

**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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## 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.

**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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**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.

**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.



**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
		-	195,779	195,779	196,462
<b>Total income and endowments</b>					
<b>Expenditure on:</b>					
Raising funds	4	53,676	43,178	96,854	70,671
Charitable activities	5	-	48,934	48,934	60,555
		53,676	92,112	145,788	131,226
<b>Total expenditure</b>					
<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)
		359,336	171,480	530,816	(10,322)
<b>Net movement in funds</b>					
<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)
		8,234,319	957,411	9,191,730	8,660,914
<b>Total funds carried forward</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 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)
<b>Net current assets</b>		<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.

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**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

	Unrestricted funds 2021 £	Total funds 2021 £
Rents receivable	172,792	172,792
Investment income	22,919	22,919
Bank interest	68	68
<b>Total 2021</b>	<b>195,779</b>	<b>195,779</b>
	Unrestricted funds 2020 £	Total funds 2020 £
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

	Endowment funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
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 associated with land sale	46,997	-	46,997
Sundry expenses	-	2,727	2,727
<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

	<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>

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

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

#### 6. Grant funding of activities

	<b>2021 £</b>	<b>2020 £</b>
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>	<b>50,610</b>

#### 7. Independent examiner's remuneration

	<b>2021 £</b>	<b>2020 £</b>
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	15,000
<b>Net book value</b>	
At 31 March 2021	15,000
At 31 March 2020	15,000

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  
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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
	<b>1,449,226</b>	<b>800,346</b>

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
	<b>44,239</b>	<b>44,015</b>

**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
	<b>29,423</b>	<b>18,651</b>

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**SHAFTOE EDUCATIONAL FOUNDATION**

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FOR THE YEAR ENDED 31 MARCH 2021**

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

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
General Funds	785,931	195,779	(92,112)	67,813	957,411
<b>Endowment funds</b>					
Endowment Fund	7,874,983	-	(53,676)	413,012	8,234,319
<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>

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 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>					
General Funds	764,402	196,462	(120,781)	(54,152)	785,931
<b>Endowment funds</b>					
Endowment Fund	7,906,834	-	(10,445)	(21,406)	7,874,983
<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.