,777

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

The notes on pages 11 to 22 form part of these financial statements.

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**SHAFTOE EDUCATIONAL FOUNDATION**

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**BALANCE SHEET  
AS AT 31 MARCH 2023**

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	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	10	15,000	15,000
Investments	12	1,390,302	1,501,309
Investment property	11	7,495,000	7,495,000
		<u>8,900,302</u>	<u>9,011,309</u>
<b>Current assets</b>			
Debtors	13	50,868	44,756
Cash at bank and in hand		264,798	253,474
		<u>315,666</u>	<u>298,230</u>
Creditors: amounts falling due within one year	14	(31,900)	(78,762)
<b>Net current assets</b>		<u>283,766</u>	<u>219,468</u>
<b>Total assets less current liabilities</b>		<u>9,184,068</u>	<u>9,230,777</u>
<b>Total net assets</b>		<u>9,184,068</u>	<u>9,230,777</u>
<b>Charity funds</b>			
Endowment funds	15	8,165,941	8,230,808
Unrestricted funds	15	1,018,127	999,969
<b>Total funds</b>		<u>9,184,068</u>	<u>9,230,777</u>

The financial statements were approved and authorised for issue by the Trustees on 25 August 2023 and signed on their behalf by:



**Mr J.J. Drydon**  
Chair

The notes on pages 11 to 22 form part of these financial statements.

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## SHAFTOE EDUCATIONAL FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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#### 1. General information

Shaftoe Educational Foundation is a charitable trust, charity registration number 528101. The principal office is Shaftoe Terrace, Haydon Bridge, NE47 6BW.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the FRS 102 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Shaftoe Educational Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 2.2 Going concern

Having made due enquiry the Trustees are satisfied that the going concern basis of accounting is appropriate in preparing the annual financial statements. Whilst the value of the Charity's investments may be affected by volatility in the stock market, the operations of the Charity remains unaffected as its investments are not required for operational purposes in the next twelve months following the approval of these financial statements.

##### 2.3 Income

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

##### 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.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

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## SHAFTOE EDUCATIONAL FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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#### 2. Accounting policies (continued)

##### 2.4 Expenditure (continued)

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

All expenditure is inclusive of irrecoverable VAT.

##### 2.5 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a Charity may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the Statement of financial activities.

Depreciation is provided on the following basis:

Freehold property	- Nil, held at valuation
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##### 2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

##### 2.7 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Endowment funds represent the original endowment of the charity

Investment income, gains and losses are allocated to the appropriate fund.

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**SHAFTOE EDUCATIONAL FOUNDATION**

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

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**3. Income from donations and legacies**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Donations	1,088	1,088	-

**4. Investment income**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Rents receivable	173,268	173,268
Investment income	37,975	37,975
Bank interest	1,085	1,085
<b>Total 2023</b>	<b>212,328</b>	<b>212,328</b>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Rents receivable	168,244	168,244
Investment income	29,265	29,265
Bank interest	25	25
<i>Total 2022</i>	<i>197,534</i>	<i>197,534</i>

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**SHAFTOE EDUCATIONAL FOUNDATION**

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

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**5. Cost of raising funds**

	<b>Endowment funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Investment management fees	5,379	4,146	<b>9,525</b>
Property management fees	-	16,705	<b>16,705</b>
Property rates, repairs and maintenance costs	13,821	10,650	<b>24,471</b>
Insurance	-	4,790	<b>4,790</b>
Sundry expenses	-	2,643	<b>2,643</b>
<b>Total 2023</b>	<b>19,200</b>	<b>38,934</b>	<b>58,134</b>

	<i>Endowment funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Investment management fees	5,726	4,412	10,138
Property management fees	-	18,714	18,714
Property rates, repairs and maintenance costs	18,508	14,261	32,769
Insurance	-	4,294	4,294
Sundry expenses	-	2,846	2,846
<i>Total 2022</i>	<i>24,234</i>	<i>44,527</i>	<i>68,761</i>

**6. Analysis of expenditure by activities**

	<b>Grant funding of activities 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>
Charitable activities	88,824	11,684	<b>100,508</b>

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SHAFTOE EDUCATIONAL FOUNDATION

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

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6. Analysis of expenditure by activities (continued)

	<i>Grant funding of activities 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Charitable activities	141,056	10,891	151,947

**Analysis of support costs**

	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Clerk fees' and expenses	6,704	6,721
Governance	4,980	4,170
	<b>11,684</b>	10,891

Governance costs comprises of £4,980 Independent examination fees (2022: £4,170) inclusive of VAT.

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**SHAFTOE EDUCATIONAL FOUNDATION**

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

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**7. Grant funding of activities**

	2023 £	2022 £
Shaftoe Wise Academies - 2 grants (2022: 6)	1,103	81,866
Individuals - 45 grants (2022: 35)	40,861	25,700
Haydon Bridge Playgroup and Tiny Tots - 2 grants (2022: 2)	2,500	4,500
Almshouse Charity of John Shaftoe - 1 grant (2022: 1)	1,720	1,720
Haydon Bridge High School - 3 grants (2022: 4)	6,200	23,770
Haydon Bridge Scout Group - 0 grants (2022: 1)	-	1,000
Nurture CIC - 0 grants (2022: 1)	-	2,500
Haydon Bridge Methodist Church - 1 grant (2022: 0)	140	-
Nurture project - 1 grant (2022: 0)	1,000	-
Haydon Bridge Judo club - 1 grant (2022: 0)	300	-
Shaftoe Trust Wise Academy (Remuneration of teaching assistants) - 1 grant (2022: 0)	20,000	-
Shaftoe Trust Wise Academy (Construction of climbing frame) - 1 grant (2022:0)	15,000	-
	<u>88,824</u>	<u>141,056</u>

**8. Independent examiner's remuneration**

	2023 £	2022 £
Fees payable to the Charity's independent examiner for the independent examination and preparation of the Charity's annual accounts	4,980	4,170

**9. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year, no Trustee expenses have been incurred (2022 - £NIL).

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**SHAFTOE EDUCATIONAL FOUNDATION**

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

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**10. Tangible fixed assets**

	<b>Freehold property £</b>
<b>Cost or valuation</b>	
At 1 April 2022	<b>15,000</b>
At 31 March 2023	<u><b>15,000</b></u>
<b>Net book value</b>	
At 31 March 2023	<u><b>15,000</b></u>
<i>At 31 March 2022</i>	<u><i>15,000</i></u>

The charity's real property is permanently endowed and is vested in the Official Custodian.

The above relates to land at Haydon Bridge with buildings, known as Shaftoe Trust WISE Academies. Its original cost is not known.

The property is let on a long lease at a peppercorn rent to WISE Academies. It is valued by the Trustees at its fair value to reflect the rent arising.

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**SHAFTOE EDUCATIONAL FOUNDATION**

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

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**11. Investment property**

	<b>Freehold agricultural estate £</b>
<b>Valuation</b>	
At 1 April 2022	<b>7,495,000</b>
At 31 March 2023	<b>7,495,000</b>

The last valuations were made by Turvey Westgarth Land & Property Consultants on the Mousen Estate, and by the Trustees on the properties at Haydon Bridge, in March 2015, on an open market value for existing use basis.

The cost of the properties is not known.

**12. Fixed asset investments**

	<b>Listed investments £</b>	<b>Cash held for re- investment £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 April 2022	<b>1,433,658</b>	<b>67,651</b>	<b>1,501,309</b>
Additions	<b>125,413</b>	<b>158,414</b>	<b>283,827</b>
Disposals	<b>(158,415)</b>	<b>(134,936)</b>	<b>(293,351)</b>
Revaluations	<b>(101,483)</b>	<b>-</b>	<b>(101,483)</b>
At 31 March 2023	<b>1,299,173</b>	<b>91,129</b>	<b>1,390,302</b>
<b>Net book value</b>			
At 31 March 2023	<b>1,299,173</b>	<b>91,129</b>	<b>1,390,302</b>
At 31 March 2022	<b>1,433,658</b>	<b>67,651</b>	<b>1,501,309</b>

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**SHAFTOE EDUCATIONAL FOUNDATION**

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

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**Investments at market value comprise**

	2023 £	2022 £
Listed investments	1,433,658	1,425,606
Bank deposit account	67,651	23,620
	<u>1,501,309</u>	<u>1,449,226</u>

All of the fixed asset investments are held in the U.K.

**13. Debtors**

	2023 £	2022 £
<b>Due within one year</b>		
Accrued rental income	40,845	40,845
Prepayments and accrued income	10,023	3,911
	<u>50,868</u>	<u>44,756</u>

**14. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Amounts due to Almshouse Charity of John Shaftoe	26,520	22,792
Other creditors	-	51,400
Administration accruals	5,380	4,570
	<u>31,900</u>	<u>78,762</u>

**SHAFTOE EDUCATIONAL FOUNDATION**

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

**15. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
General Funds	999,969	213,416	(139,442)	(55,816)	1,018,127
<b>Endowment funds</b>					
Endowment Fund	8,230,808	-	(19,200)	(45,667)	8,165,941
<b>Total of funds</b>	<u>9,230,777</u>	<u>213,416</u>	<u>(158,642)</u>	<u>(101,483)</u>	<u>9,184,068</u>

Unrestricted funds are those funds that the Trustees are free to use in accordance with the charitable objectives.

Endowment funds represent the original endowment of the charity.

**Statement of funds - prior year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
General Funds	957,411	197,534	(196,474)	41,498	999,969
<b>Endowment funds</b>					
Endowment Fund	8,234,319	-	(24,234)	20,723	8,230,808
<b>Total of funds</b>	<u>9,191,730</u>	<u>197,534</u>	<u>(220,708)</u>	<u>62,221</u>	<u>9,230,777</u>

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**SHAFTOE EDUCATIONAL FOUNDATION**

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

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**16. Analysis of net assets between funds****Analysis of net assets between funds - current year**

	<b>Endowment funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Tangible fixed assets	15,000	-	<b>15,000</b>
Fixed asset investments	655,941	734,361	<b>1,390,302</b>
Investment property	7,495,000	-	<b>7,495,000</b>
Current assets	-	315,666	<b>315,666</b>
Creditors due within one year	-	(31,900)	<b>(31,900)</b>
<b>Total</b>	<b>8,165,941</b>	<b>1,018,127</b>	<b>9,184,068</b>

**Analysis of net assets between funds - prior year**

	<b>Endowment funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Tangible fixed assets	15,000	-	<b>15,000</b>
Fixed asset investments	720,808	780,501	<b>1,501,309</b>
Investment property	7,495,000	-	<b>7,495,000</b>
Current assets	-	298,230	<b>298,230</b>
Creditors due within one year	-	(78,762)	<b>(78,762)</b>
<b>Total</b>	<b>8,230,808</b>	<b>999,969</b>	<b>9,230,777</b>

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**SHAFTOE EDUCATIONAL FOUNDATION**

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

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**17. Connected charities**

The Almshouse Charity of John Shaftoe is a connected charity. The two organisations have a common board of Trustees and were originally one charity, founded in 1685.

Balances with The Almshouse Charity of John Shaftoe are disclosed in note 14. In addition

- 1) the charity shares an office with The Almshouse Charity; the office is owned by The Almshouse Charity and its use is provided free of charge;
- 2) the charity shares its clerk with The Almshouse Charity, at a charge of £2,235 (2022: £2,240) (25% of total costs); and
- 3) the charity paid a grant to the Almshouse charity of £1,720.

The principal address of The Almshouse Charity of John Shaftoe is Shaftoe Terrace, Haydon Bridge, Northumberland, NE47 6BW.

**SHAFTOE EDUCATIONAL FOUNDATION**

England & Wales - Charity number 528101

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# Accounts

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**SHAFTOE EDUCATIONAL FOUNDATION**

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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**SHAFTOE EDUCATIONAL FOUNDATION**

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**CONTENTS**

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	Page
<b>Reference and administrative details of the Charity, its Trustees and advisers</b>	1
<b>Trustees' report</b>	2 - 7
<b>Independent examiner's report</b>	8
<b>Statement of financial activities</b>	9
<b>Balance sheet</b>	10
<b>Notes to the financial statements</b>	11 - 21

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## SHAFTOE EDUCATIONAL FOUNDATION

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

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<b>Trustees</b>	Mr J.J. Drydon (Co-optative), Chair Mr J.C. Wardle (Co-optative) Mr E. Brown (Appointed by the Parish Council of Haydon Bridge) Mrs L.A. Gilhespy (Appointed by the Parish Council of Haydon Bridge) Mr B.L. Bates (Co-optative) Mrs P. Collis (Co-optative) Mrs D. Wardle (Co-optative) Mr E. Faulks (Appointed by the Parish Council of Haydon Bridge) Mrs K. Richardson (Appointed by the Parish Council of Haydon Bridge)
<b>Charity registered number</b>	528101
<b>Principal office</b>	Shaftoe Terrace Haydon Bridge NE47 6BW
<b>Clerk to the Trustees</b>	Mr S. Exham
<b>Accountants</b>	Ryecroft Glenton Chartered Accountants 32 Portland Terrace Newcastle upon Tyne NE2 1QP
<b>Bankers</b>	HSBC Bank Plc Fore Street Hexham Northumberland NE46 1LY
<b>Investment advisors</b>	Brewin Dolphin Time Central Gallowgate Newcastle upon Tyne NE1 4SR

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## SHAFTOE EDUCATIONAL FOUNDATION

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

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The Trustees present their annual report together with the financial statements of the Charity for the year 1 April 2021 to 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### Objectives and activities

##### ● Policies and objectives

The objectives of the charity are determined by the requirements of the scheme as to the use of the income of the charity.

The Trustees shall first pay out of yearly income of the charity the sum of £220 to the Almshouse Charity of John Shaftoe. The Trustees shall next defray out of the income of the charity, the cost of repairs and insurance and all other charges and outgoings in respect of the property of the charity and all proper costs, charges and expenses of and incidental to the administrations and management of the charity. The Trustees shall then apply the income of the charity at their discretion in one or more of the following ways:

- (1) in making an additional yearly payment of not less than £1,500 and not more than one-quarter of the clear income of the charity to the Almshouse Charity of John Shaftoe for application for the general purposes of that charity;
- (2) in providing for the Shaftoe Trust WISE academies or for any other school or in substantially serving the Parish of Haydon Bridge such special benefits of any kind which advance the education of the school pupils and constitute an efficient and proper way of furthering the charity's purposes; and
- (3) in otherwise promoting the education, including social and physical training, of persons resident or who have a parent or parents resident in Haydon Bridge parish.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### ● Main activities undertaken to further the Charity's purposes for the public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. The charity is able to assist with the further education of residents in the parish of Haydon Bridge through the provision of grants which have to be applied for through a structured process. The two schools also benefit from financial assistance which therefore benefits all students in those establishments over and above that provided by Northumberland County Council. The Charity's support is provided to Haydon Bridge Shaftoe Trust WISE academies and Haydon Bridge High School.

The charity has also provided grants for refurbishment of almshouse properties held by its connected charity the Almshouse Charity of John Shaftoe for the benefit of the residents of the almshouses.

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## SHAFTOE EDUCATIONAL FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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#### Achievements and performance

##### • Key performance indicators

The Trustees review key sources of income and expenditure to monitor the performance of the charity. These include:

- Income arising from investment properties;
- Income arising from listed investments; and
- Planned expenditure on refurbishments.

These allow the governors to assess funds available to support its charitable purposes.

The investments are invested to produce a balance of income and capital growth over the longer term.

The charity aims to:

- At least maintain the real value of the assets of the charity;
- Generate a sustainable return to fund annual grant making for its charitable purposes; and
- Produce best financial return within an acceptable level of risk.

##### • Review of activities

The Trustees report a deficit for the year before investment movements of £23,174 (2021: surplus of £49,991).

Grants totalling £141,056 (2021 - £38,655) were made available during the year.

There were total net investment gains of £62,221. This is attributable to movements on the investment portfolio, of which £35,142 is endowed funds and £27,079 is general funds.

The Foundation has supported Haydon Bridge High School, in the aftermath of the pandemic, with grants to provide two reading schemes for students who have fallen behind. The regular payments towards stocking the Library and developing music facilities and tuition have continued. Shaftoe Trust Wise Academy has received grants towards employing teaching assistants, developing the Forest School and the continuing support of music lessons. Haydon Bridge Playgroup reopened during the year and the local Scout Group also resumed activities, both receiving grants to assist their work. A new project to establish a local environmental training centre, open to adults and children of all ages, has also received funds. Individual University and College students and apprentices have received the customary support.

During the year Strutt & Parker produced their strategy document for the Mousen Estate, covering the next five years. This follows their initial five year period as the Foundation's managing agent. The report contains plans for planting more trees and hedges where these will not compromise agricultural activities. Other schemes to improve the residential units and enhance the sustainability of the environment are included. A major new drainage scheme was installed during the year and several residential properties were improved in line with current guidance.

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## SHAFTOE EDUCATIONAL FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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#### Achievements and performance (continued)

- **Investment policy and performance**

The Trustees are required to invest all sums of cash, other than those needed for the immediate working purposes at their discretion, subject to the requirements of the Trustee Investments Act 1961.

The investments are vested with Brewin Dolphin. Funds are invested to maximise investment income whilst protecting the underlying capital investment.

The charity's property which is permanently endowed, and vested in the Official Custodian for Charities comprises freehold land at Haydon Bridge and Mousen Estate, Northumberland as described more fully in notes 9 and 10.

The Trustees review funds under investment quarterly and are satisfied with their performance.

The Trustees, in conjunction with their investment advisers Brewin Dolphin, developed a new Investment Policy during 2015, which was adopted at the meeting on 12 November 2015. It was further reviewed at the March 2018 meeting and no changes were made to the investment policy.

#### Financial review

- **Going concern**

Liquid funds continue to be held for grant-making activities. After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

The Trustees have considered Going Concern in the context of the coronavirus pandemic. The operational aspects of the Charity do not change, and the objects of the Charity is enhanced by the need to support the education of young people. The pandemic will have little or no impact on the Charity's current financial position other than the value of its investments which are not required for operational purposes in the next twelve months following the approval of these Financial Statements, and in investment income to a small extent.

- **Reserves policy**

The Trustees have carefully considered the need to retain reserves in the light of their dependence on agricultural rents for the bulk of their endowment income. They are satisfied that it is prudent to maintain an investment portfolio capable of generating enough income to support the management and administration of the charity, supplemented by liquid reserves to cover exceptional repair or renovation of buildings, and to ensure the availability of funds to maintain their ability to respond to meritorious grant applications.

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## SHAFTOE EDUCATIONAL FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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#### Structure, governance and management

##### ● Constitution

Shaftoe Educational Foundation is constituted by a Charity Commission scheme.

The charity was registered with the Charity Commission on 9 October 1985 and was allocated Charity No. 528101.

There have been no changes in the objectives since the last annual report.

##### ● Methods of appointment or election of Trustees

The body of Trustees shall consist when complete of nine competent persons being  
Four Nominative Trustees and  
Five Co-optative Trustees

The four nominative Trustees shall be appointed by Haydon Bridge Parish Council

Every nominative trustee shall be appointed for a term of four years. Each appointment shall be made at a meeting convened and held according to the ordinary practice of the appointing council. The chairman of the meeting shall cause the name of each person appointed to be notified forthwith to the Trustees or their clerk. The person appointed may be but need not be a member of the appointing council.

The Co-optative Trustees shall be persons who through residence, occupation or employment, or otherwise have special knowledge of the Parish of Haydon Bridge.

Every Co-optative Trustee shall be appointed for a term of five years by a resolution of the Trustees passed at a special meeting of which not less than 21 days' notice has been given and may be so appointed not more than one month before the term of an existing co optative Trustee expires with effect from the date of expiry but so that the latter shall not vote on the matter.

No Trustee shall take or hold any interest in property belonging to the charity otherwise than as a Trustee for the purposes thereof and no Trustee shall receive remuneration or be interested in the supply of work or goods, at the cost of the charity.

##### ● Organisational structure and decision-making policies

The Trustees meet regularly to award grants and to review the management of the funds under investment and the investment properties. Advice is obtained from investment and property advisers as necessary at these meetings.

##### ● Policies adopted for the induction and training of Trustees

Induction and training of Trustees is carried out at appointment and when changes to charity law take place.

##### ● Related party relationships

The Almshouse Charity of John Shaftoe is a connected charity. The two organisations have a common board of Trustees and were originally one charity, founded in 1685.

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## SHAFTOE EDUCATIONAL FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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#### Structure, governance and management (continued)

##### ● Financial risk management

The principal risk to the charity is in the management of investment funds and properties. In order to minimise the risk, these investments are managed by independent professional firms appointed by the Trustees in accordance with professional terms of engagement. Wherever possible the properties held are insured to further mitigate risk of loss or curtailment.

The Trustees continue to review their policies for the proper management of risk. They are satisfied that they have done all that is reasonable to enable the charity to continue to operate, even though in extreme circumstances its ability to make grants may be curtailed.

The investment policy has a detailed section on risk, covering: land and property risk; investment risk and charity specific risk.

A revised risk policy was agreed at the meeting of 14 July 2016.

The Trustees have updated a number of policies. The main development has been to adopt a new Trustee Code of Conduct Policy at the 8 March 2018 meeting, which also includes a revised Conflicts of Interest Policy, a Register of Interests Statement for Trustees and a Confidentiality Statement for Trustees. At the same meeting the Trustees also adopted a new Financial Controls Policy.

##### ● Future developments

As outlined above, the scheme of improvements on the Mousen Estate will be initiated. Discussions have already started to establish the priorities and costs. Moves are being made to improve the energy efficiency of SEF rental properties on Shaftoe Terrace, mainly by installing double glazing, but as these are grade two listed buildings this is not a straightforward undertaking and may take some time to achieve.

The Trustees intend to continue to support the educational needs of the schools in Haydon Bridge and their pupils, the Almshouse Charity of John Shaftoe, and other causes local to Haydon Bridge as necessary.

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## SHAFTOE EDUCATIONAL FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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#### Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its 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 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

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

Approved by order of the members of the board of Trustees on 26 August 2022 and signed on their behalf by:

**J J Drydon**

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## SHAFTOE EDUCATIONAL FOUNDATION

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### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2022

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#### Independent examiner's report to the Trustees of Shaftoe Educational Foundation ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2022.

#### Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

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

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Deborah Graham FCA

26 August 2022

#### Ryecroft Glenton

Chartered Accountants  
32 Portland Terrace  
Newcastle upon Tyne

NE2 1QP

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**SHAFTOE EDUCATIONAL FOUNDATION**

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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2022**

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	Note	Endowment funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income and endowments from:</b>					
Investments	3	-	197,534	197,534	195,779
<b>Total income and endowments</b>		<b>-</b>	<b>197,534</b>	<b>197,534</b>	<b>195,779</b>
<b>Expenditure on:</b>					
Raising funds	4	24,234	44,527	68,761	96,854
Charitable activities	5	-	151,947	151,947	48,934
<b>Total expenditure</b>		<b>24,234</b>	<b>196,474</b>	<b>220,708</b>	<b>145,788</b>
<b>Net (expenditure)/income before net gains on investments</b>		<b>(24,234)</b>	<b>1,060</b>	<b>(23,174)</b>	<b>49,991</b>
Net gains on investments		20,723	41,498	62,221	480,825
<b>Net movement in funds</b>		<b>(3,511)</b>	<b>42,558</b>	<b>39,047</b>	<b>530,816</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		8,234,319	957,411	9,191,730	8,660,914
Net movement in funds		(3,511)	42,558	39,047	530,816
<b>Total funds carried forward</b>		<b>8,230,808</b>	<b>999,969</b>	<b>9,230,777</b>	<b>9,191,730</b>

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

The notes on pages 11 to 21 form part of these financial statements.

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**SHAFTOE EDUCATIONAL FOUNDATION**

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**BALANCE SHEET  
AS AT 31 MARCH 2022**

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	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	9	15,000	15,000
Investments	11	1,501,309	1,449,226
Investment property	10	7,495,000	7,495,000
		<u>9,011,309</u>	<u>8,959,226</u>
<b>Current assets</b>			
Debtors	12	44,756	44,239
Cash at bank and in hand		253,474	217,688
		<u>298,230</u>	<u>261,927</u>
Creditors: amounts falling due within one year	13	(78,762)	(29,423)
		<u>219,468</u>	<u>232,504</u>
<b>Total assets less current liabilities</b>		<u>9,230,777</u>	<u>9,191,730</u>
<b>Total net assets</b>		<u>9,230,777</u>	<u>9,191,730</u>
<b>Charity funds</b>			
Endowment funds	14	8,230,808	8,234,319
Unrestricted funds	14	999,969	957,411
		<u>9,230,777</u>	<u>9,191,730</u>

The financial statements were approved and authorised for issue by the Trustees on 26 August 2022 and signed on their behalf by:

**J J Drydon**  
(Trustee)

The notes on pages 11 to 21 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**1. General information**

Shaftoe Educational Foundation is a charitable trust, charity registration number 528101. The principal office is Shaftoe Terrace, Haydon Bridge, NE47 6BW.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the FRS 102 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Shaftoe Educational Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

Having made due enquiry the Trustees are satisfied that the going concern basis of accounting is appropriate in preparing the annual financial statements. Whilst the value of the Charity's investments may be affected by volatility in the stock market, the operations of the Charity remains unaffected as its investments are not required for operational purposes in the next twelve months following the approval of these financial statements.

**2.3 Income**

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

**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.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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**2. Accounting policies (continued)**

**2.4 Expenditure (continued)**

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

All expenditure is inclusive of irrecoverable VAT.

**2.5 Tangible fixed assets and depreciation**

Tangible fixed assets are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a Charity may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the Statement of financial activities.

Depreciation is provided on the following basis:

Freehold property	- Nil, held at valuation
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**2.6 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

**2.7 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Endowment funds represent the original endowment of the charity

Investment income, gains and losses are allocated to the appropriate fund.

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## SHAFTOE EDUCATIONAL FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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#### 3. Investment income

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Rents receivable	168,244	<b>168,244</b>
Investment income	29,265	<b>29,265</b>
Bank interest	25	<b>25</b>
<b>Total 2022</b>	<u>197,534</u>	<u><b>197,534</b></u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Rents receivable	172,792	172,792
Investment income	22,919	22,919
Bank interest	68	68
<i>Total 2021</i>	<u>195,779</u>	<u>195,779</u>

#### 4. Cost of raising funds

	<b>Endowment funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Investment management fees	5,726	4,412	<b>10,138</b>
Property management fees	-	18,714	<b>18,714</b>
Property rates, repairs and maintenance costs	18,508	14,261	<b>32,769</b>
Insurance	-	4,294	<b>4,294</b>
Sundry expenses	-	2,846	<b>2,846</b>
<b>Total 2022</b>	<u>24,234</u>	<u>44,527</u>	<u><b>68,761</b></u>

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SHAFTOE EDUCATIONAL FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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4. Cost of raising funds (continued)

	<i>Endowment funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment management fees	1,968	4,977	6,945
Property management fees	-	19,738	19,738
Property rates, repairs and maintenance costs	4,711	11,127	15,838
Insurance	-	4,609	4,609
Legal and professional fees	46,997	-	46,997
Sundry expenses	-	2,727	2,727
<i>Total 2021</i>	<u>53,676</u>	<u>43,178</u>	<u>96,854</u>

5. Analysis of expenditure by activities

	<b>Grant funding of activities 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>
Charitable activities	<u>141,056</u>	<u>10,891</u>	<u>151,947</u>

	<i>Grant funding of activities 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Charitable activities	<u>38,655</u>	<u>10,279</u>	<u>48,934</u>

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## SHAFTOE EDUCATIONAL FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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#### 5. Analysis of expenditure by activities (continued)

##### Analysis of support costs

	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Clerk fees' and expenses	<b>6,721</b>	6,439
Governance	<b>4,170</b>	3,840
	<b>10,891</b>	10,279

Governance costs comprises of £4,170 Independent examination fees (2021: £3,840) inclusive of VAT.

#### 6. Grant funding of activities

	<b>2022 £</b>	<i>2021 £</i>
Shaftoe Wise Academies - 6 grants (2021: 5)	<b>81,866</b>	9,485
Individuals - 35 grants (2021: 46)	<b>25,700</b>	30,500
Haydon Bridge Playgroup and Tiny Tots - 2 grants (2021:1)	<b>4,500</b>	2,000
Almshouse Charity of John Shaftoe - 1 grant (2021: 1)	<b>1,720</b>	1,720
Haydon Bridge High School - 4 grants (2021: 2)	<b>23,770</b>	1,200
Haydon Bridge Scout Group - 1 grant (2021 : 0)	<b>1,000</b>	-
Reversal of 5 grants not taken up (pre 2019)	-	(6,250)
Nurture CIC - 1 grant	<b>2,500</b>	-
	<b>141,056</b>	38,655

#### 7. Independent examiner's remuneration

	<b>2022 £</b>	<i>2021 £</i>
Fees payable to the Charity's independent examiner for the independent examination and preparation of the Charity's annual accounts	<b>4,170</b>	3,840

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## SHAFTOE EDUCATIONAL FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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#### 8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year, no Trustee expenses have been incurred (2021 - £NIL).

#### 9. Tangible fixed assets

	Freehold property £
<b>Cost or valuation</b>	
At 1 April 2021	15,000
At 31 March 2022	<u>15,000</u>
<b>Net book value</b>	
At 31 March 2022	<u>15,000</u>
At 31 March 2021	<u>15,000</u>

The charity's real property is permanently endowed and is vested in the Official Custodian.

The above relates to land at Haydon Bridge with buildings, known as Shaftoe Trust WISE Academies. Its original cost is not known.

These properties are let on a long lease at a peppercorn rent to WISE Academies. The properties are valued by the Trustees at their fair value to reflect the lease rents arising.

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**SHAFTOE EDUCATIONAL FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**10. Investment property**

	Freehold agricultural estate £
<b>Valuation</b>	
At 1 April 2021	7,495,000
At 31 March 2022	<u>7,495,000</u>

The last valuations were made by Turvey Westgarth Land & Property Consultants on the Mousen Estate, and by the Trustees on the properties at Haydon Bridge, in March 2015, on an open market value for existing use basis.

The cost of the properties is not known.

**11. Fixed asset investments**

	Listed investments £	Cash held for re- investment £	Total £
<b>Cost or valuation</b>			
At 1 April 2021	1,425,606	23,620	1,449,226
Additions	32,540	86,709	119,249
Disposals	(86,709)	(42,678)	(129,387)
Revaluations	62,221	-	62,221
At 31 March 2022	<u>1,433,658</u>	<u>67,651</u>	<u>1,501,309</u>
<b>Net book value</b>			
At 31 March 2022	<u>1,433,658</u>	<u>67,651</u>	<u>1,501,309</u>
At 31 March 2021	<u>1,425,606</u>	<u>23,620</u>	<u>1,449,226</u>

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**SHAFTOE EDUCATIONAL FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Investments at market value comprise**

	<b>2022</b> £	2021 £
Listed investments	<b>1,433,658</b>	1,425,606
Bank deposit account	<b>67,651</b>	23,620
	<u><b>1,501,309</b></u>	<u>1,449,226</u>

All of the fixed asset investments are held in the U.K.

**12. Debtors**

	<b>2022</b> £	2021 £
<b>Due within one year</b>		
Accrued rental income	<b>40,845</b>	40,384
Prepayments and accrued income	<b>3,911</b>	3,855
	<u><b>44,756</b></u>	<u>44,239</u>

**13. Creditors: Amounts falling due within one year**

	<b>2022</b> £	2021 £
Amounts due to Almshouse Charity of John Shaftoe	<b>22,792</b>	20,583
Other creditors	<b>51,400</b>	4,600
Administration accruals	<b>4,570</b>	4,240
	<u><b>78,762</b></u>	<u>29,423</u>

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**SHAFTOE EDUCATIONAL FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**14. Statement of funds****Statement of funds - current year**

	<b>Balance at 1 April 2021</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ (Losses)</b>	<b>Balance at 31 March 2022</b>
	£	£	£	£	£
<b>Unrestricted funds</b>					
General Funds	<b>957,411</b>	<b>197,534</b>	<b>(196,474)</b>	<b>41,498</b>	<b>999,969</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Endowment funds</b>					
Endowment Fund	<b>8,234,319</b>	<b>-</b>	<b>(24,234)</b>	<b>20,723</b>	<b>8,230,808</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total of funds</b>	<b>9,191,730</b>	<b>197,534</b>	<b>(220,708)</b>	<b>62,221</b>	<b>9,230,777</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Unrestricted funds are those funds that the Trustees are free to use in accordance with the charitable objectives.

Endowment funds represent the original endowment of the charity.

**Statement of funds - prior year**

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£	£
<b>Unrestricted funds</b>					
General Funds	<b>785,931</b>	<b>195,779</b>	<b>(92,112)</b>	<b>67,813</b>	<b>957,411</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Endowment funds</b>					
Endowment Fund	<b>7,874,983</b>	<b>-</b>	<b>(53,676)</b>	<b>413,012</b>	<b>8,234,319</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total of funds</b>	<b>8,660,914</b>	<b>195,779</b>	<b>(145,788)</b>	<b>480,825</b>	<b>9,191,730</b>
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**SHAFTOE EDUCATIONAL FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**15. Analysis of net assets between funds****Analysis of net assets between funds - current year**

	<b>Endowment funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Tangible fixed assets	15,000	-	<b>15,000</b>
Fixed asset investments	720,808	780,501	<b>1,501,309</b>
Investment property	7,495,000	-	<b>7,495,000</b>
Current assets	-	298,230	<b>298,230</b>
Creditors due within one year	-	(78,762)	<b>(78,762)</b>
<b>Total</b>	<b>8,230,808</b>	<b>999,969</b>	<b>9,230,777</b>

**Analysis of net assets between funds - prior year**

	<i>Endowment funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	15,000	-	15,000
Fixed asset investments	724,319	724,907	1,449,226
Investment property	7,495,000	-	7,495,000
Current assets	-	261,927	261,927
Creditors due within one year	-	(29,423)	(29,423)
<b>Total</b>	<b>8,234,319</b>	<b>957,411</b>	<b>9,191,730</b>

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## SHAFTOE EDUCATIONAL FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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#### 16. Connected charities

The Almshouse Charity of John Shaftoe is a connected charity. The two organisations have a common board of Trustees and were originally one charity, founded in 1685.

Balances with The Almshouse Charity of John Shaftoe are disclosed in note 13. In addition

- 1) the charity shares an office with The Almshouse Charity; the office is owned by The Almshouse Charity and its use is provided free of charge;
- 2) the charity shares its clerk with The Almshouse Charity, at a charge of £2,240 (25% of total costs); and
- 3) the charity paid a grant to the Almshouse charity of £1,720.

The principal address of The Almshouse Charity of John Shaftoe is Shaftoe Terrace, Haydon Bridge, Northumberland, NE47 6BW.

**SHAFTOE EDUCATIONAL FOUNDATION**

England & Wales - Charity number 528101

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# Accounts

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**SHAFTOE EDUCATIONAL FOUNDATION**

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

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**SHAFTOE EDUCATIONAL FOUNDATION**

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**CONTENTS**

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	Page
<b>Reference and administrative details of the Charity, its Trustees and advisers</b>	1
<b>Trustees' report</b>	2 - 7
<b>Independent examiner's report</b>	8
<b>Statement of financial activities</b>	9
<b>Balance sheet</b>	10
<b>Notes to the financial statements</b>	11 - 21

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## SHAFTOE EDUCATIONAL FOUNDATION

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

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<b>Trustees</b>	Mr J.J. Drydon (Co-optative), Chair Mr J.C. Wardle (Co-optative) Mr E. Brown (Appointed by the Parish Council of Haydon Bridge) Mrs L.A. Gilhespy (Appointed by the Parish Council of Haydon Bridge) Mr B.L. Bates (Co-optative) Mrs P. Collis (Co-optative) Mrs D. Wardle (Co-optative) Mr E. Faulks (Appointed by the Parish Council of Haydon Bridge) Mrs K. Richardson (Appointed by the Parish Council of Haydon Bridge) (appointed 12 November 2020)
<b>Charity registered number</b>	528101
<b>Principal office</b>	Shaftoe Terrace Haydon Bridge NE47 6BW
<b>Clerk to the Trustees</b>	Mr S. Exham
<b>Accountants</b>	Ryecroft Glenton Chartered Accountants 32 Portland Terrace Newcastle upon Tyne NE2 1QP
<b>Bankers</b>	HSBC Bank Plc Fore Street Hexham Northumberland NE46 1LY
<b>Investment advisors</b>	Brewin Dolphin Time Central Gallowgate Newcastle upon Tyne NE1 4SR

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## SHAFTOE EDUCATIONAL FOUNDATION

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

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The Trustees present their annual report together with the financial statements of the Shaftoe Educational Foundation for the year 1 April 2020 to 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### Objectives and activities

##### ● Policies and objectives

The objectives of the charity are determined by the requirements of the scheme as to the use of the income of the charity.

The Trustees shall first pay out of yearly income of the charity the sum of £220 to the Almshouse Charity of John Shaftoe. The Trustees shall next defray out of the income of the charity, the cost of repairs and insurance and all other charges and outgoings in respect of the property of the charity and all proper costs, charges and expenses of and incidental to the administrations and management of the charity. The Trustees shall then apply the income of the charity at their discretion in one or more of the following ways:

- (1) in making an additional yearly payment of not less than £1,500 and not more than one-quarter of the clear income of the charity to the Almshouse Charity of John Shaftoe for application for the general purposes of that charity;
- (2) in providing for the Shaftoe Trust WISE academies or for any other school or in substantially serving the Parish of Haydon Bridge such special benefits of any kind which advance the education of the school pupils and constitute an efficient and proper way of furthering the charity's purposes; and
- (3) in otherwise promoting the education, including social and physical training, of persons resident or who have a parent or parents resident in Haydon Bridge parish.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### ● Activities undertaken to achieve objectives

In addition to providing grants to the Almshouse Charity of John Shaftoe as required by the Charity Commission scheme, the charity makes grants to schools which are attended by children of the parish and also provides financial assistance for those undertaking higher or further education or vocational training.

##### ● Main activities undertaken to further the Charity's purposes for the public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. The charity is able to assist with the further education of residents in the parish of Haydon Bridge through the provision of grants which have to be applied for through a structured process. The two schools also benefit from financial assistance which therefore benefits all students in those establishments over and above that provided by Northumberland County Council. The Charity's support is provided to Haydon Bridge Shaftoe Trust WISE academies and Haydon Bridge High School.

The charity has also provided grants for refurbishment of almshouse properties held by its connected charity the Almshouse Charity of John Shaftoe for the benefit of the residents of the almshouses.

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## SHAFTOE EDUCATIONAL FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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#### Achievements and performance

##### • Key performance indicators

The Trustees review key sources of income and expenditure to monitor the performance of the charity. These include:

- Income arising from investment properties which has increased due to refurbished properties becoming available for let;
- Income arising from listed investments which has remained constant; and
- Planned expenditure on refurbishments.

These allow the governors to assess funds available to support its charitable purposes.

The investments are invested to produce a balance of income and capital growth over the longer term.

The charity aims to:

- At least maintain the real value of the assets of the charity;
- Generate a sustainable return to fund annual grant making for its charitable purposes; and
- Produce best financial return within an acceptable level of risk.

##### • Review of activities

The Trustees report a surplus for the year before investment movements of £42,950 (2020: surplus of £65,236).

Grants totalling £44,905 (2020 - £50,610) were made available during the year. Grants totalling £6,250 have been written back in the year in respect of unrepresented cheques pre 2019.

There were total net investment gains of £480,825. This is attributable to movements on the investment portfolio, of which £44,145 is endowed funds and £111,680 to general funds, and a realised gain of £325,000 attributable to the disposal of the steading and cottage at Mousen, all of which has been attributed to endowed funds.

Since the recent development at Haydon Bridge High School is now complete and a new Head Teacher has been appointed, the Foundation has been requested to assist with several projects, details of which will appear in next year's report. Following the appointment of a new Head Teacher at Haydon Bridge Shaftoe Trust WISE Academy, further grants have been agreed to support a trainee teaching assistant and creation of a Forest School. Several other avenues are being explored. No grants to local organisations have been made during the period of the pandemic as no communal activities have been taking place. It is hoped these will resume in due course. Additional grants were made to all university students supported by the charitable trust and living away from home to mitigate the pressures brought about by the Covid 19 pandemic.

Strutt & Parker took over as Managing Agents for the Mousen Estate on 1 June 2016, replacing Turvey Westgarth, who had been the Agents since 2005. They have focused on delivering the actions identified in the Strategic Review of the Mousen Estate which they undertook in 2016, and have also focused on progressing the submission of a planning application to Northumberland County for the redevelopment of the steading at New Mousen into housing units. They developed a 5 year indicative maintenance programme and budget agreed at the Governors meeting on 9 March 2017.

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## SHAFTOE EDUCATIONAL FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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#### Achievements and performance (continued)

- **Investment policy and performance**

The Trustees are required to invest all sums of cash, other than those needed for the immediate working purposes at their discretion, subject to the requirements of the Trustee Investments Act 1961.

The investments are vested with Brewin Dolphin. Funds are invested to maximise investment income whilst protecting the underlying capital investment.

The charity's property which is permanently endowed, and vested in the Official Custodian for Charities comprises freehold land at Haydon Bridge and Mousen Estate, Northumberland as described more fully in notes 9 and 10.

The Trustees review funds under investment quarterly and are satisfied with their performance.

The Trustees, in conjunction with their investment advisers Brewin Dolphin, developed a new Investment Policy during 2015, which was adopted at the meeting on 12 November 2015. It was further reviewed at the March 2018 meeting and no changes were made to the investment policy.

#### Financial review

- **Going concern**

Liquid funds continue to be held for grant-making activities. After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

The Trustees have considered Going Concern in the context of the continuing coronavirus pandemic. The operational aspects of the Charity do not change, and the objects of the Charity is enhanced by the need to support the education of young people. The pandemic will have little or no impact on the Charity's current financial position other than the value of its investments which are not required for operational purposes in the next twelve months following the approval of these Financial Statements, and in investment income to a small extent.

There has been an improvement in investment returns (following a sharp decline in March 2020) in the year to 31 March 2021 with a gain of £155,825 overall.

- **Reserves policy**

The Trustees have carefully considered the need to retain reserves in the light of their dependence on agricultural rents for the bulk of their endowment income. They are satisfied that it is prudent to maintain an investment portfolio capable of generating enough income to support the management and administration of the charity, supplemented by liquid reserves to cover exceptional repair or renovation of buildings, and to ensure the availability of funds to maintain their ability to respond to meritorious grant applications.

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## SHAFTOE EDUCATIONAL FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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#### Structure, governance and management

##### ● Constitution

Shaftoe Educational Foundation is constituted by a Charity Commission scheme.

The charity was registered with the Charity Commission on 9 October 1985 and was allocated Charity No. 528101.

There have been no changes in the objectives since the last annual report.

##### ● Methods of appointment or election of Trustees

The body of Trustees shall consist when complete of nine competent persons being  
Four Nominative Trustees and  
Five Co-optative Trustees

The four nominative Trustees shall be appointed by Haydon Bridge Parish Council

Every nominative trustee shall be appointed for a term of four years. Each appointment shall be made at a meeting convened and held according to the ordinary practice of the appointing council. The chairman of the meeting shall cause the name of each person appointed to be notified forthwith to the Trustees or their clerk. The person appointed may be but need not be a member of the appointing council.

The Co-optative Trustees shall be persons who through residence, occupation or employment, or otherwise have special knowledge of the Parish of Haydon Bridge.

Every Co-optative Trustee shall be appointed for a term of five years by a resolution of the Trustees passed at a special meeting of which not less than 21 days' notice has been given and may be so appointed not more than one month before the term of an existing co optative Trustee expires with effect from the date of expiry but so that the latter shall not vote on the matter.

No Trustee shall take or hold any interest in property belonging to the charity otherwise than as a Trustee for the purposes thereof and no Trustee shall receive remuneration or be interested in the supply of work or goods, at the cost of the charity.

##### ● Organisational structure and decision-making policies

The Trustees meet regularly to award grants and to review the management of the funds under investment and the investment properties. Advice is obtained from investment and property advisers as necessary at these meetings.

##### ● Policies adopted for the induction and training of Trustees

Induction and training of Trustees is carried out at appointment and when changes to charity law take place.

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## SHAFTOE EDUCATIONAL FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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#### Structure, governance and management (continued)

- **Related party relationships**

The Almshouse Charity of John Shaftoe is a connected charity. The two organisations have a common board of Trustees and were originally one charity, founded in 1685.

- **Financial risk management**

The principal risk to the charity is in the management of investment funds and properties. In order to minimise the risk, these investments are managed by independent professional firms appointed by the Trustees in accordance with professional terms of engagement. Wherever possible the properties held are insured to further mitigate risk of loss or curtailment.

The Trustees continue to review their policies for the proper management of risk. They are satisfied that they have done all that is reasonable to enable the charity to continue to operate, even though in extreme circumstances its ability to make grants may be curtailed.

The investment policy has a detailed section on risk, covering: land and property risk; investment risk and charity specific risk.

A revised risk policy was agreed at the meeting on 14 July 2016.

The Trustees have updated a number of policies. The main development has been to adopt a new Trustee Code of Conduct Policy at the 8 March 2018 meeting, which also includes a revised Conflicts of Interest Policy, a Register of Interests Statement for Trustees and a Confidentiality Statement for Trustees. At the same meeting the Trustees also adopted a new Financial Controls Policy.

- **Future developments**

Having disposed of the Steading at Mousen together with an adjacent cottage, Strutt & Parker is in process of drawing up the next five year strategic plan which will be presented to the Trustees in November 2021. Among matters being considered are improving land drainage and increased tree planting where appropriate.

The Trustees intend to continue to support the educational needs of the schools in Haydon Bridge and their pupils, the Almshouse Charity of John Shaftoe, and other causes local to Haydon Bridge as necessary.

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## SHAFTOE EDUCATIONAL FOUNDATION

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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#### Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its 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 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

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

Approved by order of the members of the board of Trustees on 25 August 2021 and signed on their behalf by:

**J J Drydon**

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## SHAFTOE EDUCATIONAL FOUNDATION

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### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2021

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#### Independent examiner's report to the Trustees of Shaftoe Educational Foundation ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2021.

#### Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

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

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Dated: 26 August 2021

Detlev Anderson FCA

#### Ryecroft Glenton

Chartered Accountants  
32 Portland Terrace  
Newcastle upon Tyne

NE2 1QP

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**SHAFTOE EDUCATIONAL FOUNDATION**

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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

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	Note	Endowment funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income and endowments from:</b>					
Investments	3	-	195,779	195,779	196,462
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total income and endowments</b>		-	195,779	195,779	196,462
<b>Expenditure on:</b>					
Raising funds	4	53,676	43,178	96,854	70,671
Charitable activities	5	-	48,934	48,934	60,555
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total expenditure</b>		53,676	92,112	145,788	131,226
<b>Net (expenditure)/income before net gains/(losses) on investments</b>		(53,676)	103,667	49,991	65,236
Net gains/(losses) on investments		413,012	67,813	480,825	(75,558)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>		359,336	171,480	530,816	(10,322)
<b>Reconciliation of funds:</b>					
Total funds brought forward		7,874,983	785,931	8,660,914	8,671,236
Net movement in funds		359,336	171,480	530,816	(10,322)
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>		8,234,319	957,411	9,191,730	8,660,914

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

The notes on pages 11 to 21 form part of these financial statements.

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**SHAFTOE EDUCATIONAL FOUNDATION**

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**BALANCE SHEET  
AS AT 31 MARCH 2021**

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	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	9	15,000	15,000
Investments	11	1,449,226	800,346
Investment property	10	7,495,000	7,670,000
		<u>8,959,226</u>	<u>8,485,346</u>
<b>Current assets</b>			
Debtors	12	44,239	44,015
Cash at bank and in hand		217,688	150,204
		<u>261,927</u>	<u>194,219</u>
Creditors: amounts falling due within one year	13	(29,423)	(18,651)
		<u>232,504</u>	<u>175,568</u>
<b>Total assets less current liabilities</b>		<u>9,191,730</u>	<u>8,660,914</u>
<b>Net assets excluding pension asset</b>		<u>9,191,730</u>	<u>8,660,914</u>
<b>Total net assets</b>		<u><u>9,191,730</u></u>	<u><u>8,660,914</u></u>
<b>Charity funds</b>			
Endowment funds	14	8,234,319	7,874,983
Unrestricted funds	14	957,411	785,931
<b>Total funds</b>		<u><u>9,191,730</u></u>	<u><u>8,660,914</u></u>

The financial statements were approved and authorised for issue by the Trustees on 25 August 2021 and signed on their behalf by:

**J J Drydon**  
(Trustee)

The notes on pages 11 to 21 form part of these financial statements.

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

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**1. General information**

Shaftoe Educational Foundation is a charitable trust, charity registration number 528101. The principal office is Shaftoe Terrace, Haydon Bridge, NE47 6BW.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the FRS 102 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Shaftoe Educational Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

Having made due enquiry the Trustees are satisfied that the going concern basis of accounting is appropriate in preparing the annual financial statements. Whilst the value of the Charity's investments may be affected by volatility in the stock market, other than a short period in March and April 2020 when the value of investments fell, but since recovered, the operations of the Charity remains unaffected as its investments are not required for operational purposes in the next twelve months following the approval of these financial statements.

**2.3 Income**

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

**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.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

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2. Accounting policies (continued)

2.4 Expenditure (continued)

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

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a Charity may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the Statement of financial activities, with a separate revaluation reserve being shown in the Statement of funds note.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Freehold property	- Nil, held at valuation
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2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.7 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Endowment funds represent the original endowment of the charity

Investment income, gains and losses are allocated to the appropriate fund.

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**SHAFTOE EDUCATIONAL FOUNDATION**

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

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**3. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Rents receivable	172,792	<b>172,792</b>
Investment income	22,919	<b>22,919</b>
Bank interest	68	<b>68</b>
<b>Total 2021</b>	<b>195,779</b>	<b>195,779</b>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Rents receivable	171,002	171,002
Investment income	25,222	25,222
Bank interest	238	238
<i>Total 2020</i>	<i>196,462</i>	<i>196,462</i>

**4. Cost of raising funds**

	<b>Endowment funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Investment management fees	1,968	4,977	<b>6,945</b>
Property management fees	-	19,738	<b>19,738</b>
Property rates, repairs and maintenance costs	4,711	11,127	<b>15,838</b>
Insurance	-	4,609	<b>4,609</b>
Legal and professional fees associated with land sale	46,997	-	<b>46,997</b>
Sundry expenses	-	2,727	<b>2,727</b>
<b>Total 2021</b>	<b>53,676</b>	<b>43,178</b>	<b>96,854</b>

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## SHAFTOE EDUCATIONAL FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 4. Cost of raising funds (continued)

	<i>Endowment funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment management fees	2,117	5,357	7,474
Property management fees	-	21,370	21,370
Property rates, repairs and maintenance costs	8,328	21,073	29,401
Insurance	-	5,039	5,039
Legal and professional fees	-	4,635	4,635
Sundry expenses	-	2,752	2,752
<i>Total 2020</i>	<u>10,445</u>	<u>60,226</u>	<u>70,671</u>

#### 5. Analysis of expenditure by activities

	<b>Grant funding of activities 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>
Charitable activities	<u>38,655</u>	<u>10,279</u>	<u>48,934</u>

	<i>Grant funding of activities 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Charitable activities	<u>50,610</u>	<u>9,945</u>	<u>60,555</u>

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## SHAFTOE EDUCATIONAL FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 5. Analysis of expenditure by activities (continued)

##### Analysis of support costs

	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Clerk fees' and expenses	<b>6,439</b>	6,465
Governance	<b>3,840</b>	3,480
	<b>10,279</b>	9,945

Governance costs comprises of £3,840 Independent examination fees (2020: £3,480) inclusive of VAT.

#### 6. Grant funding of activities

	<b>2021 £</b>	<i>2020 £</i>
Shaftoe Wise Academies - 5 grants (2020: 8)	<b>9,485</b>	23,076
Individuals - 46 grants (2020: 30)	<b>30,500</b>	20,400
Haydon Bridge Playgroup and Tiny Tots - 1 grant (2020:1)	<b>2,000</b>	2,000
Almshouse Charity of John Shaftoe - 1 grant (2020: 1)	<b>1,720</b>	1,720
Haydon Bridge High School - 2 grants (2020: 2)	<b>1,200</b>	632
Children's activities - 0 grants (2020: 1)	-	500
Haydon Bridge Scout Group - 0 grants (2020 : 1)	-	780
Hexham Junior Netball Club - 0 grants (2020: 1)	-	1,000
Shaftoe Young Farmers - 0 grants (2020: 1)	-	250
Shaftoe Singers - 0 grants (2020: 1)	-	252
Reversal of 5 unrepresented grants (pre 2019)	<b>(6,250)</b>	-
	<b>38,655</b>	50,610

#### 7. Independent examiner's remuneration

	<b>2021 £</b>	<i>2020 £</i>
Fees payable to the Charity's independent examiner for the independent examination and preparation of the Charity's annual accounts	<b>3,840</b>	3,480

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## SHAFTOE EDUCATIONAL FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year, no Trustee expenses have been incurred (2020 - £NIL).

#### 9. Tangible fixed assets

	Freehold property £
<b>Cost or valuation</b>	
At 1 April 2020	15,000
At 31 March 2021	<u>15,000</u>
<b>Net book value</b>	
At 31 March 2021	<u>15,000</u>
At 31 March 2020	<u>15,000</u>

The charity's real property is permanently endowed and is vested in the Official Custodian.

The above relates to land at Haydon Bridge with buildings, known as Shaftoe Trust WISE Academies. Its original cost is not known.

These properties are let on a long lease at a peppercorn rent to WISE Academies. The properties are valued by the Trustees at their fair value to reflect the lease rents arising.

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**SHAFTOE EDUCATIONAL FOUNDATION**

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

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**10. Investment property**

	Freehold agricultural estate £
<b>Valuation</b>	
At 1 April 2020	7,670,000
Disposals	(175,000)
At 31 March 2021	<u>7,495,000</u>

The last valuations were made by Turvey Westgarth Land & Property Consultants on the Mousen Estate, and by the Trustees on the properties at Haydon Bridge, in March 2015, on an open market value for existing use basis.

The cost of the properties is not known.

The charity sold a property during the year with an estimated March 2015 value of £175,000 and proceeds of £500,000. The realised profit has been credited to endowment fund, and the proceeds added to fixed asset investments.

**11. Fixed asset investments**

	Listed investments £	Cash held for re- investment £	Total £
<b>Cost or valuation</b>			
At 1 April 2020	772,952	27,394	800,346
Additions	707,143	710,313	1,417,456
Disposals	(210,314)	(714,087)	(924,401)
Revaluations	155,825	-	155,825
At 31 March 2021	<u>1,425,606</u>	<u>23,620</u>	<u>1,449,226</u>
<b>Net book value</b>			
At 31 March 2021	<u>1,425,606</u>	<u>23,620</u>	<u>1,449,226</u>
At 31 March 2020	<u>772,952</u>	<u>27,394</u>	<u>800,346</u>

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**SHAFTOE EDUCATIONAL FOUNDATION**

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

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**Investments at market value comprise**

	<b>2021</b>	<b>2020</b>
	£	£
Listed investments	<b>1,425,606</b>	772,952
Bank deposit account	<b>23,620</b>	27,394
	<u><b>1,449,226</b></u>	<u>800,346</u>

All of the fixed asset investments are held in the U.K.

**12. Debtors**

	<b>2021</b>	<b>2020</b>
	£	£
<b>Due within one year</b>		
Accrued rental income	<b>40,384</b>	40,384
Prepayments and accrued income	<b>3,855</b>	3,631
	<u><b>44,239</b></u>	<u>44,015</u>

**13. Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	£	£
Amounts due to Almshouse Charity of John Shaftoe	<b>20,583</b>	10,469
Other creditors	<b>4,600</b>	4,302
Administration accruals	<b>4,240</b>	3,880
	<u><b>29,423</b></u>	<u>18,651</u>

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**SHAFTOE EDUCATIONAL FOUNDATION**

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

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**14. Statement of funds****Statement of funds - current year**

	<b>Balance at 1 April 2020</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/ (Losses)</b>	<b>Balance at 31 March 2021</b>
	£	£	£	£	£
<b>Unrestricted funds</b>					
General Funds	<b>785,931</b>	<b>195,779</b>	<b>(92,112)</b>	<b>67,813</b>	<b>957,411</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Endowment funds</b>					
Endowment Fund	<b>7,874,983</b>	<b>-</b>	<b>(53,676)</b>	<b>413,012</b>	<b>8,234,319</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total of funds</b>	<b>8,660,914</b>	<b>195,779</b>	<b>(145,788)</b>	<b>480,825</b>	<b>9,191,730</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Unrestricted funds are those funds that the Trustees are free to use in accordance with the charitable objectives.

Endowment funds represent the original endowment of the charity.

**Statement of funds - prior year**

	<i>Balance at 1 April 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2020</i>
	£	£	£	£	£
<b>Unrestricted funds</b>					
General Funds	<b>764,402</b>	<b>196,462</b>	<b>(120,781)</b>	<b>(54,152)</b>	<b>785,931</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Endowment funds</b>					
Endowment Fund	<b>7,906,834</b>	<b>-</b>	<b>(10,445)</b>	<b>(21,406)</b>	<b>7,874,983</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total of funds</b>	<b>8,671,236</b>	<b>-</b>	<b>(131,226)</b>	<b>(75,558)</b>	<b>8,660,914</b>
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**SHAFTOE EDUCATIONAL FOUNDATION**

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

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**15. Analysis of net assets between funds****Analysis of net assets between funds - current year**

	<b>Endowment funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	15,000	-	<b>15,000</b>
Fixed asset investments	724,319	724,907	<b>1,449,226</b>
Investment property	7,495,000	-	<b>7,495,000</b>
Current assets	-	261,927	<b>261,927</b>
Creditors due within one year	-	(29,423)	<b>(29,423)</b>
<b>Total</b>	<b>8,234,319</b>	<b>957,411</b>	<b>9,191,730</b>

**Analysis of net assets between funds - prior year**

	<i>Endowment funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	15,000	-	15,000
Fixed asset investments	189,983	610,363	800,346
Investment property	7,670,000	-	7,670,000
Current assets	-	194,219	194,219
Creditors due within one year	-	(18,651)	(18,651)
<b>Total</b>	<b>7,874,983</b>	<b>785,931</b>	<b>8,660,914</b>

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## SHAFTOE EDUCATIONAL FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 16. Connected charities

The Almshouse Charity of John Shaftoe is a connected charity. The two organisations have a common board of Trustees and were originally one charity, founded in 1685.

Balances with The Almshouse Charity of John Shaftoe are disclosed in note 13. In addition

- 1) the charity shares an office with The Almshouse Charity; the office is owned by The Almshouse Charity and its use is provided free of charge; and
- 2) the charity shares its clerk with The Almshouse Charity, at a charge of £2,146 (25% of total costs).
- 3) the charity paid a grant to the Almshouse charity of £1,720 (per note six to the financial statements)

The principal address of The Almshouse Charity of John Shaftoe is Shaftoe Terrace, Haydon Bridge, Northumberland, NE47 6BW.